



Home Innovation
NGBS GREEN CERTIFIED™

NGBS GREEN

A BETTER PLACE
TO CALL HOME

2014-2015 PROGRAM REPORT

NGBS GREEN:

A BETTER PLACE TO CALL HOME



2014-2015 PROGRAM REPORT



"NGBS GREEN: A BETTER PLACE TO CALL HOME" IS THE INAUGURAL EDITION OF A SERIES OF ANNUAL REPORTS HIGHLIGHTING THE SUCCESS OF THE NGBS GREEN PROGRAM AND AFFILIATED PARTNERS.

These reports are aimed at equipping industry partners with numbers and insight to build the case for sustainability and NGBS Green certification.

For more information about Home Innovation and NGBS Green certification, visit HomeInnovation.com/Green.

TABLE OF CONTENTS

i	.....	FOREWORD FROM MICHAEL LUZIER HOME INNOVATION PRESIDENT AND CEO
ii	.....	FOREWORD FROM TROY JOHNS URBAN NW HOMES OWNER, NGBS GREEN ADVISORY GROUP CHAIRMAN
1	.....	NGBS GREEN MARKETABLE BENEFITS
2	.....	MAJOR MILESTONE: CELEBRATING 50,000 NGBS GREEN CERTIFIED HOMES
3	.....	NGBS GREEN BY THE NUMBERS
4	.....	NGBS.COM: DIRECT CONSUMER LINK TO GREEN HOMES
5	.....	NOT JUST FOR TYPICAL HOMEBUYERS AND RENTERS
6	.....	DELIVERING GREEN FOR THOSE DEFENDING THE RED, WHITE, AND BLUE
7	.....	MAKING SIGNIFICANT STRIDES ON GREEN APPRAISALS
8	.....	VALUE OF GREEN CERTIFICATION
9	.....	NGBS GREEN INCENTIVES START WITH RECOGNITION
10	.....	NGBS GREEN PARTNER PROFILES

FOREWORD

FROM MICHAEL LUZIER
HOME INNOVATION
PRESIDENT AND CEO

IN 1964, A SMALL PRODUCT-TESTING LABORATORY STARTED WITH A GOAL OF HELPING BUILDERS EVALUATE AND SELECT THE BEST BUILDING MATERIALS FOR THEIR RESIDENTIAL PROJECTS.

Fifty years later, Home Innovation Research Labs has evolved to be a full-service market research, consulting, product-testing, and accredited third-party certification agency dedicated solely to issues related to the home building industry. While our services and expertise have grown exponentially over the years, our mission remains constant: to improve the quality, durability, affordability, and environmental performance of housing by removing barriers to innovation.

Home Innovation has ushered in many advancements into the industry, but perhaps none leveraged the collective force of

our building science expertise, industry relationships, or third-party ethos than the development of the National Green Building Standard™ (NGBS) and our national certification program based on it, NGBS Green.

The development of the NGBS in and of itself was a notable accomplishment. As an ANSI-accredited Standards Development Organization, Home Innovation's role is to ensure that participation is open to interested stakeholders, interests are balanced, public input is sought, and appeals are heard. The ANSI process also requires ongoing maintenance for any approved standards to ensure the content continues to reflect the most current information on technology and other industry elements.

We were proud to develop the first and, to this day, only ANSI-approved green building rating system for residential buildings and developments. The NGBS is not just “consensus-based” or “consensus-like.” The NGBS development process met the stringent requirements to become an official American National Standard. The NGBS is also one of the International Code Council's model codes and standards that are adopted worldwide and form a comprehensive set of coordinated building requirements. As an I-code, the NGBS is written in code language to make it easy to understand, and straightforward to implement—this is an important reason why is widely accepted by

the industry, even in the absence of mandates and incentives. Once the NGBS attained ANSI approval, Home Innovation set out to develop a green certification program for residential buildings that would not just target the top-performing buildings, but instead could serve as a platform to help the entire residential construction industry perform better.

let alone considered, green certification for their residential projects. We won over some clients that had used other green programs, but were looking for more value, less paperwork and red tape. A few builders came to us not knowing where to start, but found our staff prepared to roll up their sleeves and help them with the process and the requirements.

In the interim, we have seen the development and launch of the 2012 NGBS and the sunset of the inaugural 2008 version. The final public comment period for the 2015 NGBS recently closed and we anticipate wrapping up that version's development in early 2016. Considering that the NGBS is in continual maintenance mode, individuals and organizations are welcome to propose revisions to be considered for the next version at any time.

In its first six years, NGBS Green has really started to move the needle on helping builders create “a better place to call home.” We started by building an affordable, flexible, rigorous green certification program that would provide value to the home building industry. As a result, builders and developers are increasingly seeking green certification for their residential projects. Now, we are focusing more on connecting those building NGBS Green Certified homes with the homebuyers, renters, and owners who want the benefits of a truly green home—enter NGBS.com. This new online portal will help us bridge the gap between industry and consumers.

We look forward to launching the next evolution of NGBS Green, and hope you will be with us to build your success on ours!



Our goals were a bit audacious. We wanted a straightforward, yet rigorous, green certification program for affordable housing. For single-family custom homes. For low-income housing tax credit deals. For the high-rise deluxe apartment in the sky. For all manner of production homes. For infill apartment buildings. For gut renovations. For historic property rehabilitations. For market-rate multifamily communities. Even for the DIYers.

In short, we wanted to develop a green certification program that could be used for every type, size, and budget of residential construction and development.

Over the past six years we have worked with builders, developers, remodelers, and architects who had never used,



MICHAEL
LUZIER



FOREWORD

FROM TROY JOHNS
URBAN NW HOMES OWNER,
NGBS GREEN ADVISORY GROUP CHAIRMAN

IN MAY 2015, ON THE HEELS OF CERTIFYING THE 50,000TH NGBS GREEN HOME, I WAS HONORED TO CHAIR THE INAUGURAL MEETING OF THE NGBS GREEN ADVISORY GROUP.

Home Innovation staff launched the Advisory Group earlier in the year, specifically as they approached this key milestone. After looking back on the NGBS Green certification program's accomplishments, staff looked forward and wanted to ensure NGBS Green continued to deliver value to its builder and developer clients.

In many ways, this is the intention of this report. We look back to celebrate the program's accomplishments, which are significant given that residential construction lagged in green certification until the advent of NGBS Green. And we look forward, to envision how NGBS Green can continue to promote cost-effective, high-performance, sustainable housing.

Since its inception in 2009, NGBS Green has won the loyalty of residential builders and developers for its affordability, flexibility, and rigor, and has become the preferred national green certification for homes and multifamily buildings. By many accounts, the program benefits from two distinct advantages. First, the NGBS is specifically designed for residential buildings, so it is uniquely suited to homes and apartment

buildings. Second, Home Innovation's long-standing commitment to best-in-class customer service has helped remove many of the previously intractable barriers to third-party certification of high-performance residential construction.

My own experience is testament to the real barriers faced by the typical builder. I'm a regional production home builder in Vancouver, Wash., where I build about 100 homes per year. In 2014, I personally pledged to build and certify all of my new homes using the NGBS Green program.

Despite my strong commitment to and belief in the program, it was not a quick undertaking. It took almost a full year for me to incorporate all the green practices, products, and technologies into my business to allow me the confidence that once I promised prospective buyers one of my homes would be NGBS Green Certified, I could consistently deliver on that promise.

Few people can appreciate the risk, not only financial but to reputation, of a builder making a promise that can't be fulfilled. I fully appreciated the risk when I set out to be Vancouver's first builder committed to 100% NGBS Green Certified homes.

