

DOE Zero Energy Ready Homes and the Appraisal Process: Be Your Own Advocate

Congratulations on joining the leadership movement to construct DOE Zero Energy Ready Homes (ZERH) and providing your homebuyers some of the highest performing homes in America! During the sales and appraisal process, the following four steps can help you optimize the added value for your high-performance homes.

Step One:

Document each of Your Homes as a Third-Party Certified ‘Green Home’

A wide array of programs qualify as ‘green’, including the DOE Zero Energy Ready Home. Collect independent third-party verification documenting compliance with DOE ZERH requirements. Typically, this comes straight from the Home Energy Rating System (HERS) rating process.

Step Two:

Only Accept a Certified Residential Green Appraiser

If you have documentation that your home is ‘green’ certified (see Step One), you are eligible in many markets to instruct the lender that you will only accept an appraiser from the ‘Certified Green Residential Appraiser’ list. These appraisers have been specially trained to recognize the added value of the high-performance home features in your DOE ZERH.

Step Three:

Pre-Fill a Copy of the Residential Green and Energy Efficient Addendum

The Appraisal Institute has developed an official form for documenting high-performance home improvements and their value, Form 820.04: Residential Green and Energy Efficient Addendum. Don’t assume the appraiser knows how to complete this form. Although you cannot complete the final form for the appraiser, providing him/her with a copy as guidance is a critical step to ensure they can more effectively account for the added value of your high-performance home features. Download this form from the Appraisal Institute web site:

www.appraisalinstitute.org/education/green_energy_addendum.aspx

Step Four:

Provide Pre-Filled Green and Energy Efficient Addendum to the Appraiser

Find out from the lender the name and contact information for the selected appraiser and send him/her a copy of the pre-filled Addendum form. Now it’s in the hands of the appraiser, but you have maximized your opportunity for an appraisal that recognizes the added value of your high-performance features.