

“What Works”

From Design to Launch: Home Energy Rebate Program Implementation

Robin LeBaron, President and Co-Founder
NASEO Annual Meeting
October 1, 2024



**Pearl Certification was founded to
drive residential energy efficiency
and renewables at scale**



Where Are We Today?

49

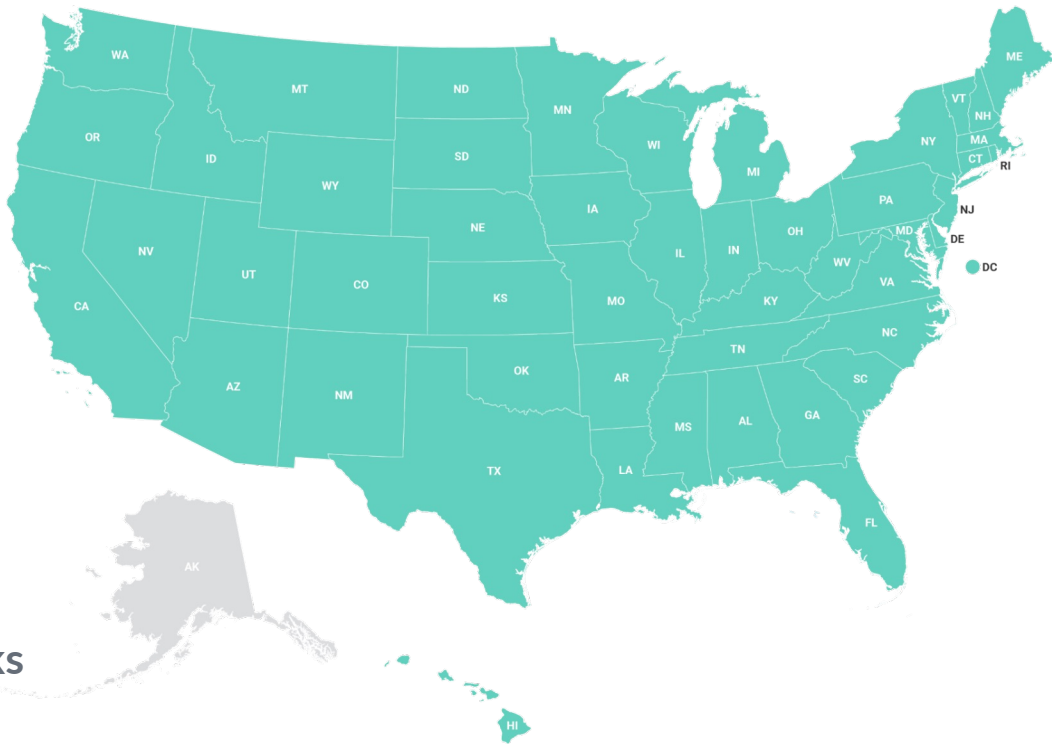
Active States

230K

Certified Homes



National Contractor, Builder,
and Real Estate Agent Networks



IRA Market Transformation requirements

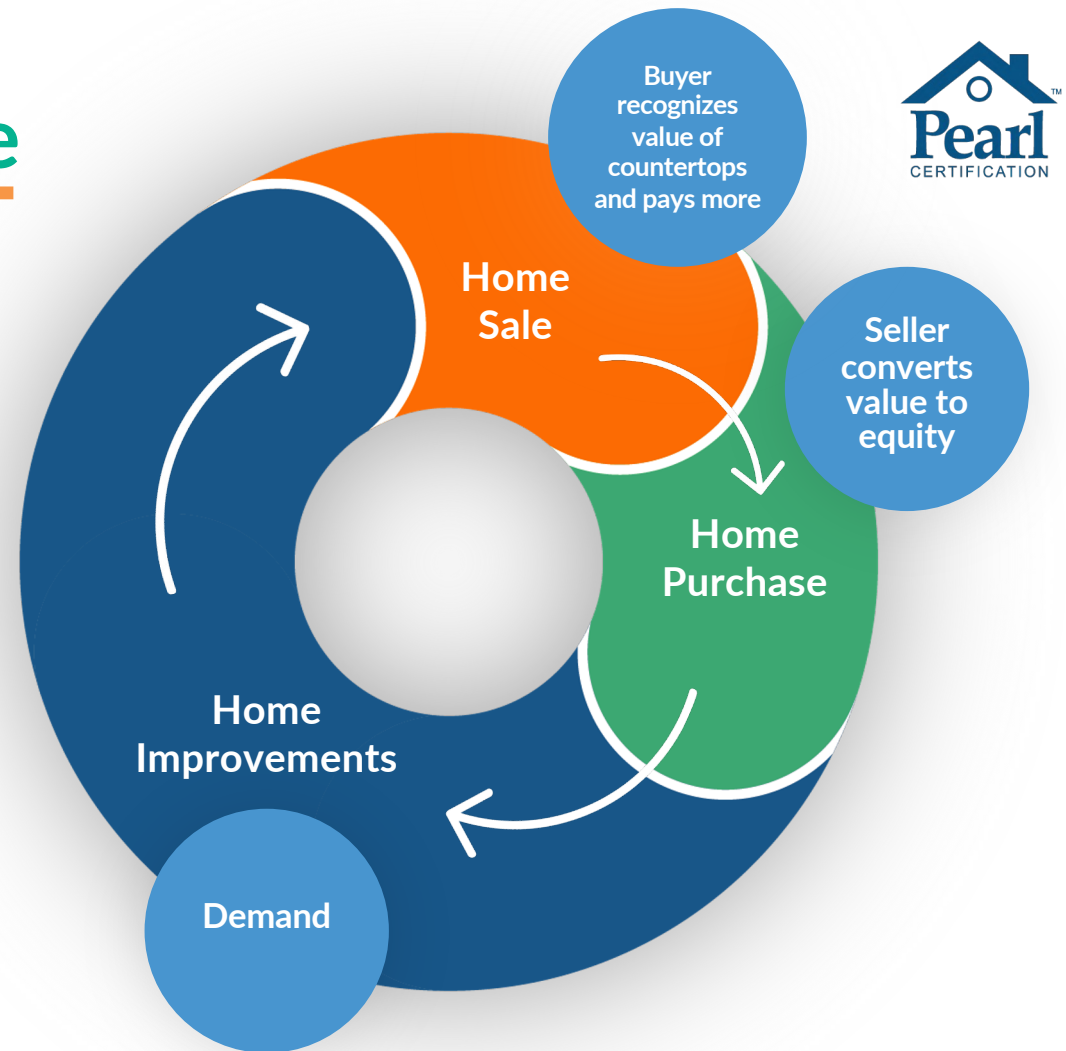
All states must submit market transformation plans within one year of award

