

# Sustaining home values

*Anecdotal evidence would suggest that becoming energy efficient and sustaining our environment is becoming mainstream psychology. As consumers we are becoming more prepared to pay a premium and select the most energy efficient products, guided by the global mark ENERGY STAR® rating over a product that is not.*

Whether we believe that in doing so we have done our bit to save the planet or that the future cost savings are more beneficial it's hard to say. There is also evidence to suggest that this same psychology is even more widespread and is being applied by future home owners in the purchase of their most expensive asset, their home.

Recently we visited New Zealand's first Best Home™ built in Havelock North and completed at the end of last year. The 187sqm house with four bedrooms and two bathrooms was built to meet a minimum of six stars on the Homestar™1 rating scale, achieving a seven upon completion. However, of more interest the home was built at no more than 5% additional cost of a standard non-sustainable home, dispelling the myth that it is cost prohibitive. This build package has been a joint initiative between Hastings District Council and Horvath Homes.

The aim has been to offer builders and designers a one-stop-shop package of resources and tools to encourage and support the construction of more resource efficient and sustainable homes, and in the process curtailing construction waste. So, is this the way our future homes will be rated



and is this what will sustain future home values.

We hear the words 'sustainable' and 'sustainability' almost every day. But what does it mean exactly in context to building our future homes. Sustainability is the capacity of something to be maintained or to sustain itself. It's about taking what we need to live now, without jeopardising the potential for people in the future to meet their needs; theoretically it should be able to continue forever. Therefore it remains to be seen whether building a sustainable home will become a more important contributing factor to what makes a house more valuable on the open market. Will a home's ability to be able to harvest the natural resources and thus

making it a warmer, drier and in turn healthier and more cost effective place to run become more important in terms of how it is valued than say, size, locality and design. However, even in terms of design aesthetic, building a home that is a 'sustainable' eco-friendly home is now not a mutually exclusive proposition.

Areas that can make our homes more sustainable are endless such as orientation, rain harvesting, heating with solar energy, building with sustainable materials (such as laminated timber, waterproofing membranes for roofing) insulation, double glazing, energy efficient lighting on timers, centralised vacuum systems, septic waste solutions to name a few. Living sustainably is about living within

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the means of our environment and ensuring that our lifestyle does not detrimentally impact this. It's a big ideal to get your head around especially as the costs associated with achieving this ideal have often negatively outweighed the future positives. Often in new builds we have seen new home owners included some but not all aspects of achieving a totally sustainable home, because although there is a growing number of options and solutions, the onus is on the owners to find these and package them together in their new build.

This is where Best Home™ is unique in that the build package offers a 'one stop shop' package. Adam Horvath, Horvath Homes, the builder behind this initiative has said the interest has been overwhelming. He has sold more than 20 homes off the one show

home and had over 1000 people through the house at open homes.

As Registered Valuers we value many new builds and there is absolutely no doubt that there has been a trend towards building more energy efficient homes. Whether you believe in the environmental benefits of reducing your home's carbon footprint, or the environmental benefits. The benefits of living in a warmer, drier home or the pragmatic financial benefits of reduced running costs it appears that the value of our future homes will lie in how sustainably they are built. Now and when the time comes to sell, buyers will be more likely to buy a home that is built with sustainability as a goal over more traditionally built homes.

If two identical homes, were side by side, one built with a sustainability

Homestar™ rating and the other without, the current trend would indicate that the home built with the Homestar™ rating would sell quicker and at a higher value. If building new, you need to consider these options as the early indicators point towards sustainability being an important consideration to the buying public.

<sup>1</sup> Homestar™ is a New Zealand home rating and advisory tool that examines a broad range of home performance and resource consumption-related issues and is applicable to both new and existing homes.

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