



TNMP

High-Performance Homes Program Newsletter

Spring 2016

Letter from your Program Manager

TNMP Homebuilders and HERS Raters,

Welcome to another great year for the TNMP High-Performance Homes Program. We appreciate your contributions to the TNMP Program and hope you're off to a good start. The primary objective of the High-Performance Homes Program has been to achieve peak demand reductions and/or energy savings through increased sales of ENERGY STAR® certified and High-Performance qualified homes. Additionally, the Program is designed to condition the market so that consumers are aware of and demand ENERGY STAR® certified and High-Performance qualified homes and that builders have the technical capacity to supply them.

This is the second year we have included North and Central Texas service territories in the TNMP Program (in addition to the Gulf Coast area) and are looking forward to recruiting a number of builders and raters from those areas. With the stringent requirements for homes in Climate Zone 3, TNMP has created an additional incentive to assist in offsetting construction costs.

We have a new database this year (<https://tnmp.p3.enertrek.com>). Please contact our account managers if you need assistance registering in the new system. Training sessions for both builders and raters are underway. These are the production milestones:

Percentage of kWh savings/Number of Homes	Milestone Date
20%	April 25, 2016
40%	July 25, 2016
80%	September 26, 2016
100%	November 30, 2016

The final HERS Rating for the homes must be performed and dated between November 9, 2015 and November 30, 2016. All required Program documentation must be submitted once the home is completed and reported through the Program Portal.

Below are a few Program reminders:

1. Report ALL completed homes in the Program portal within sixty (60) days of certification and submit at least one invoice per month for each builder. If no homes are ready for

submittal in a particular month, communicate with the Program staff, before the end of the month, to notify them that no invoice will be submitted for a particular builder.

2. Re-submit any home requiring correction by the next invoice.
3. Submit all Program data for invoicing by the 25th of each month.
4. Raters are required to update to the newest version of REM within 60 days of a new release per RESNET guidelines and to participate in the Texas-New Mexico Power High-Performance Homes Programs.
5. Using outdated versions of REM Rate can result in turndowns from the Program.

Please contact our Account Managers for any questions about program requirements, database registration, territory maps, zip codes, and incentive structures for Climate Zone 2 and Climate Zone 3.

Best regards for a successful and rewarding year,

Ashley Mitchell, Program Manager
Texas-New Mexico Power Company
Email: Ashley.Mitchell@tnmp.com
Office: 214-222-4186

[Visit the Program Website](#)



Want your Homes to Appraise for More? Read how a local Builder Challenged an Appraisal to include the true value of Energy-Efficiency and raised their appraisal by \$2000!

(Another free class is coming! Stay Tuned!)

That's right! Patty Evans, Sales Manager, and Mireya Gordillo, Division Manager, both of Greeneco Builders, skillfully and successfully navigated the process of challenging an appraisal on one of their homes. They argued that the value of the energy-efficiency measures installed in their home was not reflected in the appraised price. The appraiser re-assessed and raised the appraisal by \$2000.

How did they do it? They attended the Green Appraisals class offered Free to all program participants back in Dec. Sponsored by the local utility incentive programs who flew in Sandra Adomatis, an expert in advocating for builders and for green appraisals within the home building industry. (This class will be offered again in the coming months, but this time as a webinar - stay tuned for the Date and Registration announcement.)

Sandra tells us that "The December workshop I presented in Houston, "Unveiling the Mystery of the High Performance Appraisal" addressed the difficulty builders in all markets of the U.S. experience. Builders report they often leave money on the table after the appraisal because the appraiser did not value the home at or near the contract price. The workshop identified two major areas that must be considered to avoid leaving money on the table. First, choose a lender that follows the secondary mortgage market guidelines by assigning appraisers that have competency in appraising high performance houses. Secondly, provide the appraiser with the right documents. The workshop presented a laundry list of what documents make a difference in the appraiser's understanding of the performance and differences of your home compared to others in the market."

Continuing she states, "Let's assume you followed these two steps but the appraisal still does not consider the high performance features, then it is time to challenge the appraisal. Just because you do not like the value is not a reason to challenge the appraisal. You must work with your borrower to obtain a copy of the report and review it to see if features are correctly identified and analyzed. Builders often allow the status quo because they do not have "time" to challenge the appraisal. So, how much are you leaving on the table? Is your time worth that much? If you did not attend this workshop, you might want to attend the two webinars that will cover these important topics."

Patty and Mireya decided to attend the class together; to approach this challenge as a team from a sales and product standpoint. Even though they didn't know quite what to expect of the class, Patty said, she didn't know there would be "as many hands-on approaches that could be implemented and put into action immediately."

