

## Energy audit can alert home buyer to problems that could be costly in the long run

By [Kenneth R. Harney](#), Published: May 4

It may be the best-kept secret in home real estate: For a couple of hundred dollars, a prospective buyer can add a formal energy audit to the standard inspection.

That audit might save the buyer thousands of dollars in future operating costs by pinpointing features of the house that need correction to improve efficiency. It might also be a tip-off to a sobering reality: This house is an energy guzzler. And that might prompt the buyer to say: Either the asking price comes down, the seller fixes the problems, or I walk.

Though energy audits have been available for years — the best-known is called HERS (Home Energy Rating System) — virtually nobody in the real estate field promotes them to buyers. Of the 120,000 HERS audits completed last year in the country, according to experts, just 12,000 were done on existing houses, a trivial number in a market with 4.5 million resales. The rest were performed on newly built homes.

Since energy costs rank high on the list of ongoing expenses for many homeowners, and since multiple studies have demonstrated that energy-efficiency renovations more than pay for themselves in utility-bill savings, why aren't more audits performed? In an era of \$4-a-gallon gas and autos that are promoted for their low fuel consumption, shouldn't buyers know about the operating costs of the houses they are bidding on? Shouldn't energy audit contingency clauses be as commonplace in purchase contracts as home inspection clauses?

Realty agents who primarily list houses and represent sellers say buyers almost never ask for them. Nor do sellers, who prefer to avoid giving purchasers ammunition to make lower offers during negotiations or costly demands for repairs before closing.

Even real estate agents who have completed the "EcoBroker" training program — described on the company's Web site as "the premier green designation for real estate professionals" — don't necessarily push the subject.

Frances Vernon, an EcoBroker with Dilbeck Real Estate Real Living in La Canada, Calif., said in an interview that she has "never been asked by a buyer or seller" to order a HERS energy audit on a house. "It's just not done here. It's not a pressing issue."

June Gardner, an EcoBroker with the Evers & Co. realty firm in Washington, says, "It's not on people's minds, really. They're much more worried about mold or radon and lead paint" — the sort of defects that standard home inspections turn up.

Of four EcoBroker designees randomly selected for interviews, only one said he regularly recommends energy audits to both sellers and purchasers, and he finds that they help sell houses — even raise prices — rather than wreck deals.

Leland DiMeco, owner and principal broker of Boston Green Realty, said that although not all clients opt for one, "I do bring it to the table" with everyone. "It just makes sense. Most buyers want to feel comfortable that they've done their due diligence and know what they're getting." Even sellers are warming to the idea.

DiMeco recently made the energy audit pitch to the sellers of an 87-year-old New England colonial that had significant energy leakage and efficiency problems. The sellers agreed to do a HERS audit, then spent money putting spray cellulose insulation in the attic, replacing the leakiest windows, upgrading interior lighting and replacing some low-efficiency appliances.

The result: Shoppers loved seeing the energy audit, the upgrades and the seller's full disclosures. The house sold six days after listing for \$50,000 more than any energy-wasting, nearby comparables. Doing the HERS audit "turned out to be a great marketing benefit for the sellers," said DiMeco, even though they needed some convincing up front.

Steve Baden, executive director of Resnet, the organization that trains and certifies inspectors conducting HERS audits, says that although the "adoption rate" on existing homes "has been low," builders of new homes have been enthusiastic. Forty percent of all new homes now get HERS audits and scores, he said.

About 4,000 auditors are now certified to conduct HERS studies — they can be found, along with information on contractors to do energy efficiency improvements, at [www.resnet.us](http://www.resnet.us). Equally important to home buyers, according to Baden: Resnet has negotiated agreements with two of the largest home inspection networks to begin offering lower-cost energy-efficiency surveys and performance audits as add-ons to standard inspections. Once this becomes commonplace, there may be little need for separate contract contingencies for energy. Energy efficiency will just be part of the package.

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