



# Easy Being Green

“Going green” has become a common phrase in recent years, though people toss it around without really comprehending all the aspects. Many in the real estate industry, however, have a solid understanding of the eco movement and are going the extra mile to provide green expertise to clients. **By K. K. Snyder**

**T**aking on yet another certification might be overwhelming to some agents, but not for Laura Reedy Stukel, who enjoys spending her time blogging about residential energy efficiency. In fact, she says this slow time in the market could be an ideal time for agents to take on more knowledge, such as the 18-hour online course for EcoBroker certification.

“People ask me, ‘How do you have the time for all of this?’ First, I observe the trends,” says Stukel. “Then, I focus how I spend my free time. Some trends are overlap-

ping. For example, the real estate market is down and the green movement is growing rapidly, as is misinformation about what it means to be green. So, I’m spending my time on being a resource for my clients to figure out what is most useful to them, and to establish myself as a credible and trustworthy resource in this space.”

Stukel says when the market rebounds, buyers will expect energy-efficient features in the homes they want to purchase. “I’m working with clients now to increase the number of homes with some level of improved

energy efficiency down the road. Getting clients to take advantage of the energy efficiency tax credits today is key. So is having an MLS that allows sellers to promote green homes and buyers and appraisers to find them.” An energy audit is the place to start in going green, suggests Stukel, followed by the purchase of energy-efficient products as prescribed by the audit. Agents should remember, however, that there is a lot of misinformation out there – referred to as “greenwashing” – and clients can benefit from their expertise when it comes to hiring an auditor or purchasing products.

“The best thing agents can do is to recommend that their clients always evaluate how an independent third party reviews a home or an individual product before making a purchase,” shares Stukel, winner of the Better Homes & Gardens 2009 Home Improvement Challenge for green improvements made to her own home.

Among the benefits homeowners will see are reduced competition on the real estate market as the number of homes with energy efficiency updates is so low, as well as a savings of 10-30 percent on monthly utility bills.

“The energy efficiency tax credits are the quickest, smartest path to toward creating an instant inventory of existing efficient homes,” she says.

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**LAURA REEDY STUKEL, L.W. REEDY REAL ESTATE**

In an effort to get other agents to encourage clients to take advantage of the energy efficiency tax credits of up to \$1,500 available to homeowners through December 2010, Stukel recently launched the 5x10 Challenge, a campaign created to challenge homeowners to invest up to \$5,000 by 2010. The challenge also proposes to equip 5,000 agents with information to help five clients each in earning the tax credits, with an ultimate goal of putting 25,000 homes on the path to being more energy efficient.

Like Stukel, Deonna Wheeler, owner of Plan D, LLC, says the time it took to earn her EcoBroker certification was well worth it. She has since added that expertise to the list of other services she offers clients, including sales, marketing and interior design. As to whether she's seeing new clients attracted to her for that knowledge, she says "yes and no."

"I'm really seeing more industry partners reaching out," including energy raters, vendors of eco-friendly products and building materials, etc., says Wheeler. "The Chicago green market hasn't really produced in residential; I'm seeing more in commercial."

While Wheeler reports little or no business from buyers interested in new green construction, she is seeing a lot of interest from clients who want to "green up" or retrofit what they already have by installing more energy-efficient appliances or better windows and doors. She's found ample opportunity to educate consumers regarding the benefits of lifecycle costs and long-term value.

"I'm guessing that in the next five to 10 years we'll be much farther along as far as a permanent move toward green," Wheeler says. "Everyone will be more conscious and cognizant of wanting to preserve the Earth and will want to do their part."

While going green may be a new concept for some, Dave Faganel, principal of R.A. Faganel Builders in Batavia, has been doing his part for 20 years. No stranger to green construction, Faganel has made energy efficiency and value top priorities in every home he builds, a reputation he's been perfecting since he built his first green home in 1991.

"At the time, I didn't realize it was green; I just knew about energy efficiency and was tired of seeing costs go out the windows and walls. All of a sudden I realize it's green," he says, noting that the company focuses on site use, energy efficiency, water use, building materials and waste disposal.