At the same time, I also appreciated the value of the program in helping me to deliver a high-quality, high-performance home with

a rock-solid independent certification of compliance from Home Innovation.

NGBS Green helps me distinguish my homes from the competition, while being a good steward for the community where I work, live, and raise my family.

It was affirming to me as a builder, and rewarding as a director for Home Innovation's Board, to hear the builders and developers on the NGBS Green Advisory Group discuss not only how NGBS Green

has helped them transform their specific projects; but also to acknowledge the challenges that remain to transform the market. Quite simply, this is the value proposition of NGBS Green. It helps builders be more successful and at the same time produce buildings with greater inherent value and smaller environmental impacts.

For any builders/developers that have considered going NGBS Green but have questions or concerns, I encourage you to reach out to get the facts.



NGBS Green Advisory Group: Get to know these smiling faces, visit HomeInnovation.com/NGBSGreenAdvisors.

NGBS GREEN ADVISORY GROUP

Established in 2015, the NGBS Green Advisory Group provides support and guidance on the NGBS Green certification

program with the goal of opening new markets and recruiting new clients. The Advisory Group members bring diverse expertise, experiences, and connections from the building, appraisal, policy, and media realms.

Find out more about the individuals who were selected for this group and graciously volunteer their time to help expand the reach and recognition of NGBS Green by visiting HomeInnovation.com/NGBSGreenAdvisors.

1

NGBS GREEN

MARKETABLE BENEFITS



A SMARTER INVESTMENT. A HEALTHIER HOME. A HAPPIER YOU.

That's what it means to buy an NGBS Green Certified home. Independent inspectors verify that every home meets our rigorous requirements—going well beyond the average construction process. The result? A better place to call home.

A HEALTHIER HOME



IMPROVED AIR QUALITY

NGBS Green homes are designed and constructed with systems and products that manage combustion gases and maintain proper ventilation. You can breathe easier with cleaner indoor air.



SUSTAINABLE PRODUCTS

When constructing an NGBS Green home, builders select products that produce fewer indoor pollutants. This improves indoor air quality and provides health benefits.



OPTIMAL MOISTURE LEVELS

Water and moisture are critical factors affecting a home's durability, comfort, and maintenance costs. NGBS Green homes are designed to maintain the right moisture balance and prevent water-based problems.

A SMARTER INVESTMENT



LOWER UTILITY BILLS

NGBS Green homes are designed and built to be 20-30% more energy efficient and use less water than code-minimum new homes. This percentage is even higher compared to older existing homes. Use less, pay less.



LESS MAINTENANCE

Imagine a home that is more durable and requires less upkeep. NGBS Green Certified homes are designed and constructed to manage moisture, enhance the durability of materials, and reduce in-service maintenance.



INCREASED RESALE VALUE

When you are ready to sell your NGBS Green home, you can expect it to sell faster and for more than a non-certified home of comparable size and location.



BUILD EQUITY FASTER

Your utility bills don't build equity, so you might as well invest in a home that saves you money each month. With an NGBS Green home, you'll improve your ROI and reduce the second largest expense of home ownership: energy bills.

THE NGBS GREEN PROMISE

With an NGBS Green Certified home, "going green" has never been easier—or more affordable. When you see our mark, you can feel confident knowing that your home meets the National Green Building Standard ICC-700. It's more than a mark, it's a commitment to bettering our planet and improving your life. Learn more at NGBS.com.

A HAPPIER YOU



INCREASED COMFORT

Tired of feeling cold in the winter and hot in the summer while inside of your own home? NGBS Green homes are built with building envelopes and sealed air ducts to keep outside air out and conditioned air in.



SUSTAINABLE LANDSCAPE

An NGBS Green home is designed to protect, restore, and enhance the natural features of its lot and community. An NGBS Green home is a better steward of the natural resources within and around the neighborhood.



SMARTER LOCATION

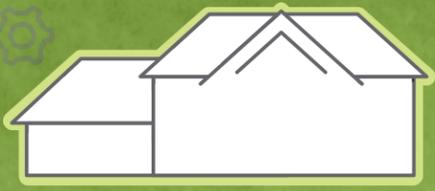
Your home should be a gateway to the community around you. NGBS Green communities allow you to take full advantage of the neighborhood amenities and services that elevate your quality of life.



PEACE OF MIND

With an NGBS Green home, it's the assurance that your home will be a healthy haven for your family, a better value for your wallet, a smarter investment for your future—and ultimately, the foundation of a more sustainable lifestyle.

SAVE UP TO **50%**



ON YOUR ENERGY CONSUMPTION

2

MAJOR MILESTONE:

CELEBRATING 50,000 NGBS GREEN CERTIFIED HOMES



IN MAY OF 2015,
HOME INNOVATION PASSED AN
EXCITING PROGRAM MILESTONE—
CERTIFICATION OF 50,000 HOMES UNDER
THE NGBS GREEN PROGRAM.

The 50,000th NGBS Green Certified home,
built by Saussy Burbank and verified by
Southern Energy Management's Matt
Dovenbarger, was celebrated prior to the start
of the 10th Annual Green Home Tour sponsored

by the Green Home Builders of the Triangle in
Chapel Hill, N.C. Home Innovation's President
and CEO, Michael Luzier, presented the home's
NGBS Green certificate to Saussy Burbank's
Raleigh Division President.

Here's a recap of some of the noteworthy
advances and events that brought the NGBS
Green program to this point:



NATIONAL GREEN BUILDING STANDARD™
ICC 700-2008

NATIONAL GREEN BUILDING STANDARD™
ICC 700-2012

1 **NGBS APPROVED BY ANSI**
The NGBS becomes the first residential green rating system to be approved by the American National Standards Institute (ANSI) after its development in an open, consensus-based process. Home Innovation Research Labs (then known as the NAHB Research Center) launched a certification program based on the NGBS following its ANSI approval.

2 **1ST NGBS GREEN CERTIFIED HOME**
The Bell family home in Tucson, Ariz., becomes the first home certified to the NGBS. John Wesley Miller, a Tucson-based home builder, said certification to the NGBS demonstrated to the Bell family that the home would offer a healthy living environment for their daughter, whose immune system was compromised by a rare blood disease. The home was featured on ABC's "Extreme Makeover: Home Edition."

3 **1ST NGBS GREEN CERTIFIED LAND DEVELOPMENT**
Following the NGBS pathway for sustainably constructed land developments to earn certification, the Village of Burns Harbor in Northwest Indiana becomes the first NGBS Green Certified land development in the country. The 142-lot community incorporates sustainable site design and construction measures, including stormwater management, tree preservation, and habitat protection. The developer, In Good Company, recognized the importance of providing green housing options in a region known for heavy industry and pollution.

4 **1ST NGBS GREEN CERTIFIED MULTIFAMILY BUILDING**
The Jones Company, a Tennessee-based home builder, earns the first certification of a multifamily community. The Park Run condos in Franklin, Tenn., include three buildings with 12 apartments.

Condo owners benefit from energy-efficient lighting and appliances, Low-E windows, water-saving showerheads, a radon mitigation system, and low-maintenance native landscaping.

5 **1ST NGBS GREEN CERTIFIED STUDENT HOUSING COMMUNITY**
NGBS Green certification had long been applied to single-family homes, multifamily buildings, and remodel projects. But with new multifamily demands and sustainable housing options becoming a trend on university campuses, NGBS Green certification became a logical path for student housing developments. Campus Circle Tallahassee, located adjacent to Florida State University, became the first NGBS Green Certified student housing project. The community integrates sustainable materials and design, demonstrates superior water and energy efficiency, and implements lot design and indoor environmental quality practices. The project's developer, The Bainbridge Companies, LLC, which operates with a corporate commitment to quality construction within walkable neighborhoods, found that certification to the NGBS offered a way to publicly demonstrate the company's values.

