GREATER LOS ANGELES REALTORS®
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REALTORS®' GUIDE TO SUSTAINABILITY

Introduction

Sustainability means meeting today's needs without compromising the future. A sustainable home is efficient, secure, and healthy, while an unsustainable home wastes resources and raises costs. As Realtors®, you can help clients save money, build trust, and support healthier communities. This guide will help you achieve these goals by growing your business while advancing sustainability.

For Realtors®: Sustainability in Real Estate

Why Realtors® Should Prioritize Sustainability Knowledge

- **Market Demand:** Buyers are increasingly prioritizing eco-friendly homes, which also reduce consumption costs.
- **Regulatory Compliance:** Energy efficiency standards and sustainability mandates are becoming more prevalent.
- **Property Value Impact:** Sustainable features can enhance home value and reduce long-term costs for buyers.
- **Competitive Advantage:** Realtors® who understand and promote sustainability differentiate themselves in the market.

Help Clients Make Sustainable Choices

- Educate buyers on the benefits of energy efficiency and green certifications (e.g., LEED, ENERGY STAR).
- Connect clients with trusted experts to recommend cost-effective upgrades and tax incentives.
- Guide sellers on simple pre-listing improvements to increase property appeal.
- Encourage your clients to stay informed about government incentives and tax credits available for sustainable home upgrades

Average ROI on Energy-Efficient Home Upgrades

Project	Typical Cost	Average ROI on Upgrade
Windows	$150 to $800 per window	68%
HVAC	$3,200-$12,500	35-50%
New Insulation	$1,400-$6,700	117%
Solar Panels	$16,870-$23,170	10%
Refrigerator	$1,200-$3,200	10-20%
Dishwasher	$300-$500	10%
LED Lights	$5 per bulb	46%

Table: Today's Homeowner • Source: Modernize, LawnStarter, EnergySage, EnergySage, SolarReviews, TakeThreeLighting, EarthEasy

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The Impact of Climate Change on Housing

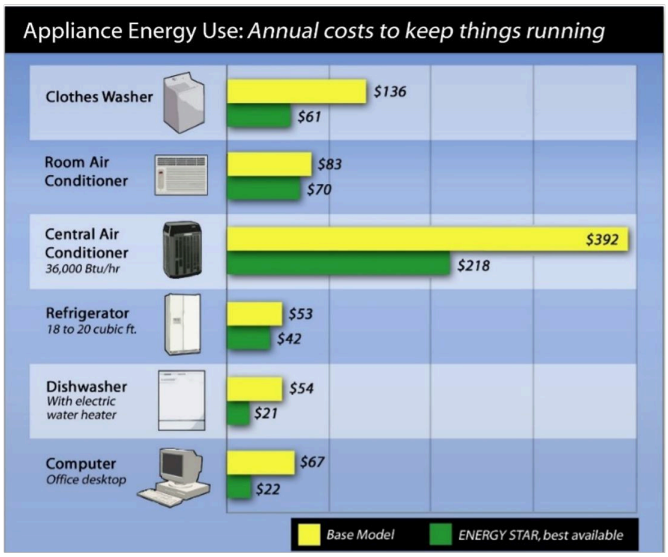
Climate change poses a significant threat to real estate values, infrastructure and maintenance costs.

- Natural Disasters: Rising risks of wildfires, flooding, and storms are becoming more common, impacting home stability.
- Insurance Costs: As natural disasters increase, home insurance premiums are rising dramatically.
- Government Policies: Policies aimed at reducing emissions could require costly upgrades to meet new regulations.
- Market Risks: Homes in vulnerable areas could lose long-term value.

For Homeowners & Investors: Sustainability Tips

Quick Wins (Easy & Low-Cost Upgrades)

- **Switch to LED Lighting:** Affordable and use up to 80% less energy than incandescent bulbs and last about 25 times longer.
- **Weatherization:** Add door sweeps, weatherstripping, and window seals to prevent air leaks and lower energy bills.
- **Smart Home Tech:** Use programmable thermostats, lighting controls, and power-down plugs to cut wasted energy.



