

Marketing the benefits of green real estate

By **KAREN RIVEDAL** krivedal@madison.com 608-252-6106 | Posted: Saturday, December 19, 2009 5:00 pm

You won't find a glossy folder in Sara Alvarado's Near East Side real estate office, or a pen, pad, envelope or sheet of printer paper that isn't made of recycled material.

Alvarado, who co-owns the seven-member company with her husband, Carlos, doesn't even have a fax machine.

In an industry buried in contracts and fliers, the Alvarado Real Estate Group works as paper-free as possible, using E-Fax and a scanner to send and receive documents electronically, printing out pages only when and if they have to.

The office itself, a smallish space at less than 1,000 square feet on South Livingston Street, boasts other "green" or eco-friendly and sustainable features. Among other things, it has a low-flow toilet, an air-cleaning system, formaldehyde-free furniture, a used wooden conference table, a concrete floor finished with a non-toxic sealant, and a reception counter made of Dakota Burl, a composite material that looks like wood but consists of pressed sunflower seeds.

Clearly, no one can say that Sara Alvarado doesn't practice what she preaches. For the past five years, she has focused much of her effort on advancing the cause of green building and remodeling, a practice that conserves energy and materials, encourages recycling and sustainability, and aims to cut costs while improving health and safety.

"I think people look for meaning and purpose in life and this is something we tapped into that just feels right," Alvarado said. "It's an opportunity to make a difference in the world on a global level."

'It's part of our value system'

Her efforts began when one of the couple's young sons began suffering from environmentally triggered asthma as a 1-year-old.

After renovating the family home — installing an air-filtering system, sealing up his windows, changing out his bedding and taking other steps designed to help remove the allergens and toxins that the couple believed were causing the problems — the boy, named Leo, regained his health and his parents were sold on the concept of green remodeling.

"That's how we started learning about it, and then we just used that as a jumping block to inform our clients," Alvarado said. "Now it's in everything we do. You can run your business in an eco-conscious way. It's part of our value system."

In keeping with that approach, every client of the Alvarado Real Estate Group gets a free “Green Home Care Package,” filled with items such as recycled paper towels and toilet paper and environmentally friendly cleaners, plus literature with tips and a guide to local resources. Alvarado figures that reading the material and using the products around the home will pique clients’ interest in eco-friendly topics, even if they didn’t come to the real estate office with any particular interest in being green.

“It’s a way to open their eyes, without pushing it on them,” she said. “It’s an opportunity.”

“Everybody I know cares about having a healthy, safe home, whether you believe in global warming or not,” Alvarado added.

Feeling connected with nature

Some of the inexpensive or easier things people can do to live green, Alvarado said, include getting a programmable thermostat — they cost about \$30 — and learning to use it, and replacing standard light bulbs with compact fluorescent ones, which cost more but last a lot longer and use less energy.

A much more expensive improvement, but a very valuable one, would be replacing a home’s traditional water heater with an on-demand water heater, Alvarado said. Those heaters cost three times as much as a regular one, but they also save large amounts of energy because they don’t try to keep all the water heated all the time.

“There’s also the whole concept of turning your air conditioner off (to save energy),” she said, in favor of using ceiling fans and good window shades. “There are so many little things people can do.”

Other eco-improvements can be more aesthetic.

At a North Side Madison home for sale in the 1500 block of Arrowood Drive, Alvarado and Darcy Haber, a buyer agent for the group, pointed out improvements the homeowner had made to conserve energy and help the home blend into its natural environment. A practical amenity included laundry lines that pulled out from the back of the house for drying clothes. Inside, extensive use of wood flooring and ceiling beams, green plants and natural lighting gave many rooms a comfortable, rustic feel.

“It brings the outside inside,” Haber said. “You just feel more connected with nature.”

Marketing the green

Both Alvarados have advanced training in environmental issues around real estate. Sara, who represents sellers, earned the designation of “EcoBroker” and Carlos is certified by the National Association of Realtors as a “green” agent.