6 **NGBS APPROVED BY ANSI AGAIN**
As an ANSI American National Standard, the NGBS is subject to regular review and updating as necessary to reflect increased performance requirements and incorporate new best practices and technologies. The 2012 NGBS built upon the 2008 version and included significant revisions in energy efficiency, remodeling, and multifamily implementation.

7 **NGBS RECOGNIZED AS OPTION FOR HURRICANE SANDY REDEVELOPMENT**
As part of the rebuilding efforts following the widespread

devastation inflicted by Hurricane Sandy, the NGBS is recognized by both HUD and USDA housing finance programs, including the Main Street/HOPE IV, Rental Assistance Demonstration (RAD), and Rural Rental Housing programs. HUD cites the NGBS as an acceptable green building standard for Hurricane Sandy reconstruction efforts.

8 **20,000 NGBS GREEN CERTIFIED HOMES**
The program celebrates 20,000 NGBS Green Certified homes. The milestone home was built in Albuquerque, N.M., by Paul Allen Homes. Fittingly, this builder has built more Gold- and Emerald-level NGBS Green Certified homes than any other builder in the nation.

9 **1ST 2012 NGBS CERTIFIED SINGLE-FAMILY HOME**
A single-family home in Narragansett, R.I., becomes the first 2012 NGBS Green Certified home. Builder Dave Caldwell of Caldwell & Johnson designed the oceanfront home to be a nearly net-zero home that "burns no fossil fuels." Water conservation and management were also critical for Caldwell and his homeowners, who indicated they wanted to live "as environmentally responsible as possible for a waterfront property."

10 **1ST EMERALD-LEVEL 2012 NGBS CERTIFICATION**
A single-family home in Valparaiso, Ind., became the first Emerald-level NGBS Green Certified home under the 2012 NGBS. The modest ranch-style home was designed by Treasure Homes, Inc., with a keen focus on the building envelope. Treasure Homes insulated under the home's concrete slab and utilized insulated concrete forms, a system of reinforced concrete, to frame the basement.

The home's interior has many green features, including touchless water faucets in the kitchen and master bathroom. The faucets are a favorite of the homeowners, who are doctors and appreciate the germ-reduction feature.

11 **1ST NGBS GREEN CERTIFIED SMALL PROJECT REMODEL**
The 2012 NGBS introduced a certification pathway for individual functional areas of a home (kitchen, bathroom, basement, and small additions). A basement remodel in Glen Burnie, Md., by T.W. Ellis, LLC, became the first Small Remodel Project to be certified to the NGBS. Remodeler Tim Ellis was approached by an energy consultant looking to renovate his home's basement and expand the livable space. Ellis recognized the homeowner's interest in energy efficiency and sustainability and saw an opportunity to offer his client the newly available NGBS Green Certified option for small projects like basements.

12 **EMERALD-LEVEL NGBS GREEN CERTIFICATION OF AFFORDABLE MULTIFAMILY REMODEL**
For multifamily property managers, the NGBS offers a performance-based pathway for older buildings to become green certified and compete with new buildings. The Roxton Community in Denton, Texas, is one of the largest multifamily communities to be certified using the NGBS Green remodel path. The garden-style apartment community achieved over 45% energy and 50% water efficiency improvements for its 1970s-era buildings. Green features of this project include new HVAC system and ductwork, low-flow fixtures, additional insulation, landscaping with native vegetation and zoned irrigation, and walking trails for residents constructed with permeable crushed granite.

13 **CONGRESS AUTHORIZES USE OF NGBS FOR MILITARY HOUSING**
With the passage of the 2015 National Defense Authorization Act, Congress authorized the use of NGBS for all military residential construction. Cost and consensus-development were key considerations in Congress' decision to expand green requirements to include the NGBS. Balfour Beatty Communities, LLC, a developer/property manager for the multifamily, military, and student housing markets, is building NGBS Green Certified homes at Fort Bliss, Texas, Fort Eustis, Va., and Fort Carson, Colo., to provide military families with comfortable, efficient, low-maintenance, high-performance homes. As Balfour Beatty will manage the homes for 50 years, compliance with the NGBS will also make the homes more durable and less costly for the company to maintain.

14 **50,000 NGBS GREEN CERTIFIED HOMES**
Home Innovation Research Labs celebrates the 50,000th NGBS Green Certified home. The milestone single-family home is located in Raleigh, N.C., and featured during the Green Home Builders of the Triangle's annual Green Home Tour. The home is built by Saussy Burbank, a custom builder that has been committed to NGBS Green certification since 2010. Home Innovation President and CEO Michael Luzier said, "This milestone shows we've been successful at delivering a rigorous, flexible, and cost-effective third-party green certification. Builders of all sizes, including large regional builders like Saussy Burbank, are using NGBS Green certification to ensure quality construction and more comfortable, healthy, and efficient living spaces for residents."

THE NEXT CHAPTER FOR NGBS AND NGBS GREEN

The 2015 version of the NGBS is nearing the end of its consensus-based development process, and is expected to be completed in the first quarter of 2016.

It will once again be submitted to seek ANSI approval as an American National Standard.

With the growing success of NGBS Green certification, Home Innovation created an NGBS Green Advisory Group, made of industry influencers and key program participants. Read more about the group in section ii of this report.

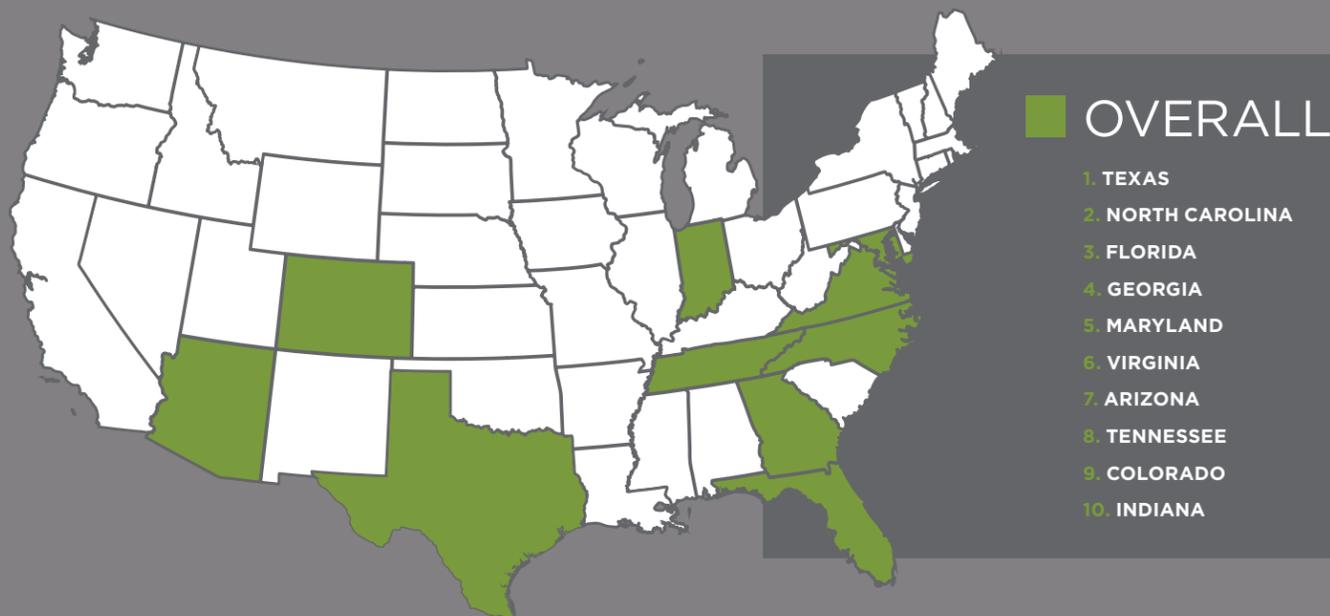
Home Innovation is also launching NGBS.com—a consumer-focused portal to help connect prospective homebuyers with NGBS Green Partners. Learn about this new outreach and marketing tool in section 4.