DOE just released detailed guidance

- Ensuring that the value of energy efficiency is properly valued is a priority opportunity
- Valuing energy efficiency also required by underlying statute through the certification requirement

The Home Value Cycle

- ✓ Home **BUYER** sees the high-performing features and benefits in the home.
- ✓ Home **SELLER** captures the value of the improvements in the sale price.
- ✓ Home **OWNER** makes more improvements, with the expectation of capturing value, effectively creating **DEMAND for high-performance**



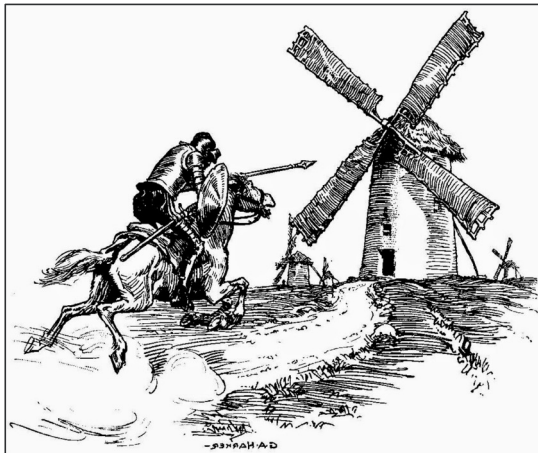
What Works?