Unlike some builders who claim to be green, Faganel holds his projects to strict guidelines and constantly measures performance, ensuring his homes meet – and most often beat – industry standards for green construction. Focused on energy efficiency and healthy interiors, Faganel homes currently meet the bronze level of green building standards, but are inching closer to silver. In addition, Faganel is about to beat the EPA quality air standard.

To meet those high standards, Faganel Builders takes advantage of components including, but not limited to, 93 percent energy-efficient furnaces, insulation with extremely high R ratings that also reduces sound and is resistant to insects and mildew, Energy Star-rated appliances, low-E windows, whole-house air exchangers and roof and wall moisture barrier wrap made from a completely renewable resource.

In addition to making many green features standard, Faganel offers clients the opportunity to customize homes to an extent and take advantage of even more green construction, such as installing furnaces that are up to 95 percent energy efficient. His homes range from the mid-\$300,000s to the upper \$700,000s.

"Our buyers are very discerning and they look at every dollar they spend," says Faganel, who reports that Elgin is still talking about a green initiative but hasn't put one in place yet. "They want to know what the house costs, what the taxes are and what it will cost to operate or maintain the house. They're getting this [green] package standard and see that we're offering things our competitors don't. The operating cost of our houses is substantially less."

While Faganel enjoys leading the competition in this sector of the industry, he also sees the benefit in educating fellow builders on the benefits of green construction and how to build more efficiently. He's also thinking about putting together a green store resource for building products. "I got in this thing because I thought I would build a better product with less maintenance and high customer satisfaction. I believe we've found that."

As to the future, Faganel says new green building materials and retrofit products are coming on the market all the time. Among those he's most interested in are new triple pane windows with an incredible R81/2 rating (industry average is now R3-R31/2). "They are affordably priced and have the highest R value of any window being made. The payback is a little high, but factor in what's going to happen with energy costs."

Another product that captured Faganel's attention is a meter that tells what the electricity use is in a home at any given time. "You can go in the house and turn everything off and turn on different components to see where the most energy use is," he shares. "It can help you manage your house better."

## Did You Know?

**Chicagoland is filled with eager citizens doing their best to help save our environment for generations to come. From green roofs to recycling, a large variety of projects and offices are chipping in to go green.**

Local Koenig & Strey offices hold "Shred Events" in partnership with Cintas document management services that provide area residents with free document shredding and recycling services. Participants can bring personal documents for shredding and recycling, as well as items like cell phones, batteries and CDs.

Town & Country Homes offers a number of selections with green building in mind, such as upgraded insulation in attics, paddle fan outlets, programmable thermostats, Lyptus wood flooring, Energy Star appliances and high-efficiency furnaces. Special options include Dual Zone HVAC system, bamboo flooring, spray foam insulation, CFL light bulbs, additional shade trees and low VOC paint. At the corporate offices, the company recycles, has motion sensor lighting, prints only when necessary, uses e-reports for weekly and monthly reports and sends green e-mail tips each week.

Optima has been building green roofs for over 30 years, longer than the current Daley green roof phase.

Belgravia's 565 Quincy project has over 300 CFL light bulbs.

CMK recycles about 90 percent of project construction material.

Dream Town is the first agency ever to receive Green Certification companywide.

Amlfi 900, a luxury apartment building at 900 S. Clark constructed out of recycled materials, offers 100 percent commission of the first month's rent to Realtors bringing in renters.

SMYKAL Associates, currently building single-family homes in Channahon, Joliet and Minoooka, uses energy-efficient fluorescent light bulbs throughout their models, has the lights in model homes on timers to save electricity, turns down model thermostats several degrees in the winter and turns them up several degrees in the summer to conserve energy, has turned off the

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landscape sprinkling systems for the past two years and has eliminated individual plastic water bottles for staff and client use.

Winthrop Properties in Evanston, the first residential high-rise in the Midwest on track for Gold LEED certification, has a number of green practices in the sales center and building that many might not realize:

- Energy-efficient fluorescent light bulbs are used throughout Winthrop Club, as well as in the sales center, and the sales team gives the light bulbs to people who visit the sales center.
- They've hosted green seminars for Realtors.
- They've given tours of Winthrop Club to students from Evanston Township High School as well as Northwestern University to educate them on building green.
- Winthrop Club was built with "green energy."
- Bamboo is used throughout the building. Not only will there be a bamboo wall panel in the lobby and bamboo flooring in select units, but each residence at Winthrop Club has a bamboo door.
- The lobby of Winthrop Club will have operable windows to allow fresh air into the building, which also helps with their Gold LEED certification.
- In addition to the numerous landscaped roofs at Winthrop Club, Winthrop Properties is also planning to install/run ivy down the sides of the building's parking garage to help mitigate an urban heat island effect.