3 NGBS GREEN

BY THE NUMBERS



TOP 10 STATES FOR NGBS GREEN CERTIFICATION ACTIVITY IN 2015



1. TEXAS
2. FLORIDA
3. NORTH CAROLINA
4. GEORGIA
5. MARYLAND
6. ARIZONA
7. TENNESSEE
8. VIRGINIA
9. COLORADO
10. INDIANA



1. NORTH CAROLINA
2. DELAWARE
3. VIRGINIA
4. MARYLAND
5. MISSISSIPPI
6. NEVADA
7. WASHINGTON
8. TEXAS
9. VERMONT
10. NEW YORK



4 NGBS.COM: DIRECT CONSUMER LINK TO GREEN HOMES

WITH HOME INNOVATION'S NEW ONLINE PORTAL, CUSTOMERS WILL BE VIRTUALLY DELIVERED TO YOUR NGBS GREEN CERTIFIED DOORSTEP!

Home Innovation is excited to announce the debut of NGBS.com—a new online portal that allows consumers looking for green homes to connect directly with builders of NGBS Green Certified homes. Since the NGBS Green certification program launched in 2009, it has become the residential green certification program of choice for single- and multifamily builders and developers across the United States. To date, well over 10,000 single-family homes, 55,000 apartments, and 1,500 residential lots have been NGBS Green Certified.

Home Innovation has always provided a diverse array of customizable materials for builders to market their NGBS Green Certified homes directly to prospective buyers and renters. Now, NGBS.com will allow Home Innovation to reach consumers more directly, to connect them to NGBS Green Partners building in the neighborhoods where they want to live. The site provides a new way for consumers to learn the benefits of third-party certification and NGBS Green practices, and see the beauty and diversity of NGBS Green Certified homes.

The site has paths for those who are looking

to buy, rent, or remodel green. It provides details on what makes an NGBS Green Certified home different and better than comparable non-certified homes. It provides search results at the state and city level, allowing consumers to browse photos of certified homes and apartment buildings, and connect directly with builders, sales offices, or remodelers.

The site provides NGBS Green Partners an independent resource where they can point prospective buyers to validate green building claims. This will help overcome the skepticism and confusion many consumers feel when they are inundated with green marketing messages, which are often difficult to substantiate. It also helps buyers find homes that are truly green, in all respects, and independently verified to a consensus-based, national green building rating system.

Builders interested in getting their homes NGBS Green Certified can visit NGBS.com and click on the "For Builders" link in the upper right corner.

NGBS Green is already the certification program of choice for builders. Now, NGBS.com is sure to become the "go-to" site for consumers committed to living green. Don't let your potential buyers "go to" other builders.

NOT JUST FOR TYPICAL HOMEBUYERS AND RENTERS

 TODAY'S NGBS GREEN CERTIFICATION IS JUST AS MUCH AT HOME ON COLLEGE CAMPUSES AND MILITARY BASES AS IT IS IN RESIDENTIAL COMMUNITIES.

In recent years, we've seen increasing awareness and demand for green home design/construction among homebuyers and renters. However, typical buyer/renter consumer demand is not the only driver for residential green certification. While initially attracted to the NGBS and Home Innovation's certification program for its rigor, flexibility, and affordability, builders and developers are frequently (and pleasantly) surprised by the wide variety of projects other than traditional home construction to which the NGBS is applicable.

STUDENT HOUSING

Sustainable housing options are in demand on/near university campuses, too, given young adult preferences for an environmentally conscious lifestyle. Certification to a national standard provides third-party validation of a builders' sustainability commitments. Campus Circle Tallahassee Apartments, located adjacent to the Florida State University campus, achieved Bronze-level NGBS Green certification by integrating sustainable materials and design, demonstrating superior energy and water efficiency, and implementing lot design and indoor environmental quality practices. Campus Circle is located close to



mass transit and walkable to many community resources, including parks, grocery stores, campus buildings, and restaurants, allowing students to enjoy car independence.

MILITARY

Balfour Beatty Communities, LLC, a developer and property manager for the multifamily, military, and student housing markets, has built NGBS Green Certified homes at Fort Bliss (El Paso, Texas), Fort Eustis (Newport News, Va.), and Fort Carson (near Colorado Springs, Colo.). As Balfour Beatty will construct and manage the Fort Bliss homes for 50 years, compliance with the NGBS will produce homes that are not only more livable and affordable for military families, but also more durable and less costly for the company to maintain. At Fort Bliss, Balfour Beatty is building 250 NGBS

Green Certified townhomes designed to surpass performance requirements of the 2006 energy code by over 60 percent. They are accomplishing this level of efficiency by integrating energy-efficient equipment inside the homes and rooftop solar equipment outside. Other sustainable features include double-pane, Low-E windows, hybrid electric water heaters, increased envelope sealing and insulation, water-efficient fixtures, and more.

SUPPORTIVE HOUSING/SHELTERS

NGBS Green certification is well-suited for low-income and supportive housing (shelters, rehabilitation facilities, etc.) because it is cost-effective and flexible. Various federal and state housing programs provide incentives for green and energy-efficient construction for the energy cost savings and low-maintenance features afforded to residents, and the NGBS is among the national green programs typically included.

In Fort Wayne, Ind., the new NGBS Green Certified 36-unit Courtyard Residence will offer housing and workforce training to young adults who have "aged out" of the foster care system. The 45,000-square foot building achieved Silver certification to the NGBS, and includes a mix of one- and two-bedroom apartments, a full commercial kitchen, and various classroom and community rooms. Courtyard residents will have access to counseling, job/life skills courses, and assistance with obtaining high school diplomas/GEDs, parenting education, and other on-site services. Kevan Biggs, president of Ideal Suburban Homes, which built the facility and will manage it long-term, said that funding was the main motivator for the team to seek NGBS Green certification. The Courtyard Residence took

advantage of a mix of federal, state, and local funding. The Indiana Housing and Community Development Authority requires all projects seeking Low-Income Housing Tax Credits be certified to either the NGBS, LEED®, or ENERGY STAR®, and additional benefits are given to projects that achieve higher certification levels beyond Bronze/Certified.

RESCUE SQUAD FACILITIES

Facilities for rescue personnel also are eligible for NGBS Green certification, as they typically include a "residential component"—a large kitchen facility, one or more large sleeping rooms for rescue workers to await emergency calls, and a large living space for training and team-building. Rescue squad facilities typically include less specialized equipment than police and fire stations, and often are located in residential neighborhoods.

When the Lexington Park Volunteer Rescue Squad, located in Lexington Park, Md., was designing a new facility, the team sought to build a "facility for the future," according to LPVRS President Kenneth Hicks. The squad was replacing its existing facility with a much larger building. As a non-profit that operates independently from local government funding, the squad recognized the importance of green building features to help reduce operating expenses over the facility's lifetime (expected to be 30-50 years).