**Engaging the real estate sector –
and getting them what they need**



From “ecobrokers” to NAR “Strategic Opportunity”

100 “green” agents
vs 700 MLS’s



THE NAR 2023-2025 STRATEGIC PLAN

Strategic Opportunity: Climate and Sustainability

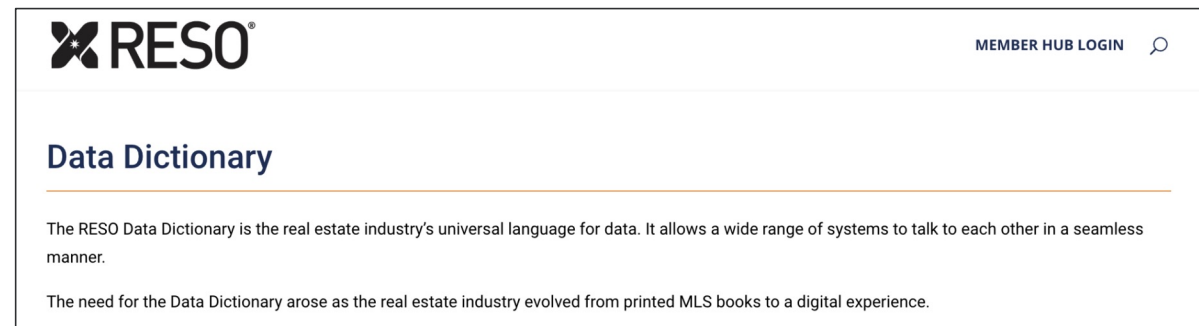
2025 Objectives

1. Raise member understanding of the impact of climate change and the importance of sustainability practices to our industry.
2. Become the recognized leader, advocate and resource for industry and community sustainability and resiliency.



Data integrations are finally coming

RESO data dictionary provides common language – with some efficiency terms



The screenshot shows the top of a webpage for the RESO Data Dictionary. The RESO logo is in the top left, and 'MEMBER HUB LOGIN' with a magnifying glass icon is in the top right. Below the header, the title 'Data Dictionary' is underlined. The main text explains that the dictionary is the industry's universal language for data, allowing systems to talk to each other seamlessly. It also notes that the need for the dictionary arose as the industry moved from printed MLS books to a digital experience.



The screenshot shows the top of a Business Insider article. The 'BUSINESS INSIDER' logo is on the left, and 'MARKETS INSIDER' is on the right. The main headline reads: 'Pearl Certification and Ocusell Announce Strategic Partnership to Enhance Listing Inputs With Energy Efficiency Certifications'.

Integrations put information about efficiency in consumers' hands

Real estate agents are leaning in

Sustainability

[Featured](#) [Political Advocacy](#) [References](#) [Upcoming Events](#)



NAR provides strategies for sustainability that benefit members, associations, and communities. The REALTOR® Sustainability program conducts outreach to members, trade associations, and agencies to raise awareness and engagement in NAR sustainability efforts. The program also introduces corporate social responsibility and triple bottom line concepts into NAR's decision-making practices, allowing NAR to educate and support sustainability efforts in real estate using our 10-year Sustainability and Resilience Plan's pillars in environmental, social, governance, and resilience contexts.

Latest on this topic

Sustainable Spaces: Landscaping

September 20, 2024



Real Estate Undergoing a Sustainable Revolution

September 14, 2024



NAR Fulfills Pledge to Plant



What Works?

