Home Energy Score
Educational Module Insert for First Time Homebuyers
When Buying a Home, Ask for a Home Energy Score

A miles-per-gallon rating for homes*

- Gives potential homebuyers information about a home’s energy features and estimates home energy costs
- Provides new homeowners guidance on energy improvements that can make the home more comfortable and less expensive

At time of sale, the Home Energy Score is –

**FAST.** Takes less than one hour in most homes.

**AFFORDABLE.** Free for Assessors to keep costs low.

**SIMPLE.** Easy to understand 1 to 10 scale.

**CREDIBLE.** Created through robust testing and analysis.

**FLEXIBLE.** Available through various programs and software.

*Applicable for single-family homes and townhomes only.*
Why Should You Care About Energy Efficiency?

Helps Reduce Costs:

✓ On average, energy costs are higher than either property tax or insurance for U.S. homes at $1,850 per year (U.S. Census)

✓ Efficiency investments can help stabilize your bills in the hottest and coolest months, and lower your energy bills overall.
Why Should You Care About Energy Efficiency?

Smart Investment:

✓ Attic insulation achieves highest return on investment of all home improvement projects studied at 116.9% (Remodeling Report)

✓ Attic Insulation averaged the cheapest upgrade at $1,268 (Remodeling Report)
Why Should You Care About Energy Efficiency?

Improves Quality of Life:

✓ Energy improvements are good investments that bring financial relief and “joy”
  ✓ After an insulation upgrade, 61% say greater desire to be home, 95% same or increased sense of enjoyment, and 66% major sense of accomplishment (NARI Report)

✓ Energy efficient homes can improve occupant health outcomes related to asthma, hypertension, and allergies (Home Rx Report)
Understanding the Report

Important information in an easy-to-understand way

✓ **Score Today:** where your home currently falls on the 1-to-10 scale

✓ **Score with Improvements:** where your home will be on the scale if the report’s recommendations are made.

✓ **Five page report:** includes home facts and cost-effective recommendations for energy efficient improvements

What does a Score mean?
The less energy a home is expected to use, the higher the Score

✓ **Score of 1:** home is expected to use more energy than 85% of U.S. homes

✓ **Score of 5:** home uses an average amount of energy compared to U.S. homes

✓ **Score of 10:** means the house is expected to use less energy than 90% of U.S. homes
How Home Energy Score is Calculated

The Score is based on a home’s energy-related assets

- Excludes resident-dependent behaviors and electronics from analysis
- “Apples to apples” comparison between homes
How Home Energy Score Can Help With Financing

Finance up to 15% of “as completed” home value for energy improvements
✓ Obtain through Fannie Mae’s HomeStyle Energy Mortgage Loan

Qualify for 2% stretch on debt-to-income ratio
✓ Allowed by Fannie Mae through HomeStyle Energy Mortgage Loan product and by FHA’s policies
✓ Applies for homes that score a 6 or higher, or will score a 6 or higher after improvements

Explore state & local financing options as well
✓ Check out [www.dsireusa.org](http://www.dsireusa.org) to see what might be available in your area
When to Get a Home Energy Score

1. **When buying to get as much information as possible**
   ✓ Many home inspectors can offer the Score as part of the home inspection

2. **After moving in to inform energy improvements**
   ✓ Get cost-effective investments that improve the Score, increase comfort, and lower bills

3. **When listing to showcase energy improvements**
   ✓ Show the Score in the MLS listing to attract buyers
   ✓ Use MLS Green Fields to make the listing searchable by Score
How to Get a Home Energy Score

Visit [www.homeenergyscore.gov/findanassessor](http://www.homeenergyscore.gov/findanassessor) to find a professional Home Energy Score Assessor near you!

✓ Can’t find one near you? See our Partner Map to find which Partners could onboard a new Home Energy Score Assessor in your area. Visit [www.homeenergyscore.gov](http://www.homeenergyscore.gov) for more resources and information.
U.S. DEPARTMENT OF ENERGY
Home Energy Score
Know your home. Know your Score.