The facility was verified as if the building was a single-family home with an exceptionally large garage, according to NGBS Green Verifier Mark Garner. The facility includes four large bay areas for equipment, a residential kitchen, sleeping quarters, and office space.



DELIVERING GREEN FOR THOSE DEFENDING THE RED, WHITE, AND BLUE

THE BRAVE MEN AND WOMEN WHO PROUDLY SERVE IN AMERICA'S MILITARY DESERVE TO ENJOY THE BENEFITS OF THE WAY OF LIFE THEY'VE CHOSEN TO DEFEND.

With the passage of the 2015 National Defense Authorization Act (NDAA) in December 2014, Congress authorized the NGBS for use with all military residential construction.

Consensus-development and cost were key considerations in Congress' decision to expand green requirements to include the NGBS. With the passage of this bill, Congress stipulated that the Department of Defense should consider all facets of the certification going forward, including cost, when deciding among rating systems.

Previously, the U.S. Green Building Council's LEED® program was the only green rating system specifically approved for use in new military projects. Project managers can now select from the NGBS, LEED®, or Green Globes when choosing a green certification program for new residential or remodeling projects.

PRIVATE MILITARY HOUSING

Balfour Beatty Communities, LLC, a developer and property manager for the multifamily, military, and student housing markets, has built NGBS Green

Certified homes at Fort Bliss (El Paso, Texas), Fort Eustis (Newport News, Va.), and Fort Carson (near Colorado Springs, Colo.). The NGBS has been Balfour Beatty's preferred green certification program since 2012.

GREEN HOME FEATURES

As Balfour Beatty will construct and manage the Fort Bliss homes for 50 years, compliance with the NGBS will produce homes that are not only more livable and affordable for military families, but also more durable and less costly for the company to maintain.

At Fort Bliss, Balfour Beatty is building 250 NGBS Green Certified townhomes designed to surpass performance requirements of the 2006 energy code by over 60 percent.

They are accomplishing this level of efficiency by integrating energy-efficient equipment inside the homes and rooftop solar equipment outside.

Other sustainable features include double-pane, Low-E windows, hybrid electric water heaters, increased envelope sealing and insulation, water-efficient fixtures, and more.

SUSTAINABLE SITE CONSTRUCTION

At Fort Eustis, Balfour Beatty pursued and achieved NGBS Green land development



certification for the new Marseilles Village community. This community is located on a previously developed but unused site that held old housing stock and barracks on the base.

The primary benefit to the residents of incorporating these NGBS Green land development practices is the enhanced neighborhood design. The team was able to keep a majority of the mature trees and vegetation because they used a gray field

infill site and utilized the existing roadways and building locations.

They also took advantage of existing community support services and created a pedestrian-supportive neighborhood.

Finally, nearly three acres of open green space was designated for community use with interconnected walk paths and ample area for outdoor activities.

7 MAKING SIGNIFICANT STRIDES ON GREEN APPRAISALS

 HOMES WITH GREEN
 FEATURES ARE FINALLY GETTING
THE APPRAISALS AND RESALE
VALUE THEY DESERVE.

Too often, the value of “green” features in higher-performing homes has been either underestimated or overlooked during the appraisal and lending processes. As a result, builders who are committed to green practices and third-party performance standards, like NGBS Green certification, are not properly differentiated in the marketplace.

Likewise, homeowners may not have benefited from appraisals and resale pricing that reflected the value of a home’s green features and the reduced operating costs associated with these investments. Over the last few years, important strides have been made to ensure that appraisers and lenders are equipped to recognize and value green home features.

Whereas builders and homebuyers may have experienced green features being underestimated or overlooked in the past, they are better positioned to “win” with new resources and guidelines coming from federal agencies and third-party organizations.

APRIL 2013: The Appraisal Institute released the Residential Green and Energy Efficient Addendum. This form was developed by appraisers and now serves as a tool to help ensure that home appraisals reflect home performance.

NGBS Green certification is one of two national green programs recognized on the addendum. It can be completed by the builder, remodeler, verifier/rater, appraiser, or anyone else connected to the property to document information known about the property. The addendum recognizes the certification level achieved, as well as other green features, completed energy audits, and/or local energy incentives available to homeowners.

MARCH 2014: HUD hosted the Green Mortgage Appraisal Roundtable at the White House. The roundtable was an important forum for assessing barriers to accurate and reliable valuation of green homes. The attendance and engagement level of participants reflected that the issue was of crucial importance to both government and industry leaders.

Home Innovation Research Labs was honored to participate in the Green Mortgage Appraisal Roundtable, where we joined appraisers, lenders, Realtors, federal agencies, and other stakeholders to discuss the challenges of assigning a value to energy savings. Fannie Mae, Freddie Mac, FHA, USDA Rural, and other mortgage representatives were involved in the discussion as well.

AUGUST 2014: The Federal Housing Administration (FHA) released a draft version of its Single Family Housing Policy Handbook, which outlines appraiser responsibilities and compliance actions. This handbook represents a big win for those who build and sell high-performance green homes, as the handbook recognizes lender-accepted appraisal methods that better enable green home features to be recognized and valued during the appraisal process.

FEBRUARY 2015: The Appraisal Institute released its Commercial Green and Energy Efficient Addendum, which is similar in nature to the Residential Green and Energy Efficient Addendum and is intended to help analyze values of commercial buildings’ energy-efficient features. NGBS Green certification is recognized alongside LEED®, Green Globes, and ENERGY STAR® as an option for multifamily buildings.

“At Elevate Energy, we design and implement efficiency programs that lower costs, protect the environment, and ensure the benefits of energy efficiency reach those who need them most. As a provider of these programs, we understand that future success is dependent upon energy efficiency becoming transparent in the real estate transaction of high performance homes.”

—ANNE EVENS
CEO OF ELEVATE ENERGY

“If you had a tool in your toolbox that saved you time and money, would you use it? That’s exactly what the Appraisal Institute’s Residential Green and Energy Efficient Addendum is—a valuable new communication tool in your green home marketing toolbox. The addendum standardizes terms for lenders, appraisers, real estate agents, and homeowners, making it easier for all parties to understand the benefits and value of the high-performance homes you build.”

—SANDRA ADOMATIS
ADOMATIS APPRAISAL SERVICE

“Today’s newer buildings are very different from their predecessors, with improved technical features, green amenities, and indoor air quality improvements that lead to better tenant health, satisfaction, and comfort. Existing building owners ... are seeing the need to upgrade their buildings, and being able to justify greater value can provide the proceeds to pay for such improvements.”

—BOB SAHADI
DIRECTOR OF ENERGY EFFICIENCY FINANCE,
INSTITUTE FOR MARKETTRANSFORMATION

8

VALUE OF GREEN CERTIFICATION

WITH SO MANY BENEFITS AND ADVANTAGES, GREEN CERTIFICATION'S VALUE CAN ONLY BE DESCRIBED AS "PRICELESS."

Every day, more homes and multifamily buildings earn green certification. We see the growth and industry embrace of NGBS Green certification in real-time through our online counter of NGBS Green Certified homes and projects in the certification pipeline—you can see it yourself at HomeInnovation.com/NGBSGreenStats.

Still, skeptical builders continue to pronounce, "I build high-performance buildings. Green certification is expensive. It's not worth the time, effort, or cost."

ARE THEY RIGHT? IS GREEN CERTIFICATION JUST A FOOL'S FOLLY?

No, and here are the reasons why. Product certifications abound. It's hard to conceive of everyday life without products bearing a certification mark.