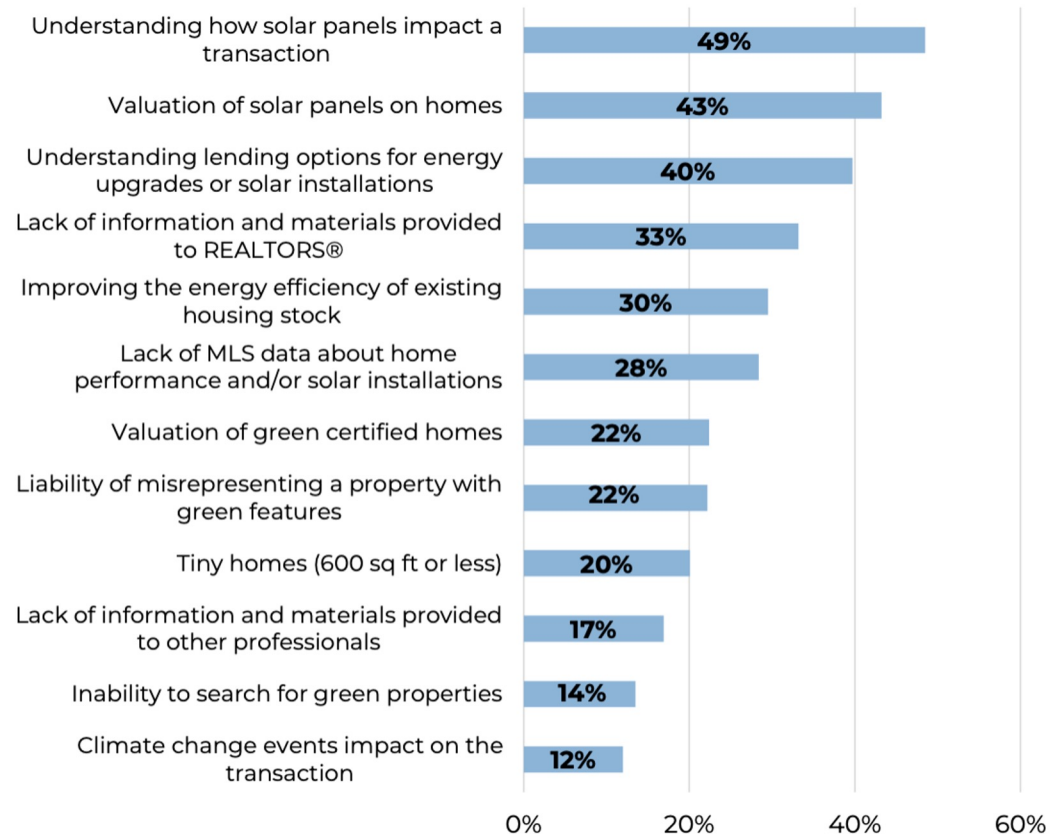
Engaging the real estate sector –
and getting them what they need

Agents need support

2024 REALTORS® and Sustainability Report – Residential



Market Issues and Considerations



Note: Respondents were permitted to select as many responses as they felt applicable. The percentage distribution may therefore sum to more than 100 percent.



Give agents the tools they need

One of the main reasons that real estate professionals have historically hesitated to showcase high-performance in a home is that the process can be time-consuming and requires technical knowledge.

Ten years ago, selling high-performance homes required unusual expertise and real dedication on the part of the agent, who often had to improvise solutions that the market did not provide. Under those circumstances, it is understandable that “green” was seen as something of a niche specialty.

Now, things have changed dramatically for the better. The educational, database, and marketing materials provided by organizations like NAR, Elevate, the Green Building Registry, and Pearl Certification have vastly simplified the process of selling a high-performance home.

from *Selling and Valuing High Performing Homes*

— by Craig Foley, REALTOR®, LEED GA



What homeowners care about

features and benefits

Feature	
Homeowner	Agent
1. Finished Basement	1. Open Floor Plan
2. Patio/deck	2. Finished Basement
3. Open Floor Plan	3. Patio/deck
4. Attic Insulation	4. Stainless Steel Appliances
5. Stainless Steel Appliances	5. Attic Insulation
6. Air Sealing	6. Air Sealing
7. Heat Pump	7. Heat Pump

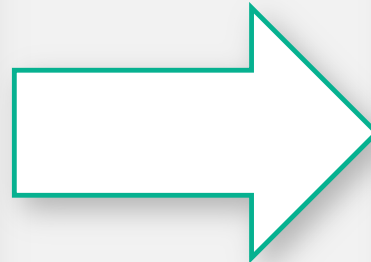
Benefit	
Homeowner	Agent
1. Finished Basement	1. Open Floor Plan
2. Heat Pump	2. Finished Basement
3. Attic Insulation	3. Patio/deck
4. Patio/deck	4. Stainless Steel Appliances
5. Air Sealing	5. Attic Insulation
6. Open Floor Plan	6. Air Sealing
7. Stainless Steel Appliances	7. Heat Pump

