

## Appraisal Institute Leadership on Green and Energy-Efficient Valuation

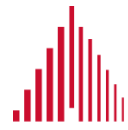
*The Appraisal Institute is the recognized global leader in green and energy-efficient valuation through its initiatives, partnerships, endorsements and studies. Since June 2008, the Appraisal Institute has offered nearly 700 individual education programs on green and energy-efficient valuation, and more than 9,200 attendees have participated.*

### Initiatives

- In November 2018, the Appraisal Institute added a new course to its [Valuation of Sustainable Buildings Professional Development Program](#), which educates appraisers on the intricacies of valuing high-performance residential and commercial buildings, and consists of five courses: “Introduction to Green Buildings: Principles & Concepts;” “Case Studies in Appraising Residential Green Buildings;” “Case Studies in Appraising Commercial Green Buildings;” “Residential and Commercial Value of Solar” and “Practical Applications in Appraising Green Commercial Properties.”
- In May 2018, the Appraisal Institute released the [Guide to the AI Residential Green and Energy Efficient Addendum](#), which helps appraisers, real estate agents, energy and green raters, lenders, builders, the secondary mortgage market and sustainability organizations understand how each section of the addendum applies to valuation and marketing of the property.
- In August 2017, the Appraisal Institute published a new book, [“The Value of Green Commercial Real Estate”](#) by Timothy P. Runde, MAI, and Stacey L. Thoyre. AI previously published [“Residential Green Valuation Tools”](#) by Sandra K. Adomatis, SRA, in 2014 and [“An Introduction to Green Homes”](#) by Alan Simmons, SRPA, in 2010.
- In May 2017, the Appraisal Institute released the [AI Reports® Residential Green and Energy Efficient Addendum](#), an updated research tool to assist appraisers and users of appraisal services in understanding market reactions to green and energy efficient homes. The Appraisal Institute originally issued its Residential Green and Energy Efficient Addendum in September 2011 as an optional addendum to commonly used appraisal forms for loans sold and guaranteed by government-sponsored enterprises and government agencies.
- In February 2015, the Appraisal Institute released its [Commercial Green and Energy Efficient Addendum](#), the first form of its kind for appraisers’ use. It is intended to help analyze values of commercial buildings’ energy-efficient features.
- At the request of appraisers’ clients, in April 2014 the Appraisal Institute expanded its Valuation of Sustainable Buildings Professional Development Program’s online registries of [residential](#) and [commercial](#) appraisers to include everyone who has completed the course.

### Partnerships

- In March 2018, the Appraisal Institute announced a joint effort with the Residential Energy Services Network, known as RESNET, to launch an appraiser portal that allows AI professionals to access data for properties with Home Energy Rating System Index scores.
- In May 2017, citing “enhanced consumer protection requirements,” the Appraisal Institute [joined 27 trade associations](#) to support federal legislation requiring Property Assessed Clean Energy Loans, known as PACE loans, to be subject to federal consumer protection requirements.
- In January 2016, the Appraisal Institute and RESNET [signed a cooperation agreement](#). The two organizations agreed to work together to present education programs on real estate valuation



topics and building energy efficiency rating and certification systems to appraisers, builders, developers and other interested individuals.

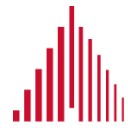
- The Appraisal Institute and the Building Codes Assistance Project in November 2015 released [“Appraised Value & Energy Efficiency: Getting It Right,”](#) a guide that provides important information for those involved in the purchase or sale of a home that has green or energy-efficient features.
- In October 2015, the Appraisal Institute joined the Institute for Market Transformation and the District of Columbia’s Department of Energy and Environment in releasing [“High-Performance Buildings and Property Value: A Primer for Lenders,”](#) which helps lenders understand the valuation of high-performance buildings.
- The Appraisal Institute in April 2015 extended its partnership with [Build It Green](#), a California-based “green” building organization, to offer relevant education courses to appraisers and others.
- The Appraisal Institute and the Institute for Market Transformation issued [guidance](#) in January 2014 on valuing green and energy efficient buildings: “Recognition of Energy Costs and Energy Performance in Real Property Valuation.”
- In October 2013, the Appraisal Institute partnered with the Colorado Energy Office to provide an [analysis of the impact of solar PV systems on the home-buying process](#). The study sought to better understand the impact, if any, that solar PV has on the sales transaction process.
- The Appraisal Institute contributed to the [Green MLS Tool Kit](#), issued in April 2010. The tool kit was created to help Realtors add a green initiative to their local multiple listing service. The tool kit provides guidance on enhancing data in the MLS, empowering appraisers to make well-supported comparisons, analyses and adjustments.

## **Endorsements**

- In January 2012, the Appraisal Institute announced its support for [PV Value](#), a spreadsheet developed by Solar Power Electric and Sandia National Laboratories that assists appraisers and others seeking to establish the value of a property’s solar-powered features.
- In October 2011, the Appraisal Institute endorsed the federal [Sensible Accounting to Value Energy \(SAVE\) Act](#), which would improve the mortgage underwriting process by ensuring energy costs are included. Sponsored by Sens. Michael Bennet, D-Colo., and Johnny Isakson, R-Ga., the SAVE Act would instruct federal loan agencies to assess a borrower’s expected energy costs when financing a house. IMT also is among the bill’s supporters.

## **Studies**

- Sandra K. Adomatis, SRA, produced a [study](#) released in November 2015 by the U.S. Department of Energy’s Lawrence Berkeley National Laboratory that found homes with host-owned solar photovoltaic energy systems are sold at a premium compared to homes without PV systems.
- Two Appraisal Institute members, Sandra K. Adomatis, SRA, and Thomas Jackson, Ph.D., MAI, contributed to a [landmark study](#) released in January 2015 by the U.S. Department of Energy’s Lawrence Berkeley National Laboratory. The eight-state, 12-year study produced the most authoritative estimates to date of price premiums for U.S. homes with PV systems.



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To learn more about the Appraisal Institute's green and energy-efficient valuation leadership, visit the [Green Building Resources](#) web page.

To find an appraiser who has completed the Appraisal Institute's Valuation of Sustainable Buildings professional development program, visit [Valuation of Sustainable Buildings: Residential](#) and [Valuation of Sustainable Buildings: Commercial](#).

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