Certification provides confidence to consumers that the products they purchase will perform as expected.

For the construction industry, builders rely on product certifications to verify that testing has been done to prove a building product, component, method, or material performs

at a level compliant with applicable codes, standards, and regulations.

IS IT ENOUGH FOR A PRODUCT MANUFACTURER TO TEST THEIR OWN PRODUCTS AND ASSERT THEY MEET THE RELEVANT SPECIFICATIONS?

Probably not for consumer confidence, and for many building products, it is not enough for code compliance. Consumers, code officials, and building professionals want unbiased, validated evidence from an independent third party.

INDEPENDENT, THIRD-PARTY CERTIFICATION ADDS COST TO ANY PRODUCT—BUT IS IT WORTH THE COST?

You certainly wouldn't want your OSB's structural performance untested! And insulation that is "sort of close to R-19" might not be acceptable if you're actually trying to achieve optimal thermal performance. Most builders rightfully expect a little more precision and confidence from their building products.

WHAT ABOUT JUST BUILDING A HOME THAT IS COMPLIANT WITH THE NGBS? IS INDEPENDENT, THIRD-PARTY VERIFICATION/CERTIFICATION NECESSARY, OR AN UNJUSTIFIABLE ADDITIONAL COST?

Building certification, when reasonably priced,

is as essential as certification of any of the separate building products specified in a project.

Building products are typically manufactured in a factory-controlled environment with stringent quality control procedures in place. On-site construction is a far messier process.



Builders have significantly less ability to control many factors. Weather alone can wreak havoc on construction managers—a factor that building product manufacturers rarely have to worry about.

NGBS Green certification provides indispensable confidence, whether on behalf of the architect, builder, equity partner, homebuyer, or renter, that the building is certifiably green.

To be clear, NGBS Green certification provides value not because builders and developers are incapable of compliance without an independent, third-party inspector looking over their shoulders.

INSTEAD, CERTIFICATION ADDRESSES THREE IMPORTANT FACTORS:

First, contemporary high-performance buildings are complex, often constructed with practices, products, technologies, and systems less familiar than their conventional alternatives. NGBS Green certification helps provide quality assurance for these newer innovations.

Second, marketing a building as green understandably raises consumer expectations about expected performance. Accordingly, the Federal Trade Commission admonishes that marketers are less likely to be deceptive or misleading when their green statements are backed up with an independent, third-party certification.

Last, and perhaps most important, stuff happens! The wrong windows will occasionally get delivered to your construction site, and perhaps get installed without being noticed. A delivery truck driver will be unaware of the purpose of a silt fence and roll over—as opposed to going around—the stormwater protection measures to access the site.

You can't see everything that happens on a construction site at all times. An accredited NGBS Green Verifier serves as supplemental on-site quality control for any project he or she is inspecting. Verifiers visually inspect every single home and apartment to ensure the NGBS practices that *should* be met, *are* being met.

Home Innovation not only reviews every verification report before conferring certification on a building, but also provides a depth and breadth of green residential construction expertise to support our verification field force.

IS A GREEN PROGRAM BY ANY OTHER NAME JUST AS VALUABLE?

Yes, green certification imparts value. But not all green certification programs deliver the same value. Green certifications vary considerably in rigor and purpose.

For starters, consider Home Innovation Research Labs as the certification agency. As an accredited third-party test lab and certification entity with over 50 years of experience, our objective is to maintain the rigor for which the Home Innovation certification mark is known. Accredited third parties are, by definition, held to a higher verifiable standard than their non-accredited counterparts.

Our methods, materials, protocols, records, and administrative processes are regularly checked for compliance by outside entities. If we don't meet their scrutiny, we cannot continue to hold our accreditation and perform third-party services.

For this reason, builders, product manufacturers, code officials, and consumers look to us to confirm compliance with code requirements and claims about product performance, from plumbing to insulation, and structural building components to green homes.

Next, consider the rating system that is the centerpiece of Home Innovation's NGBS Green certification. We certify green projects to the only ANSI-approved residential standard for residential green construction, which was created under the strictures of ANSI's consensus process and is required to go through regular public review and updating (third iteration should be ready for ANSI review in early 2016).

Finally, consider the rigor within the NGBS. It is the only green rating system in the market today that requires higher baseline performance levels in each of its six categories in order for a project to attain the next higher level of certification.

In other words, a project cannot be just highly energy efficient and achieve our highest, Emerald-level certification. An Emerald-level NGBS Green project must achieve Emerald-level point thresholds in every category for us to bestow the Emerald certification upon it. If just one category misses the mark, the whole project is likewise limited. We don't know of another green certification program with such rigorous requirements. We encourage all builders and developers to be educated consumers regarding the certification program they select.

Ultimately, the relative worth of anything is judged against its cost. Building certification only provides added value until it costs so much that it doesn't. NGBS Green certification is affordable for all residential projects. In fact, for a single-family home, the certification fee is just about the same as an ordinary kitchen sink.

Inspection fees are determined by the individual NGBS Green Verifier but are reasonable, often running at less than 1% of construction costs. Further, NGBS Green certification is a recognized and allowable attribute to be considered in the valuation of the property and therefore may more than pay for itself when the property is appraised.

Taking all these facts into consideration, NGBS Green certification delivers reliable value for the cost-conscious builder.

NGBS GREEN

INCENTIVES START WITH RECOGNITION



AS MORE AND MORE LOCAL, STATE, AND FEDERAL AGENCIES RECOGNIZE THE VALUE OF NGBS GREEN CERTIFICATION, REBATES, ABATEMENTS, WAIVED FEES, AND EXPEDITED PERMITTING ARE JUST A FEW OF THE BENEFITS BUILDERS WILL ENJOY.

Here's an example of how that works. In Washington's Clark County community, leaders saw green home construction as an opportunity to both reduce demand on local infrastructure and drive market demand for sustainable construction.

In 2010, the county's Board of Commissioners adopted the NGBS as the county-wide, voluntary green building code. They determined it was easier for the building department to learn one rating system and train all interlaying towns, villages, and the city of Vancouver on the same system, to ensure permitting consistency and knowledgeable support staff for builders.

According to Mike Selig, the county's Building Safety Program Manager, the commissioners selected the NGBS as their preferred green building rating system because it was the most code-compliant and easiest to navigate of those they investigated. "It was also the only ANSI [approved] code, which lent a lot of credibility," said Selig.



In following years, the county used the NGBS as a springboard for community and industry training/outreach. With federal funding from the Recovery Act, the county hired staff and deployed a county-wide program that performed home energy audits, contractor training, and community outreach/education based largely on the NGBS. The resulting "Planet Clark" program continues today, due to sustained community interest.

In 2012, the county worked with Quail Homes and the Evergreen Habitat for Humanity chapter to build the Planet Clark Emerald House (pictured above), the first Emerald-level NGBS Green Certified home in the area. Emerald House was designed to maximize natural light and heat to reduce energy use, and served as a demonstration home for several months before being occupied by a local family.



GOVERNMENT RECOGNITION

Municipalities may recognize local builders seeking green certification through signs or plaques at the building site or by including project information on the locality's website.



INCREASED DENSITY

Density bonuses are a zoning tool that permits developers to build more housing units, taller buildings, or more floor space than normally allowed, in exchange for achieving green building certification.



EXPEDITED REVIEW/ PERMITTING

Review and permitting processes vary by jurisdiction, but can take months or even years. Reducing the duration of the process for green building projects can result in major time—and cost—savings for builders and developers.