From numbers and features



to benefits

EFFICIENCY FEATURES (Water, Energy, and Environmental. See types defined in glossary).			
The following items are considered within the appraisal analysis of the subject property:			
Insulation	<input type="checkbox"/> Fiberglass Blown-In <input type="checkbox"/> Foam Insulation <input type="checkbox"/> Cellulose <input type="checkbox"/> Fiberglass Batt Insulation <input type="checkbox"/> R-Value Wall <input type="checkbox"/> Ceiling <input type="checkbox"/> Other		
Building Envelope	Envelope Tightness: Unit: <input type="checkbox"/> CFM25 <input type="checkbox"/> CFM50 <input type="checkbox"/> ACH50 <input type="checkbox"/> ACH natural Instructions: Insert the rating as a number that could be 0.5 to 7ACH50 or higher. The lower the number, the more air tight the envelope. Building Codes for area show maximum Envelope Tightness allowed based on the climate zone. Not all areas have adopted a building code. http://bcap-energy.org/		
Windows	<input type="checkbox"/> ENERGY STAR® <input type="checkbox"/> Low E <input type="checkbox"/> High Impact <input type="checkbox"/> Storm	<input type="checkbox"/> Double Pane <input type="checkbox"/> Triple Pane <input type="checkbox"/> Tinted <input type="checkbox"/> Solar Shades	
Day Lighting	<input type="checkbox"/> # of Skylights:	<input type="checkbox"/> # of Solar Tubes:	<input type="checkbox"/> Other (Describe): % of lighting LEDs:
ENERGY STAR® Appliances	ENERGY STAR®: <input type="checkbox"/> Dishwasher <input type="checkbox"/> Refrigerator <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other Energy Source: <input type="checkbox"/> Propane <input type="checkbox"/> Electric <input type="checkbox"/> Natural Gas <input type="checkbox"/> Other (Describe): Note: ENERGY STAR® appliances do not result in an ENERGY STAR® Home.		
Water Heater	<input type="checkbox"/> ENERGY STAR®	Size: gallons <input type="checkbox"/> Tankless	<input type="checkbox"/> Solar (next page) <input type="checkbox"/> Heat Pump <input type="checkbox"/> Coil
HVAC & Related Equipment	<input checked="" type="checkbox"/> High Efficiency HVAC SEER: 26.0 Efficiency Rating % AFUE: 96.0% <input checked="" type="checkbox"/> Annual Fuel Utilization Efficiency	<input type="checkbox"/> Heat Pump Efficiency Rating: COP: HSPF: SEER: EER:	Thermostat/Controllers? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Programmable Thermostat? <input type="checkbox"/> Yes <input type="checkbox"/> No Auxiliary Heat Source? <input type="checkbox"/> Yes <input type="checkbox"/> No Radiant Floor Heat? <input type="checkbox"/> Yes <input type="checkbox"/> No Geothermal? <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Vehicle Ready? (car charger) <input type="checkbox"/> Yes <input type="checkbox"/> No
Indoor Environmental Quality	<input checked="" type="checkbox"/> Energy (ERV) or Heat Recovery Ventilator (HRV) <input type="checkbox"/> Other Measured Whole-House Ventilation Device (See glossary) <input type="checkbox"/> Humidity Monitoring Device Installed	<input type="checkbox"/> Non Toxic Pest Control <input type="checkbox"/> Radon System: <input type="checkbox"/> Active <input type="checkbox"/> Passive	
Water Efficiency	<input type="checkbox"/> Reclaimed Water System (Describe): <input type="checkbox"/> Greywater reuse system <input type="checkbox"/> Water Saving Fixtures	<input type="checkbox"/> Rain Barrels Used in Irrigation <input type="checkbox"/> Cistern size: gallons <input type="checkbox"/> Location of cistern:	
Utility Costs	Annual Utility Cost: \$ /year, based on: to (full year). Includes (check all that apply): <input type="checkbox"/> Electric <input type="checkbox"/> Heating <input type="checkbox"/> Water <input type="checkbox"/> Other:		# Of Occupants:
Comments	The following property has a number of high-performing features as detailed in the Pearl Certification report. With the cooperation and approval of the Appraisal Institute, Pearl Certification has an AI REPORTS® License Agreement. The Appraisal Institute makes no representations, warranties or guarantees as to, and assumes no responsibility for, the data, analysis or work product provided by the individual appraiser(s) or any other individual in the specific contents of the AI Reports®		