At Taylor Johnson & Olesker, for years they've had a paper recycling system in place, but now they're part of a single sort recycling program where they recycle newspapers, magazines, junk mail, paper, metal products, plastic products and glass products. TJO has begun a new recycling program/bin for cellular phones, cellular batteries and accessories.

Sudler Sotheby's Armitage office is LEED certified and has bamboo floors.

MCL Companies' two-acre park adjacent to ParkView is actually a green roof above a four-level underground parking structure. The project brought an open green space to a neighborhood known for parking lots and industrial facilities. There is also a green roof above Park Homes.

340 on the Park is the first residential tower in the Midwest to meet the U.S. Green Building Council's LEED Silver certification criterion. The 25th floor holds a two-and-a-half story wintergarden.

Realtor, appraiser, EcoBroker and NAR green agent Tim Pareti with Rubloff Properties says the green market does exist in Chicagoland, but there aren't many residential offerings from which to choose. Like Faganel, he recognizes that consumers are interested in the bottom line – cost.

"If a condo they like happens to be LEED certified, all the better for most buyers," says Pareti, who writes and blogs about green issues as related to the real estate industry. "But I have yet to meet a discerning buyer who only wants to live in a LEED-certified home, for example. Even the appraisal industry is now taking notice of green building systems and how they affect home value."

Pareti spends a lot of time educating consumers about going green, and fears that because the term is tossed around so freely and without a clear definition, it provides ammunition to those who contend the green movement is simply a fad. He thinks with time the definition of a green home will become clearer and more widely accepted, helped in part through LEED certification.

"It is expensive and the payback takes a long time if you install solar panels, for example," says Pareti. "But with state and federal tax incentives coupled with improving technology, I believe sooner than later, it will be more economically feasible for homeowners and developers to install solar panels."

Again, cost being a major factor, Pareti says the degree to which buyers or sellers demand green depends on what they want to spend and how long they want to wait to recoup the cost.

"As for sellers, they can spend about \$400 to \$500 for an energy audit and then take some relatively inexpensive measures based on the audit's findings to make their home much more energy efficient," according to Pareti. "On the other hand, a seller can plunk down tens of thousands of dollars for a solar heating or geothermal system and wait years for the cost savings to equal out."

A member of Illinois Solar Energy Association, Pareti has a number of reasons for believing that once the market picks up again, the base of potential green clients in Chicago will increase. "First, in the Chicagoland area there is a healthy level of awareness and respect already for green building initiatives from buyers, sellers, developers, politicians, organizations - just about everybody. Second, when the market returns ... there will be increased sales activity and that will increase the base. Finally, with the increasing amount of green initiatives coming from the government, developers will be inclined to apply useful green methods in their product.

"It's a win-win because demand for green building methods will grow because buyers become more aware and concerned about green buildings and developers and sellers respond to that and provide a product that may be LEED certified or have some clean energy system in the building, for example."

As a whole, Chicagoland is seen in a good green light, says Pareti, noting the city's Green Technology Center and the availability of some green building initiatives. Evanston boasts townhomes with geothermal systems at The Church Street Station, and the Winthrop Club

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**DEONNA WHEELER, PLAN D, LLC**

condo high-rise in downtown Evanston is seeking a gold LEED certification.

In addition, Citizens for Greener Evanston has an explicit goal of reducing carbon emissions by 13 percent by 2012, and there is a push to build a wind farm off the shores of Evanston to provide wind power to thousands of homes. Evanston is also proactive in trying to establish some guidelines to require large buildings to obtain a LEED certification.

"I think that in about 10 years we will see many new homes built with cleaner energy systems because there seems to be a heated push for better and less costly green technology," concludes Pareti. "It just takes one breakthrough that could revolutionize the building industry. I think there's a concerted effort by the government and private industry to do just that." **C.A.**

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