- **Ensure Dryer Vent Closure:** Prevent unnecessary drafts.
- **Turn Down Your Water Heater:** Lowering the temperature reduces energy consumption.
- **Maximize Natural Light:** Brighten rooms naturally with light-colored paint and reflective surfaces.
- **Use Push Lawn Mowers:** Reduce reliance on gas-powered tools.Insurance Costs: As natural disasters increase, home insurance premiums are rising dramatically.

Big Impact Investments

- **Solar Panels:** Reduce reliance on fossil fuels and lower energy costs.
- **Energy-Efficient Windows & Doors:** Reduce heating and cooling expenses or install storm windows.
- **Insulate your home more effectively:** Roof insulation is one of the most cost-effective upgrades, helping cut heating and cooling costs by up to 50%.
- **Seal Unused Chimneys:** Prevent heat loss and save money on heating bills, potentially $2,000 over a decade.
- **Induction Cooking:** All-electric stoves that heat faster and more efficiently than gas, while improving indoor air quality.
- **Heat Pumps:** An electric system that transfers heat instead of burning gas, making them highly efficient for heating and cooling, delivering 3–4 times the energy they use.
- **High-Efficiency HVAC:** Modern systems use up to 30% less energy, lowering bills and emissions.
- **Energy-Efficient Blinds & Curtains:** Provide insulation and help regulate indoor temperatures.
- **Professional Home Energy Audit:** Identify areas for improvement tailored to the home's specific characteristics and climate.

Water Conservation Strategies



- **Low-Flow Fixtures:** Install water-saving showerheads and faucets.
- **Efficient Toilets:** Use high-efficiency or dual-flush toilets.
- **Drought-Resistant Landscaping:** Reduce the need for irrigation and lower maintenance costs.
- **Rainwater Collection or Gray Water System:** Sustainable outdoor irrigation.

Incentives and Rebates

Sustainable upgrades not only reduce utility bills but may also qualify for rebates and tax credits at the federal, state, and local level. Many of these incentives can be stacked, which means combining multiple programs for even greater savings. These programs are constantly changing so be sure to use an online rebate finder tool to receive the most up to date opportunities.



Federal Programs

- **Home Improvement Credit (IRS)** – 30% credit on insulation, windows, doors, and energy audits (up to $1,200 per year).
- **Heat Pump Credit (IRS)** – 30% credit, up to $2,000 per year for qualifying systems.
- **Clean Energy Credit (IRS)** – 30% credit for solar, wind, or geothermal systems.
- **Electrification Rebates (Department of Energy, via the Inflation Reduction Act)** – Up to $14,000 for projects like heat pumps, weatherization, and panel upgrades.

California Programs

- **Heat Pump Rebates (California Public Utilities Commission & local utilities)** – Up to $8,000 for efficient heating and cooling systems.
- **TECH Clean California (California Energy Commission)** – $1,000–$5,700 for heat pump HVAC or water heaters (availability varies).
- **GoGreen Financing (California State Treasurer's Office) –** Zero-interest loans or free upgrades for income-qualified households.

Local/Utility Programs

- **GO ZERO (South Coast AQMD)** – Rebates for zero-emission appliances, including heat pumps and induction stoves.

Sustainability and Real Estate Value

Homes with energy-efficient upgrades often sell faster and at higher prices.

- Buyers are increasingly prioritizing sustainable features.
- Lower utility bills and comfort make energy-efficient homes more attractive.
- Green certifications (LEED, ENERGY STAR, etc.) add strong market appeal.



Final Thoughts

Sustainability is about making smarter choices that benefit homeowners, communities, and future generations. As a Realtor®, you can be the trusted guide who helps clients see the lasting value of sustainable living. Encourage buyers and sellers to look beyond aesthetics and recognize the benefits of efficiency, comfort, and long-term savings!