Special Performance Features of This Home

Information below based on California data from the National Renewable Energy Lab.



Gas Furnace :
Top 1% of gas heated homes

This home's heating equipment is exceptional: not only is it very efficient, but it also has a verified Quality Installation to the highest industry standards. It will save the homeowner money during cold winter months while providing comfort.



Central Air Conditioner :
Top 1% of CA homes

This home's air conditioner is not only one of the most energy efficient available in the market but it also has a verified Quality Installation to the highest industry standards. It saves the homeowner money every summer, while providing comfort.



Filters :
Hospital-grade

The home's special air filter unit attracts and captures airborne particles and allergens, such as pollen, pet dander, and mold spores - promising healthier indoor air for residents. These filters are likely to be nearly as effective as true HEPA filters at controlling most airborne indoor particles.

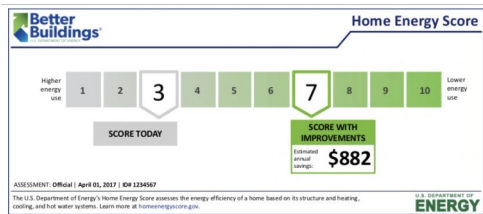


Thermostat :
Smart home feature

This home's wi-fi thermostat lets the owners control their heating and cooling systems through an app remotely - as well as in person.

The certification should be a toolkit

Energy data



Features and benefits

Special Performance Features of This Home

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Filters: Hospital-grade	Thermostat: Smart home feature

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The home's special air filter unit attracts and captures airborne particles and allergens, such as pollen, pet dander, and mold spores - promising healthier indoor air for residents. These filters are likely to be nearly as effective as true HEPA filters at controlling most airborne indoor particles.

This home's wi-fi thermostat lets the owners control their heating and cooling systems through an app remotely - as well as in person.

Marketing materials

Pearl Certification 9960 NW Windover Ln, Kansas City, MO 64153-2806 Certified on February 03, 2023 Pearl Gold Certificate | Pearl Score: 982

Filters: Hospital-grade

The filters help protect your family from allergens.

Thermostat: Smart home feature

The American outside. This for a better inside. These filters most airborn.

Air Sealing: Top 3% of MO homes

Save money heating and cooling. This home's thermal helping to keep the heat in. Plus with real-time where you are - at the moment.

Sooo many benefits with a well-sealed home: from a comfort perspective it's less drafty and has greater humidity control. Bonus: less dust and insects!

All homes should be air sealed to increase comfort, minimize air leakage and enhance the effectiveness of the insulation. This home's performance for air sealing is exceptionally high.

Air sealing typically includes using spray foam on the rim joists, areas where plumbing and electrical penetrations come through walls, around windows/doors, and other areas of the home.



What Works?

Building Wealth and Equity



Fair, accurate value for homes

Would you sell your home with your kitchen looking like this?





Support for low-income communities

“The seller deserves to be rewarded for the work that they put in because they've gone the extra mile and these upgrades are going to help the new owner in the long term.”

“The idea is to help the homeowner and community build wealth, we don't want to cut that off and tell them you can't have the wealth”

“Displacement can be avoided for current homeowners if we work hard to make sure that they take advantage of the resources and benefit from the increase in home value.”

Interviews with Chicago advocates and real estate agents by Pamela Brookstein

From [Efficiency Improvements, Price Escalation, Neighborhood Displacement: Strategies to Ensure “Good” Market Transformation Does Not Create “Bad” Market Transformation](#), by Pamela Brookstein, Paige Neri, and Robin LeBaron



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