

# Energy Efficiency in Real Estate Listings

*A Green MLS is a Happy MLS*

High performance, resource efficient homes are healthier, more comfortable and cost less to maintain in the long run. Despite increasing consumer demand, these homes are not always easy for buyers to identify when searching for homes. Unlike new appliances or a renovated bathroom, energy efficiency investments are not always visible at a glance, so including sustainability information in real estate listings is essential.

By leveraging green data fields in listings, multiple listing services (MLSs) and the real estate professionals that use them can help homeowners recognize energy investments that improve home performance and increase resale value.

## Today's Buyers Value Home Performance

Studies have shown that homebuyers want to know about home performance. In the 2019 National Association of REALTORS® [Sustainability Report](#):



**69% of real estate agents** said promoting energy efficiency in listings was very or somewhat valuable



**1 in 3 of Realtors** were directly involved with a property that had green features in the past year

**58%**

**of agents and brokers** indicated that their clients were interested in sustainability

Among the most important features when shopping for a home, buyers listed comfortable living space, a home's utility bills and efficient use of lighting. Many MLSs, however, have struggled to keep up with demand for information about energy use and green features.

## What is a Green MLS?

Green data fields categorize home energy information on an MLS, from third party verified certifications such as HERS scores, to more general green features like high efficiency furnaces, so buyers can easily search for high-performance homes.

A high-performance home uses fewer resources and new, smart technologies to reduce its energy consumption. These homes provide occupants with benefits such as better indoor air quality, lower operating costs, higher levels of comfort and durability against weather events.

A Green MLS opens these data entry fields, arming real estate professionals with the ability to properly showcase energy efficiency.

There are three categories of green data fields that a MLS can use to make these features seen: Third-Party Verified Fields, Green Search/Marketing Fields and Specific/Technical Fields.

## Why Green Fields Matter

- ✓ Homeowners, buyers and renters want to live in homes that are safe, comfortable and affordable.
- ✓ Standardized home energy information in listings is the first step
- ✓ Verified energy information elevates homebuyer confidence
- ✓ Properly-marketed efficiency features can increase resale value

The Trusted Source on **Energy Efficiency**



**Third-Party Verified Fields** – These fields include information that highlights certifications, labels, ratings and scores offered by a program sponsor to confirm the process followed and/or outcome achieved when building or upgrading a high-performance home.

Examples include: LEED® Certification, Home Performance with ENERGY STAR® Certificate of Completion, Home Energy Score, HERS® Score, etc. The listing agent can upload documentation to support the certification or score, decreasing liability.

**Green Search/Marketing Fields** – These fields simplify the buyer's search when looking for a specific performance or sustainability category, including energy efficient appliances, sustainably sourced construction materials, Walk Score® and solar/wind generation, among others.

**Specific/Technical Fields** – These fields are not specifically related to green homes, but can indicate high-performing features. These fields include information on utility costs or energy consumption, heating and cooling equipment, duct leakage test results, exterior construction and storm windows.

## Best Practices for Implementing Green Data Fields in Your MLS



**Local customization based on climate and available programs:** Technical approaches, weather patterns and even local legislation may vary greatly in terms of what is appropriate or allowed when working toward energy efficiency. Make sure to take into consideration local certification programs such as Home Performance with ENERGY STAR. Turn to local building experts to refine the list of fields that are most applicable to the local real estate market.



**Make documentation mandatory whenever using third-party verified fields:** This is by far the best practice when it comes to MLSs implementing green data fields. Requiring the listing agent to upload the third-party certification when the specific box is checked improves the data integrity and accuracy of the claimed certification level.



**Include an option for Green Addendum attachment:** Many MLSs also offer a field to indicate that an attachment with the details on green features is on file. MLSs just getting started may look to the [Appraisal Institute's Green and Energy Efficient Addendum](#), which captures much of the same information that most MLS attachments include today.

Aim to make your green data fields [RESO](#) compliant by using the guidelines laid out in the RESO [Data Dictionary](#). You may also refer to the [CMLS Green Data Best Practices Handbook](#) for the five basic steps to include in your MLS' green data implementation plan.

## Conclusion

MLSs should implement green data fields, especially those with associated certifications and labels, to help Realtors properly market energy efficiency in a home's listing. Showcasing green data benefits a home's seller by recognizing their investment in efficiency, the buyer by giving them access to the impactful information and the Realtor by allowing them to sell the home faster and for a premium price.

By increasing the visibility of reliable home energy information within real estate transactions, the industry can address the growing demand for efficient homes, promote customer investment in related features and systems and make transactions more efficient while mitigating concerns over liability.