GOVERNMENT INCENTIVES FOR NGBS GREEN

The NGBS is already recognized by many jurisdictions for green-related incentives. This page is a snapshot of the types of government-related incentives offered by local jurisdictions for the people who build NGBS Green Certified projects.



REDUCED/WAIVED PERMIT FEES

Municipalities that charge fees for permit review or other processes may offer reductions for builders and developers seeking third-party green building certification.



TAX CREDITS AND ABATEMENTS

This incentive works by either crediting specific tax liabilities back to the property owners or exempting property owners from paying taxes for a period of time.



BUILDER GRANTS AND REBATES

For hesitant green building communities, direct financial incentives to builders can have a positive impact. The limited offers aid local companies to learn new practices and shift toward green building.



CONSUMER REBATES

Direct cash incentives to buyers of green certified homes and condos can help builders seeking third-party green certifications. These incentives increase awareness and demand for higher-performing homes.



RECOGNIZED IN POLICY OR CODE
As other examples, the following jurisdictions recognized NGBS Green certification in recent policy or code developments:



U.S. CONGRESS:
With adoption of the 2015 National Defense Authorization Act, Congress authorized the NGBS for use with all military residential construction.



DISTRICT OF COLUMBIA:
All commercial and large multifamily developments (four stories and higher) must meet the DC Construction Code, which includes NGBS compliance as an acceptable method to meet the ordinance's requirements.



CITY OF DECATUR, GA.:
NGBS Green Certified buildings at the Silver level or higher meet the city's High-Performance Building Standards. NGBS is recognized alongside EarthCraft, Green Globes, and LEED®.



CITY OF BALTIMORE, MD.:
Baltimore City Green Construction Code—All commercial and large multifamily developments (four stories and higher) must meet the Baltimore City Green Construction Code, which includes NGBS compliance as an acceptable method to meeting the ordinance's requirements.

Tax Credit—The City of Baltimore offers a 10-year tax credit for high-performance, market-rate rental housing. Buildings certified to the NGBS (Silver or higher) are eligible.



CITY OF MIAMI, FLA.:
NGBS Green certification has been recognized as an acceptable rating system for compliance with the sustainability requirements of the Miami 21 Code.



CITY OF ROCKVILLE, MD.:
The City of Rockville Code requires that all residential buildings be built to the International Green Construction Code (IGCC) or be in compliance with the NGBS at the Silver level.



CITY OF VANCOUVER, WASH.:
Vancouver's City Council voted to adopt the NGBS as its voluntary green building code for local development.



OHIO HOUSING FINANCE AGENCY:
NGBS Green certification has been recognized alongside Enterprise Green Communities and LEED® as a green standard option for 2016-2017 Qualified Allocation Plan for Low-Income Housing Tax Credits.



WASHINGTON STATE HOUSING FINANCE COMMISSION:
NGBS Green certification (Silver level or higher) is recognized as an option for meeting the requirements of the Energy Spark Home Loan, which provides a .25% interest rate reduction for qualifying buyers of energy-efficient homes and home improvements. NGBS is recognized alongside Built Green, DOE Zero Energy Ready Home, LEED®, Northwest ENERGY STAR® Homes, and Passive House.

10 NGBS GREEN PARTNER PROFILES

BILL GREENE
SENIOR DESIGN MANAGER,
WOOD PARTNERS

Bill Greene is a licensed architect in the State of Texas with over 15 years of multifamily design and construction experience, and seven years of active involvement in green construction and development. He is currently the Senior Design Manager for Wood Partners Central Region, a company that is leading the industry in green development.

Recently, Wood Partners committed that all of its new multifamily developments would meet National Green Building Standard™ requirements and seek NGBS Green certification whenever possible. Many of Wood Partners' communities also



“We have selected NGBS as our standard because it is a national program that has been historically lower in registration fees and construction cost without sacrificing green quality standards.”



incorporate construction waste recycling, transit orientation, and other techniques to reduce the environmental impact.

Bill believes there are a number of benefits in attaining third-party green certification for their properties—it decreases the company's own operating expenses; it helps tenants save on utility expenses; and it gives Wood Partners an opportunity to market these savings. In fact, Wood Partners has a national marketing program that informs renters and investors alike that the company is dedicated to providing the best environmentally designed and constructed projects; green certification is their proof point for that level of commitment.

Because of his support for NGBS Green and unique multifamily development perspective, Bill was asked to serve on Home Innovation's NGBS Green Advisory Group, which had its inaugural meeting this past summer. He feels that anyone in the building industry who's not currently building green or thinks it's too difficult or expensive to seek third-party certification should wise up.

“We have an environmental responsibility as developers, designers, and builders to create properties that deliver high-performance, quality, and value to our customers—this should be understood throughout the industry.”

JENN NOWALK
DIRECTOR OF SALES AND
MARKETING, HOMES BY DICKERSON

Jenn Nowalk, CSP, CMP, CGP, Broker/REALTOR® is the Director of Sales and Marketing for Homes by Dickerson, a Raleigh, N. C.-based builder of high-performance custom homes.

Under her leadership, Homes by Dickerson was awarded The Gold Award for Building Industry Community Spirit for the Miracle Green Home benefiting Duke Children's Hospital and the Silver Award for Best Social Media Campaign at the 2013 NAHB Nationals Awards. Jenn is also an active member of the Green Home Builders of the Triangle (GHBT) Sales & Marketing Council, currently serving on its Executive Committee. In 2009, Homes by Dickerson made a commitment to build high-performance green homes across the board, and selected NGBS Green as its certification program of choice.

According to Jenn, NGBS Green certification has provided the company a number of benefits—some tangible, others intangible. Because of their early and strong affiliation with GHBT and their selection of NGBS Green, Homes by Dickerson has become a leader in building high-performance green homes. The building techniques and materials they've adopted as part of the certification protocol have better prepared them for code changes.

She says certification also helps them quantify their quality to customers. “We have gotten greater exposure by being invited to participate as experts on industry and consumer-oriented panels, magazine articles, and we've received award recognition because of our efforts in building high performance homes.”

“It keeps us honest and committed and consumers appreciate the checks and balances ... It has opened doors for us in working with communities and developers that require builders to build green.”



Jenn says the company finds that having third-party certification is validation that they are truly building high-performance green homes, not just saying they are. “Everyone on the team has to buy into the required pieces of the puzzle for us to get the certification so it helps us all work together toward that shared goal.”

As for the marketing benefit of NGBS Green certification, Jenn says the certificates are great sales tools, and provide the perfect conversation starter when talking with customers about the real value it can represent for them.

“Of course many of our buyers get very excited about the dollars and cents of the energy efficiency, however, when they learn about the whole system approach and improved indoor air quality, finish materials, sealed crawlspaces, HVAC equipment, and exterior materials used in our homes, they get hooked on a better built, more sustainable home.”

To those on the fence about building green or getting their high-performance homes certified, Jenn is unequivocal about the benefits of and responsibility to build green.

KAT BENNER
 MANAGING DIRECTOR OF
 OPERATIONS AND OUTREACH,
 US-ECOLOGIC/TEXENERGY

In just four years since becoming accredited as an NGBS Green Verifier, Kat Benner of US-EcoLogic/TexEnergy has certainly made her mark.

She's a three-time Home Innovation NGBS Green Partner of the Year, a member of the newly-formed NGBS Green Advisory Group, and one of the first in the country to become an NGBS Green MASTER Verifier, a designation reserved for those who have the highest levels of experience and expertise with the certification program.

Kat currently heads up a 19-verifier team, which has grown rapidly in recent years due to the surge in multifamily development and ever-increasing awareness of the National Green Building Standard and NGBS Green as viable, cost-effective certification options for multifamily buildings of all sizes.

