



**McGraw Hill
CONSTRUCTION**

For release: July 24, 2008

Press inquiries: Taryn M. Holowka, 202-828-1144
tholowka@usgbc.org

Lisa Jaycox, 212-512-3172
Lisa_Jaycox@mcgraw-hill.com

Home Buyers Increasingly Thinking and Buying Green

Improved Air Quality and Energy Savings Cited as Key Housing Factors for All Families, New Study Finds

Green Homes Seen as Bright Spot for All Income Levels

New York, NY – Lower energy costs, healthier living and improved indoor and outdoor environments are increasingly demanded by and available to home buyers at all income levels, according to preliminary findings from a survey released by the U.S. Green Building Council (USGBC) and McGraw-Hill Construction.

Families and individual homeowners with the lowest incomes are overwhelmingly satisfied with their green home, more likely to recommend a green home to family and friends, and strongly prefer green homes as a purchasing option. The survey found that 78 percent of homeowners earning less than \$50,000 per year say they would be more inclined to purchase a green home. The first findings from the study were released at the site of affordable multi-family homes under construction in the Bronx, N.Y. The development, Melrose Commons 5, is being built with LEED certification as a goal.

"The benefits of green homebuilding must be accessible, and affordable, for every American family," said Michelle Moore, senior vice president, U.S. Green Building Council, which develops and administers the LEED Green Building Rating System for homes, offices, schools, hospitals and other buildings nationwide.

"Being able to afford your utility bill is as important as being able to pay your mortgage," **Moore** added. "Green homes are shining through as the bright spot in an otherwise gloomy housing market."

The survey estimates that within the last three years more than 330,000 market rate homes with green features have been built in the United States, representing a \$36 billion per year industry. An estimated 60,000 of those homes were third-party certified through LEED or a local green building program.

"Fully committed to sustainability for the long-term, green home buyers and remodelers cut across all demographic lines, regardless of income, zip code or anything else. Builders are seeing great interest in green across all income levels," said **Robert Ivy**, vice president and editorial director of McGraw-Hill Construction.

"We're crossing the tipping point for green home building," added **Harvey M. Bernstein**, McGraw-Hill Construction vice president of Industry Analytics, Alliances and Strategic Initiatives. "Concerns about energy costs, health and even resale value are adding up green for builders, buyers and renters. Green homes are here to stay."

The full McGraw-Hill Construction SmartMarket Report will be released this fall. The aim, said Bernstein, is to help builders better respond to the needs of green home buyers and to help product manufacturers and other industry players understand the ever-expanding value of this marketplace.

KEY STUDY FINDINGS

McGraw-Hill Construction surveyed a representative sample of one million U.S. households (equating to three million consumers) to find those individuals who had purchased LEED certified and other green homes over the last three years and probe them about their attitudes. The vast majority (83%) said their new homes will lower operating costs; lower energy bills within the first year after purchase (79%); and also lower water bills within the first year after purchase (68%).

Going green was the top reason cited by survey respondents for remodeling their home. Environmental benefits such as lower energy costs and healthier air were identified by 42 percent of respondents as their main reason for home improvements; 34 percent cited increased comfort; only 24 percent said improved appearance was their main benefit from remodeling.

Other key findings of the McGraw-Hill Construction survey include:

- 70% of buyers are either more or much more inclined to purchase a green home over a conventional home in down housing market.
- More than half (56%) of those surveyed who have bought green homes earn less than \$75,000 per year; 29% earn less than \$50,000.
- Overall, lower income buyers say they found tax credits and government programs, indoor air quality benefits and green certifications to be the most important incentives for them to buy green homes.
- Making homes greener is now the number one reason for home improvement (42%) over remodeling for comfort reasons (34%) or to improve appearance (24%).
- Almost half (44%) of homes renovated between 2005 and 2007 used products chosen for their green attributes

More than 80 percent of respondents said they believe that green homes are not just more economical, but offer better and healthier places to live. To that end, a new long-term study by the Mount Sinai School of Medicine will track the impact green homes have on childhood asthma in children who will soon live in the Melrose 5 homes. Currently one in six kids in the South Bronx suffers from asthma, one of the highest rates in the nation.

GOING GREEN IN NEW YORK

“We can no longer ignore the responsibility of pursuing environmentally sustainable development,” said **Bronx Borough President Adolfo Carrión, Jr.** “As the Bronx and the entire city continue to grow, we must understand that ‘economic viability’ and ‘environmentally friendly’ are not mutual exclusive. We have to keep creating a set of conditions in which future generations will enjoy cities that are both economically strong and environmentally sound.”

The Melrose Commons 5 development, where highlights of the data were released, will provide 63 rental apartments to families whose income does not exceed 60% of the median income in New York City. The buildings will incorporate 10 wind-powered turbine engines to generate electricity. Each apartment will have individual outside ventilation instead of central ducts. Specially designed window “trickle” vents will bring fresh air into each unit. Energy and water-saving design strategies will be used throughout the development.

"Green affordable housing saves energy and money, while improving the social, environmental and economic fabric of our communities," **New York Secretary of State Lorraine Cortés-Vázquez** said in remarks at the event. "Governor Paterson's efforts to make green building accessible to all New Yorkers are a major component of his comprehensive state energy plan. Securing social and environmental equity has been an integral part of my professional and personal life. More importantly, it is an important part of Governor Paterson's agenda and has been since he was Senator Paterson."

New York recently passed legislation to provide grants for green home building and renovation and is continuing to offer incentives for green affordable housing.

Blue Sea Development Co. is constructing and will manage the Melrose Commons 5 development. Last year, Blue Sea opened the nearby Morrisania Homes, the first LEED affordable housing development in New York State.

“Building green homes is one of the most important ways architects and developers can make a positive impact on the health and well-being of homeowners of all income levels,” said **Les Bluestone**, president of Blue Sea. “The cost of installing green products into homes is minimal. And direct benefits to homeowners start as soon as they move in.”

A school teacher who lives in a LEED Morrisania Homes condominium said homeowners nationwide are benefitting from the move to green. “My home is a special place for two important reasons: first, because my husband and I own the house, which is itself a blessing; and second, because it is a healthy and affordable place to live,” said **Namiana Filion**, who teaches Spanish in Brooklyn. “It’s been a wonderful experience for me and my family, for my pocket and for the environment.”

For more information and to see a time-lapse video of Melrose Commons 5 construction, please visit www.TheGreenHomeGuide.org/affordable.

About the U.S. Green Building Council:

The U.S. Green Building Council is a nonprofit membership organization whose vision is a sustainable built environment within a generation. Its membership includes corporations, builders, universities, government agencies, and other nonprofit organizations. Since USGBC’s founding in 1993, the Council has grown to more than 16,500 member companies and organizations, a comprehensive family of LEED® green building certification systems, an expansive educational offering, the industry’s popular Greenbuild International Conference and Expo (www.greenbuildexpo.org), and a network of 78 local chapters, affiliates and organizing groups. For more information, visit www.usgbc.org.

About McGraw-Hill Construction

McGraw-Hill Construction connects people, projects and products across the design and construction industry. For more than a century, the Company has remained North America’s leading provider of construction project information, plans and specifications, product information, industry news, and industry trends and forecasts. In print and online, the Company offers a variety of tools, applications, and resources that easily integrate with its customers’ workflows. Backed by the power of Dodge, Sweets, *Architectural Record*, *Engineering News-Record (ENR)*, *GreenSource* and 11 regional publications, McGraw-Hill Construction serves more than one million customers within the \$4.6 trillion global construction community. To learn more, visit www.construction.com.