

Green Building to Skyrocket by 2010 to Half of New Homes

More than 1,000 housing industry professionals in St. Louis last week to attend the ninth annual [NAHB Green Building Conference](#) heard that sustainable building products and techniques are advancing quickly into the mainstream and that NAHB is moving aggressively to bring the movement to national prominence.

Based on a survey of NAHB home builders conducted last year by [McGraw-Hill Construction](#), between 40% and 50% of the homes built in 2010 are expected to be green, containing at least three of five green building elements. That represents a major upsurge of activity in the green market.

Last year, according to McGraw-Hill estimates, an estimated 2% — or \$7.4 billion — of the residential construction market was green.

“It is interesting that people are really starting to commit to building green homes, moving away from just adding energy-efficient appliances,” said Harvey M. Bernstein, McGraw-Hill Construction’s vice president of industry analytics, alliances and strategic initiatives. “Though it’s still a small number, builders are already getting it when it comes to the value of green homes, and it appears home owners are too.”

A new home buyer survey by the company has found a high degree of customer satisfaction with green homes. Sixty-three percent of the green home buyers in the poll said that their green purchases were motivated by the lower operating and maintenance costs that come with energy- and resource-efficient homes.

Eighty-five percent of the green home buyers said they were more satisfied with their new green homes than with their previous, more traditionally built homes.

The public interest in sustainability extends into the existing market, with the survey finding that about 40% of home owners who had recently completed remodeling or renovation work on their properties had used green products or materials.

“We’re excited that green home owners are so happy, and that this new research quantifies this customer satisfaction. But we are certainly not surprised,” said Ray Tonjes, chairman of the NAHB Green Building Subcommittee and a home builder in Austin, Texas. “NAHB and its members have been leaders in the voluntary movement to increase the efficiency and quality of homes in America. This suggests we’ll maintain our market share and only continue to grow.”

Ninety-two percent of the builder members participating in the McGraw-Hill research said that they are moving toward green building because it’s “the right thing to do.”

“NAHB understands the importance of green building and the increasing prominence it plays on the national stage,” said Bob Jones, the association’s vice president and

secretary. “Yet we are not resting on our laurels. We are committing new resources to green building. It’s time to step up and demonstrate what it means to be the leaders in the residential green building marketplace.”

Jones said that he will be overseeing the association’s green building efforts and the activities of the [NAHB Research Center](#) throughout his five-year tenure as an NAHB Senior Officer, and he noted that the national movement to environmentally-sensitive construction will be hastened by the arrival of the first -ever green building standard now being developed by NAHB and the [International Code Council](#).

“This standard will be based on our [Model Green Home Building Guidelines](#), which is the proven, rigorous yet very flexible document that has allowed builders to create green building programs and — more importantly — build green homes all over the country.”

The NAHB Research Center received more than 270 applications from building industry representatives to sit on the ANSI National Green Building Standard Committee. The membership list has been posted on the [green building standard](#) Web page, and the first meeting is set for April 19-20 at the National Housing Center in Washington, D.C.

The standard is on an expedited timetable, with an estimated publication date of early 2008.

“It’s time for a standard for green building,” said Jones. “But it needs to be a very special standard. It needs to reflect the architecture, the geography and the weather and temperature patterns of the place where the home will be built. It needs to recognize the wide divergence of consumer tastes, preferences and local conditions. And it needs to avoid costly mandated practices that can cause housing to fly out of the reach of potential home buyers.”

At its winter meeting in Orlando, Fla. in February, the NAHB Board of Directors adopted policy that will give further impetus to green building by encouraging market-driven improvements in new and existing housing that will help reduce greenhouse gasses.

In the process of paving the way for mainstream green building, NAHB will be working to provide voluntary alternatives to the push for green building mandates now occurring around the country.

“Those who want mandates may be well-meaning, but they are misguided,” said Jones. “A mandate based on LEED-H, which is the program that many of these initiatives reference, will not make a home any greener than one built to the NAHB guidelines of other successful green programs that predate our two-year-old guidelines. It will, however, make it less affordable.”

Right now, NAHB staff members are beginning to survey local home builders association leaders on their thoughts on the formation of a national green building program. The board of directors called for a national program in its February resolution.

McGraw Hill research on the size and other characteristics of the green building market also found that:

- New green home owners tend to be affluent and well-educated, in their mid-40s and married, and are also more likely to live in the South or the West. Women are more likely to be green home owners.
- In addition to lower operating and maintenance costs, environmental concerns and their family's health was a significant motivating factor for buying a green home, cited by 50% of the buyers who were surveyed.
- More than 60% of those polled said that consumer awareness, additional costs and the limited availability of homes are obstacles to green homes gaining a bigger market share. However, when looking at the "biggest" obstacles, green home owners view education as the biggest hurdle to overcome.

Full survey results will be published this summer in the next issue of the McGraw Hill "Construction SmartMarket Report" series and will be available at www.builderbooks.com.

Extensive coverage of the NAHB National Green Building Conference will appear in the April 9 issue of Nation's Building News.