Sara Alvarado also has organized green seminars with local partners such as Home Savings Bank, she formed a Madison Green Agents group in 2007 and last year she helped get a searchable category added to the South Central Wisconsin Multiple Listing Service for certain green features.

“We can’t prove that green homes are worth more if we aren’t able to track them,” she said about the need for the new MLS category.

The advance also makes it easier for agents to help interested buyers screen houses for some eco-friendly features and helps sellers better market some of their homes’ environmental strengths — although that should be happening anyway, Alvarado noted.

“If someone has cork (a recycled material) floors, that doesn’t help them unless their Realtor is doing their job and marketing it properly,” she said.

“For buyers, we can help them by pointing out (green-friendly) things when we’re showing houses, noticing where the windows are and where the house is situated on the lot, or noticing the landscaping — the kinds of things that buyers appreciate, because they’re going to be paying the utility bill.”

The green features that are now searchable under the new MLS category include a home’s use of money-saving EnergyStar appliances, the existence of an energy assessment for the property or a property’s certification as a Green Built Home. That certification of newly built or remodeled homes is based on scoring enough points on an approved checklist first developed by the Madison Area Builders Association and the Wisconsin Environmental Initiative in 1999.

One of more than 40 green building programs nationwide, Wisconsin’s Green Built Home program was the first to be started east of the Mississippi River. Between 1999 and 2007, it certified 3,700 homes constructed or remodeled by state builders in Wisconsin, Minnesota and Illinois, according to the program’s Web site.

“We felt it was important for us to actively promote and encourage builders to do things that were better and more friendly to our environment,” said Mike Vilstrup, who runs TimberLane Builders in Cross Plains and is MABA’s president for 2009.

“Green building is a practice that involves a lot of things,” Vilstrup added, “not just energy, but the storage of materials, possession of materials, the plumbing, electrical, air quality — tons of things that are all important, including education of the consumer.”

Moving from experiment to reality

Third-party verification of Green Built checklist findings was required starting early in 2009, to enhance the program’s credibility and standardization.

But use of the checklist for certification and use of the new MLS designation has not exactly exploded. More buy-in to the program is needed to expand inventory and to make the whole effort seem less like a promising experiment and more like an evolving reality, Alvarado said.

“That’s huge,” she said. “The more people do it and can certify their homes, the easier it will be to track and call it a Green Built home.”

The effort also needs to become stronger in more rural areas, said agent Cathlene Cryor Burgweger, an agent in Green County who is developing a two-phase “conservation subdivision” on 165 acres in the town of Albany, along the Sugar River and about 30 minutes south of Madison’s Capitol. The development, which just sold its first home lot, has an 85-acre permanent nature preserve and will encourage green building in the home construction.

“I found it very difficult in the rural areas to find contractors who are real familiar with green building,” she said. “It’s a little more mainstream in cities like Madison. In the more rural areas, contractors aren’t quite up to speed, and they are the ones that need to help sell this. They are the ones that are going to do the remodeling and construction, and if they know what’s available, they can help owners get pointed in the right direction.”

Still a small percentage of homes

A recent search of the MLS for single-family homes for sale with one or more of the four possible environmental features showed only 10.5 percent qualified, or 272 of the total 2,600 Dane County listings. The whole South Central region, with 9,700 listings, had only 402 qualify, or 4.1 percent.

For condominiums, about 7.5 percent of the listings were green in Dane County, compared to 6.4 percent for the whole region, MLS staff reported.

It’s possible that many more homes in the area could earn or may already deserve Green Built certification, Alvarado noted, but the owners or their real estate agents, if the houses are for sale, may not have known about the new MLS category or the checklist process. Alvarado also noted that agents with the EcoBroker or Green designation now number only six in Madison, with a total of only 18 in the entire state.

“It would be nice if more people (used the checklist), even if they aren’t interested in selling right away,” Alvarado said. “It’s not being utilized as much as it could be, because of the lack of awareness on the part of the public and the Realtors. It’s a slow process, and we get that.”

But Alvarado was confident participation in certification and other eco-friendly improvements would increase over time.

“It’s going to become much more common,” she said. “We’re hearing at the table people saying they want to downsize. They want to live simply.”