



FOR BUYERS

ENSURING A QUALIFIED APPRAISER FOR YOUR HOME

Your home has higher energy efficiency or green standards than many others on the market. It should be more comfortable to live in and have lower monthly energy bills. Homes built to the 2012 or 2015 International Energy Conservation Code (IECC) are 15-16% more efficient than those built to the 2009 IECC or earlier. Some of your home features may include:

- More wall and ceiling insulation to keep conditioned air inside your home
- Windows that keep the heat out in the summer months to improve comfort
- Fewer drafts and air leaks, which improve indoor comfort
- Or, you may have a home built well before the new code but have invested in energy or green retrofits that makes your home more efficient than other homes built during the same time frame.

What You Need To Know Regarding the Loan/Appraisal Process

Some lenders randomly assign an appraiser to estimate the value of a home. However, yours is not a typical home if it is a higher-performing building or one with unique green features. Fannie Mae, Freddie Mac and FHA require that appraisers be appropriately qualified to appraise the specific property in the assignment. If you do not clearly identify the property as a special property type requiring an appraiser properly qualified in the valuation of energy efficient, high-performance homes, you may risk that an appraiser without the necessary qualifications will be chosen and that appraiser may not take these features into account.

What You Need to Do

Provide your lender with these things provided to you by the builder, homeowner, energy rater, green certification, or complete HERS Report:

- The lender letter regarding this special property type and the need for an appraiser properly qualified to value energy efficient, high-performing homes.
- The Appraisal Institute's Residential Green and Energy Efficiency Addendum, completed, if possible, with the assistance of the builder, energy rater, or green rater.
- The Home Energy Rating System (HERS) Report (if available)
- Home Energy Score Report (A rating of 1-10; *applicable for existing homes only*).



FOR LENDERS

Dear Lender,

The condominium association located at: 152-158 Highland St., Boston MA is a special property type. It is a green, and/or energy efficient, high-performing home as shown below:

- 2012 International Energy Conservation Code (2012 IECC)
- 2015 International Energy Conservation Code (2015 IECC) ** built significantly above code
- Existing home with Energy/Green Retrofits

** The condominium project in the Fort Hill section of Boston is projected to be a LEED Platinum certified project, and with a combination of the best building science offers including host owned solar PV. The condos exceed net zero standards; each condominium is projected to produce more energy than consumed on an annual basis. Projected HERS Ratings of the condos will be between -14 and -22. Solar PV array total of 31.68 kW, +- 8 kW per unit.

A copy of the Green and Energy Efficient Addendum form, and the energy report (if available, or two years of utility bills) should be included with the appraisal engagement letter. Fannie Mae, Freddie Mac and FHA require lenders to choose appraisers properly qualified to value the green and/or energy efficiency features of a high performing, energy efficient home in the local real estate market.

You can access a list of appraisers who may have those qualifications at the *Valuation of Sustainable Buildings Professional Development Program Registry*, available at:

http://www.myappraisalinstitute.org/findappraiser/green_sustainability_residential.aspx.

These specially-trained appraisers have completed 28 hours of education and passed three exams. If the appraisers on your panel are not on this list, they can complete 14 education hours online to get started at:

http://www.myappraisalinstitute.org/education/course_descr/Default.aspx?prgrm_nbr=826&key_type=CO

Appraisers on this list are not required to be Appraisal Institute members but must take the required courses and pass the exams to be listed.

If you have questions, please contact:

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