

# Highlight Green Homes by Greening the MLS

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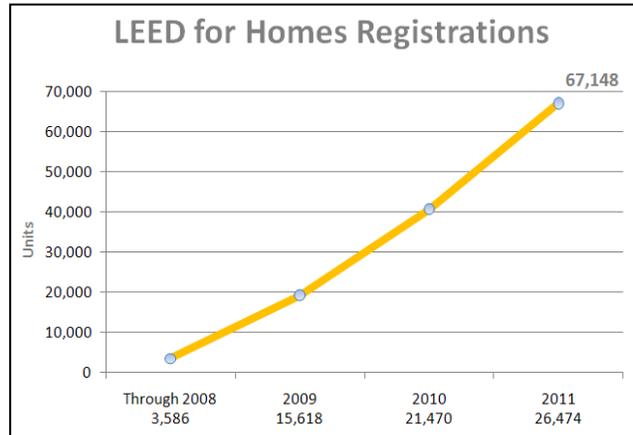


CAMPAIGN BRIEF U.S. GREEN BUILDING COUNCIL

Clear, consistent and credible information is crucial when making the largest purchase of your life. Prospective buyers, sellers, and lenders in America rely on a basic information infrastructure of real estate agents and resources to inform final decisions about price, value, and whether or not to buy or sell. If a home is green, that information must be communicated to the marketplace to be considered in the decision making process.

Despite the recession, green homes are booming. The LEED for Homes rating system has been tremendously successful in bringing healthy and efficient homes to the market with more than 16,000 certified green homes, and nearly 70,000 in process. The EPA's ENERGY STAR for Homes program counts more than a million homes that have earned a label for building energy efficiency.

The supply of healthy, efficient green homes is increasing to meet demand, but can a buyer who wishes to purchase a green home use the traditional real estate infrastructure, like the multiple listing services, to find one? In most cases, the answer is no, but with your help we can eliminate this market barrier.



**What is a Multiple Listing Service?** A Multiple Listing Service (MLS) is the group of connected online databases that collect and display information about properties for sale, allowing a single entry into multiple listings. An MLS is maintained by the local association of realtors and is primarily a tool for homes sales. While usually only accessible to realtors, an MLS facilitates critical information sharing between all parties (buyers, sellers, appraisers, and lenders) via the realtor. While some individually-sold homes rely on other means for communicating real estate information, the vast majority of homes for sale in the U.S. take advantage of an MLS.

**What is a “Green” MLS?** A “green” MLS is simply one that includes information on green building attributes, such as a LEED certification, for consideration when purchasing.

In partnership with several leading organizations in the residential real estate marketplace, USGBC worked to identify the barriers to highlighting green homes in the MLS, and produced a plan for action. The [Green MLS Tool Kit](#) outlines how you can help connect the *supply* of healthy, efficient, green homes in your community to the growing *demand*, and enable the free flow of information from which brokers, buyers, sellers, and appraisers can better communicate the value of these homes.

**How should it work?** Training in green building and energy efficiency is still not common for traditional agents or appraisers, so clear and straightforward is very important.

Given the need for both consistency and also a clear and effective language for communicating green building information, USGBC recommends pointing to third party verified labels and certifications as a proxy for the otherwise long list of green building information that these labels do an effective job of capturing. **USGBC recommends that boards of realtors incorporate, at a minimum:**

- Data fields that communicate third-party verified green home labels such as LEED for Homes; and
- Data fields that communicate third-party verified **energy efficient home labels** such as ENERGY STAR for Homes and the HERS Index.

**A Green MLS is road tested.** Of the 862 MLSs nationwide, 80 currently have integrated a means for sharing green building information. Dozens more are working on it. Even still, more than two thirds of the country has neither a means for connecting the supply of green homes with those who wish to buy them, nor a plan to improve it. We need your help.



**Governments Can Enable Transparency.** Several of [USGBC's campaigns](#) have at their core the power of information that is enabling smart decision making in buildings. While the *Mainstream Building Benchmarking* and *Improve Data Access* campaigns are focused on commercial buildings and leverage utility and government policy at the state and local levels, *Highlight Green Homes* focuses on residential sector with an audience of predominantly realtor groups.

USGBC has prepared a [draft resolution](#) that can be adopted by a state or local legislative body to further advancements in this sector. In Colorado, the [Governor's Energy Office](#) took the lead to convene a statewide conversation on advancing energy efficiency in homes, targeting an improved, "green" MLS as a key initiative. The Governor's initiative led to a partnership between advocates and real estate groups to add green features into various multiple listing services across the state. How will you work with your government to accelerate the transformation of your state's multiple listing services?

**First and Foremost – a Dialogue.** Green building advocates have a critical role to play in promoting the benefits of healthy, efficient, green homes, and in identifying barriers to the further development of the green home marketplace. While a government resolution (that recommends commissioning a coordinating committee similar to that of Colorado) is necessarily impactful, the most important part is to get the dialogue started.

Engage your local realtor group. Are they familiar with the work underway at the [National Association of Realtors](#) to promote a greener MLS, including the NAR [Green Designee](#) program? Build a diverse coalition of residential real estate stakeholders, including home owners, realtors, appraisers, lenders, green home builders, and government officials. Adding stakeholders that understand the valuation of green attributes is especially important.

A Green MLS benefits everyone from the home buyer looking for a home with green building attributes, to the homeowner investing green home technologies and practices, to the large-scale builders employing state-of-the-art healthy, efficient and green construction techniques. Make sure not to think too small, since a more regional commitment to communicating the same quality and quantity of green home information will improve the effectiveness of a green MLS.

### Resources

- The National Association of Realtors, in conjunction with a host of key industry groups, created and maintains The Green MLS Tool Kit, which provides a how to manual and step-by-step instructions for advocates, realtors, appraisers, and the building community to engage on this issue. The Tool Kit provides background material with best practices, case studies, and ways to keep your MLS current with changing green building practices. Find more info at [www.GreentheMLS.org](http://www.GreentheMLS.org).
- USGBC Colorado Chapter has developed several resources, including a Green the MLS video, improvement recommendations, energy and green feature checklist, and suggested documentation. All this information is found at <http://usgbccolorado.org/green-buildings/cogreenmls.html>.
- The [Portland case study on greening the MLS](#) serves as a great example of what it takes to get a green MLS moving and successfully implemented in a city or region.
- USGBC's [draft legislative text](#) to promote the greening of the MLS, specifically calling for the appropriate energy-focused agency to convene a committee to convene stakeholders and coordinate a statewide approach to highlighting green homes during real estate transactions.



**For more information on USGBC's *Highlight Green Homes* campaign, contact Matt Pearce, Campaign Specialist, at [mpearce@usgbc.org](mailto:mpearce@usgbc.org).**