Providing a broad knowledge base across low-rise, mid-rise, and high-rise building types, in both wood and concrete/steel construction, across diverse climate zones and regions of the country, Kat and her team perform energy modeling, environmental consulting, plan reviews, energy code and above-code inspections, and a host of testing and analysis services.

With more than 15 years of experience in sustainable design and construction, and a dizzying array of environmental and energy certifications in both commercial and residential, combined with her degrees in environmental studies and anthropology,



Kat's an adept leader and qualified expert in the green residential field. And while she personally has verified over 400 NGBS Green Certified units, and has another 600+ in process, her team all combined leads the country verifying nearly 5,700 NGBS Green Certified units with more than 7,100 in process!

All the awards and accolades aside, she says the most fulfilling aspect of being a green verifier is seeing a client "get it" when she and her team are able to connect the dots and explain the building science behind what they do.

She says her clients really value the guidance she's able to provide in navigating what can be a complex and multi-layered process, and feels that NGBS Green is often the most straightforward path for builders and developers to take.



LISA STEPHENS
 REGIONAL VICE PRESIDENT,
 PINNACLE HOUSING GROUP;
 PRESIDENT, SAIGEBROOK
 DEVELOPMENT, LLC

Lisa Stephens is a Regional Vice President with Pinnacle Housing Group, a nationally-recognized affordable housing developer, and President of Saigebrook Development, LLC, a certified WBE and Texas HUB real estate development firm.

Because of her specific insight into affordable housing and how it can be positively impacted by incorporating green building practices, Lisa was asked to be a member of Home Innovation's NGBS Green Advisory Group in 2015. She is also a LEED® Green Associate, and former board member of the Florida Green Building Coalition and the Florida Coalition of Affordable Housing Providers. For two decades, she and her development teams have strived to promote energy and natural resource conservation in communities throughout the Southeast. These efforts have had a significant positive impact on the cost of operations, material life cycle costs, and the out-of-pocket costs of their residents.



Both Pinnacle and Saigebrook selected NGBS Green as the preferred option for all their developments because the NGBS provides a well-rounded, balanced approach to green building in an efficient manner.

The program is designed to reach high performance milestones in every aspect of the development process, from site selection and layout to ongoing operations and maintenance. The program is also an affordable option compared to other certifications in the marketplace, which makes it a simple choice for affordable housing developers.

But why go the "extra mile" to get their properties NGBS Green Certified, when every dollar really has to count with affordable housing? Simply put—accountability and certainty.

Lisa appreciates the third-party verification that ensures contractors, as well as their subcontractors, are accountable for both the products purchased and the proper installation of those products in the building. NGBS Green certification provides a level of comfort for the owner and developer that an outside party can attest the requirements have been met, and the development team's vision of creating a healthy living environments has been maintained.

And the peace of mind the process bestows to the owner and developer can be even more beneficial to the residents, according to Lisa. "Our renters definitely appreciate the things they can see and use—the energy-efficient appliances, lighting, and their utilities bills the most. The yearly savings in their electricity and water bills is significant money they can use for other necessities or savings towards the down payment on a home."

 **RANDY KERTESZ**
PRESIDENT,
KERTES ENTERPRISES, INC.

Kertes Enterprises has been building green since before “building green” was a thing! They have always tried to be ahead of the curve in designing homes for better comfort, and don’t want buyers to feel they have to upgrade in order to get durable, efficient homes. For well over a decade, the homes they’ve built have been designed with keen attention to details like insulation, weather protection, high-efficiency equipment, moisture/humidity control, and ventilation—all components that are common in the repertoire for today’s green homes.

The Lakes of Orange in Ohio is the company’s first NGBS Green Certified land development. The first phase of the development is now complete. In addition to having the development itself certified, all homes will also be required to meet at least the Bronze level criteria for NGBS Green. Company president Randy Kerteszk wanted to differentiate this community from others being developed in the area, and feels strongly about the value third-party certification provides.



“We have yet to encounter a consumer who said I don’t want a home that is energy efficient or low maintenance. We just haven’t seen any resistance to a truly green and sustainable home.”



Kertes Enterprises, LLC

“It gives homeowners a level of confidence that their new home is being physically inspected and tested by an outside, independent green verifier,” he says. “Other builders may claim to be ‘green’—we can prove it, because of the third-party verification.”

Randy’s company considered both LEED® and NGBS when deciding on a certification for The Lakes of Orange. They appreciated that the NGBS, including the portion for land development, was created specifically for residential development. While they felt the certification processes were similar, Randy says NGBS better reflects and accounts for the realities of residential construction.

To his delight, Randy has found that if you build it—and have it NGBS Green Certified—they will come! Having NGBS Green certification in their advertising has driven a lot of traffic to the development. He says they see more and more buyers beginning to understand and appreciate green building, particularly the durability of the exterior products, healthier indoor living environment, substantially lower energy costs, and improved resale value. Having that “greenness” validated by third-party certification makes the decision to come to The Lakes of Orange to see a home built by Kertes Enterprises even easier.

As for the added cost of green certification versus its business benefits, Randy says it’s simple. “I would tell any builder who claims green is too expensive to look at the next set of building requirements coming down the road in their state or locality.” He contends that meeting the requirements of NGBS Green certification “future-proofs” his company, to an extent, in terms of being ready for things like stricter energy codes. And he says buyers rarely need to be convinced of the value.

 **STEVEN ARMSTRONG**
SENIOR HOUSING ANALYST,
ENVIRONMENTAL SOLUTIONS
GROUP, LLC

Named one of Home Innovation’s NGBS Green Partners of Excellence in both 2014 and 2015, Steven Armstrong has been an outstanding resource for his builder clients since becoming an accredited NGBS Green Verifier in 2009.

And he comes by it naturally. Steve’s father is an architect and developer, and gave him an early introduction to the “sticks and bricks” side. But Steve says his dad also tried to save every tree possible while designing and building homes, and his environmental sensibilities made a lasting impression on him.

Steve spent years studying and working in earth sciences, with degrees in hydrogeology, geology, and geochemistry, but throughout that career he continued to dabble in the building market.

Ultimately, he made the leap officially into environmental science, and says he’s never regretted the switch—what he does now melds his two passions for construction and the natural environment.

Typically, Steve provides verification services for ESG’s larger multifamily clients—with over 2,000 NGBS Green Certified units under his verifier’s belt, and hundreds of others currently in process—but he always encourages single-family builders to take advantage of the benefits offered by the NGBS, as well.

“The NGBS is easy to understand, read, and achieve with some smart, strategic material and design decisions. It’s a no-brainer to offer to clients.”

“The biggest thing for me in adopting the NGBS is that the approach taken by the Consensus Committee made perfect sense ... for home builders.”



Steve currently serves on the Multifamily Task Group for the 2015 NGBS, is a HERS rater, registered geologist, RESNET Quality Assurance Designee/Trainer, and holds certifications from the Building Performance Institute and RESNET, among others.

 **ADDITIONAL
HOME INNOVATION
RESOURCES**

These six profiles represent just a few of our outstanding NGBS Green Partners. Below are some useful program links to help you connect with our partners, or get involved in the program yourself:

HomeInnovation.com/Green

HomeInnovation.com/FindNGBSVerifier

[HomeInnovation.com/
MarketGreenCertified](http://HomeInnovation.com/MarketGreenCertified)

NGBS.com

NGBS GREEN:

A BETTER PLACE TO CALL HOME



Home Innovation
NGBS GREEN CERTIFIED™