

'Green' homeowners happier; cost savings are key

by Bend_Weekly_News_Sources

McGraw-Hill Construction releases first research of green homeowners at the National Association of Home Builders' Green Building Conference

McGraw-Hill Construction, part of The McGraw-Hill Companies, recently presented the findings of its latest market research investigating "green" homes, focusing on homeowners and home buyers. The survey, co-sponsored by the National Association of Home Builders (NAHB), finds that homeowners are happier with their new green homes than with their previous homes, and that they are eager to recommend buying green to others

The research provides the first estimate of the true size of the green home market, screening out green homeowners from a representative panel of U.S. homeowners. According to this new study, 0.3% of all homes in the U.S. are truly green (containing elements in three of five environmental building categories), a market sized at approximately \$2 billion.

"Though it's still a small number, builders are already getting it when it comes to the value of real green homes, and it appears homeowners are too," states Harvey M. Bernstein, McGraw-Hill Construction vice president of Industry Analytics, Alliances and Strategic Initiatives. Pointing to McGraw-Hill Construction's estimate from 2006 that that 2% of the residential construction market had at least one green building element, such as energy-efficient appliances, Bernstein adds, "It's also powerful to find that people are really starting to commit to building truly green homes, moving away from just adding energy efficient appliances or one aspect that's green. They're paying attention to the holistic benefit of green."

Homeowners are extremely happy with their green homes, with 85% happier with their new green homes versus their previous non-green ones. And they're not shy about sharing those feelings. This finding is powerful because 28% of the homeowners reported first hearing about green homes through word of mouth.

"We're excited that green homeowners are so happy with their homes and that they're willing to share the good news," says Ray Tonjes, chairman of the NAHB Green Building Subcommittee and an Austin, Texas, green home builder. "NAHB and its members have been leaders in the voluntary movement to increase the energy and resource efficiency and quality of homes, and it is great news that these consumers are so satisfied with their high-performing homes. Green building's market share will continue to expand."

The research also found that:

-- The new green homeowner is affluent and well educated, in his/her mid forties and married, and also more likely to be from the Southern or Western states. Women are also more likely to be green homeowners.

- Home operating costs matter. Sixty-three percent report lower operating and maintenance costs as the key motivation behind buying a green home. Additionally, nearly 50% report environmental concerns and family health as motivators.
- Lack of awareness, higher costs, and scarcity lead obstacles. The top three obstacles, all hovering over 60% of respondents, were oriented around education, additional costs involved in green homes and the availability of the homes. However, when looking at the "biggest" obstacles, green homeowners view education as the biggest hurdle to overcome.

Another interesting finding is the high prevalence of green products being implemented during home remodeling. Approximately half the overall U.S. homeowner population has recently done some renovation work on their home, and approximately 40% of that population is doing so with green products. "This is another powerful finding," says Bernstein. "As home prices increase and homeowners stay in their homes longer, remodeling becomes a key market opportunity. It's encouraging that there is already so much of the community aware of these green product options and, more importantly, using them."

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