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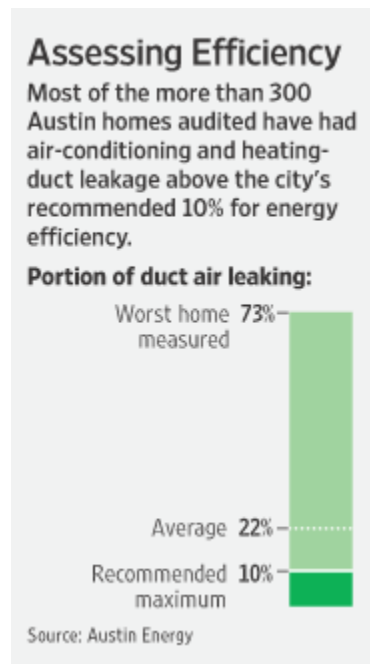
- [REAL ESTATE](#)
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Energy Audits Vex Austin's Home Sellers

by [TOM BENNING](#)

The city of Austin, Texas, has begun requiring homeowners to conduct energy-efficiency audits before they can sell their house, a move it says provides a model for cities and states seeking ways to push energy conservation.

With its new law effective last week, Austin joined at least two other U.S. cities -- San Francisco and Berkeley, Calif. -- that require the audits, which can include a review of a home's air-conditioning and heating systems, insulation and air-tightness, and generally cost owners from \$200 to \$300.



Municipalities across the country are forging policies to encourage more energy-efficient buildings, particularly in new construction. Voluntary energy audits are increasing, too, often as part of government-subsidized "green" renovation programs that are expected to grab a chunk of a \$3.2 billion federal stimulus grant devoted to energy conservation.

Austin Mayor Will Wynn expects the audit program to be a hot topic at the U.S. Conference of Mayors next week. The Canadian province of Ontario passed a law in May requiring home sellers to obtain an energy audit, but regulations have yet to be written. City leaders in San Antonio are closely following Austin's experience with its new law and plan to consider a policy on energy audits.

The Austin ordinance requires residents selling single-family homes more than 10 years old to obtain an audit and provide the information to potential buyers. While San Francisco and Berkeley, where audits became mandatory in the 1980s, require owners to make recommended upgrades, Austin doesn't. The Austin Board of Realtors agreed to support the audits after that provision was removed.

Critics of the measure, including homeowners and real-estate professionals, worry that listing all a home's energy-related flaws could drive down prices and even sabotage some sales. The number of homes sold in April was down 18% from the same month last year, according to the Austin Board of Realtors.

Sellers who refuse the audit are subject to being charged with a misdemeanor, a penalty some home sellers and real-estate agents call excessive. Austin city councilman Mike Martinez said the criminal tag shows the city is serious.

Angela Whitaker-Williams, a designer for an architecture firm, plans to list her 2,400-square-foot, 47-year-old home for \$319,000 later this month. Her audit recommended doubling the amount of attic insulation, recaulking around plumbing pipes and fixtures and resealing the duct system to reduce a 19% air leakage -- improvements that could cost as much as \$1,800 before rebates, experts said.

Ms. Whitaker-Williams is dismayed by the thought that a buyer might use the audit to try to negotiate a lower price, especially because the new law doesn't require buyers to follow through with improvements.

"If a buyer wants \$20,000 knocked off the price for energy upgrades, would I do it? In this market, I might have to," she said.

Nate Kredich, who runs the U.S. Green Building Council's residential development program, said the Austin audits will be a trial run for other municipalities evaluating energy-efficiency policies.

The National Association of Realtors said it opposes government-mandated energy efficiency for homeowners and supports an incentive-based approach. Austin Energy, the city-owned utility, offers rebates and low-interest loans to homeowners who make energy-efficient upgrades.

City leaders say the required audits would help keep Austin from having to build a 700-megawatt power plant by 2020 by alerting residents to energy- and money-saving options.

In more than 300 audits already completed, Austin Energy found that, on average, homes had duct systems that leaked more than double what was recommended and attic insulation that was six inches thinner than ideal, said spokesman Ed Clark.

Bill Lanfer, chief executive of Avalar Austin Real Estate, said some sellers are confused about the differences between a home inspection and an energy audit. With a pre-inspection of her home already in hand, Austin art dealer Susan Sklar was surprised to learn she needed an energy audit to sell her 2,500-square foot home after June 1. Listed at \$290,000, it was already receiving little interest from buyers. Ms. Sklar complied but not happily.

"Could they do anything else to make it harder to sell a house?" she said.

Courtesy of JB Goodwin