Many attendees reported how surprised they were about the content of the class; this is not just an informative session. This class is meant to arm you with practical tools and processes to help you successfully challenge the appraisals process. "It was surprising to me that she was really peeling back an area like the appraisal process - it's a mutual relationship - we need them and they need us. It bridged the gap that we as home builders never have communication with the appraisers. It helped us get info to the appraisers before the appraisal process takes place. It taught us specific language and how to work proactively with the appraisers, lenders, and accurately get the info into their hands - it's very simple."

From a home building standpoint, Patty mentioned that it transformed her thinking about the product they are selling and all the components that go into the home. Specifically it opened her eyes to all the value they are not getting in their appraisals. "There is so much more value in the home that we aren't getting credit for."

And this class is not just for builders - it can help lenders better understand what defines a high-performance home because as Patty mentioned before, "We have to work together in the building and appraisal industry, because just a check box that the home is high-performance isn't enough - it's so much more than that."

Within two weeks of the class in December, Patty and Mireya put into action what they had learned in the workshop, fought an appraisal and successfully got \$2000 more on the home that helped them close a home that probably wouldn't have closed because it would have been short-valued.

Now more than ever, Patty feels "prepared to fight more appraisals and know how to do it were as before it felt a little murky. It felt like an uphill battle before and now we have this tool set in our arsenal. We left feeling very empowered!"

Patty and Mireya admit this is "not a sales issue. It's a company effort... And it's time for us as a home building community to step up and not let these dollars flow out of our pockets!!"

Want to learn what Patty and Mireya learned? Sandra Adomatis will be joining us again soon for a two hour virtual workshop currently being planned for May. Watch your emails and start engaging with your Sales managers, purchasing department so you too can take a team approach and help bridge this weak link in our home building community!

Check out the latest study on green features in Washington, D.C. (Sept. 2015)
http://www.imt.org/uploads/resources/files/HighPerformance_Home_Valuation_Report_Sept2015.pdf

"Residential Green Valuation Tools"

by Sandra K. Adomatis, SRA, LEED Green Associate and published by the Appraisal Institute

<http://www.appraisalinstitute.org/residential-green-valuation-tools/>

The direct link for the fillable PDF "AI Residential Green and Energy Efficient Addendum"

<http://www.appraisalinstitute.org/assets/1/7/Interactive820.04-ResidentialGreenandEnergyEfficientAddendum.pdf>

Housing News

[Confined Spaces Regulation Now in Effect](#)

[Justice Department Increases Criminal Enforcement of Worker Safety Violations](#)

[Don't Be Afraid of Smart Home Technology](#)

COMING TO A CITY NEAR YOU!

WORKSHOP TOPICS:
2015 IRC, Residential : Chapter 11
2015 IECC, Commercial : Chapter 4

REGISTER NOW

**Texas Building Energy Code 2015 Updates
Free 3-Hour Workshops**

www.TxEnergyCodeTraining.org

Receive a complimentary 2015 IECC codebook and appropriate continuing education credits

SECO
State Energy Conservation Office

Upcoming Events & Trainings

[2015 IECC Residential Code Update Workshop - CEU's Avail, Free Code Book](#)

April 21, 9:00 a.m. - April 22, 1:00 p.m.

Imperial Park Recreation Center, 234 Matlage Way, Sugarland, TX 77478

Sponsored by: State Energy Conservation Office (SECO)

[HVAC - Designing Systems - 8 TDLR CEU's](#)

April 23, 8:00 a.m. - 5:00 p.m.
Hampton Inn & Suites, 13215 Jake Ct, Burleson, TX 76028
Sponsored by: TX Air Conditioning Contractors of America

2015 Energy Code Update Class

June 1, 8:30 a.m. - 1:30 p.m.
GHBA, 9511 W. Sam Houston Parkway North, Houston, TX 77064
Sponsored by: Greater Houston Builders Association

BABA June Luncheon

June 7, 11:30 a.m. - 1:00 p.m.
La Brisa Grill, 501 N. Wesley Dr, League City, TX 77573
Sponsored by: Bay Area Builders Association

Energy Series - The Bottom Line of Efficiency

June 14, 10:00 a.m. - 1:00 p.m.
DBA - 5816 W. Plano Parkway, Dallas, TX 75093
Sponsored by: Dallas Builders Association

Building a Better House Series - 2015 Significant Code Changes

July 6, 10:00 a.m. - 1:00 p.m.
DBA - 5816 W. Plano Parkway, Dallas, TX 75093
Sponsored by: Dallas Builders Association

2016 The Building Envelope - The ABC's of Home Building Series

July 19, 4:00 p.m. - 6:00 p.m.
GHBA, 9511 W. Sam Houston Parkway North, Houston, TX 77064
Sponsored by: Greater Houston Builders Association

Sunbelt Builders Show

Aug 3-4
Gaylord Texan Resort & Convention Center, Grapevine, TX