

U.S. Homebuyers Will Pay Premium for 'Green' Homes

Source: U.S. Newswire
Publication date: 2007-01-31

To: REAL ESTATE EDITORS

WASHINGTON, Jan. 31, 2007 /PRNewswire-USNewswire/ -- A survey released today by Green Builder(R) Media and Imre Communications reveals that U.S. homebuyers are willing to pay a premium for more environmentally friendly, green-built homes.

The study surveyed more than 250 residential builders across the United States. A wide range of builders was included from the affordable, market rate, luxury/semi-custom, custom, multi-family and developer categories.

More than half of homebuilders surveyed report that buyers are willing to pay a premium of between 11-25 percent for green-built homes. The same builders report that the average green homebuyer is between the ages of 35-50 with a college degree and fair understanding of green products.

The term 'green building' refers to construction practices that improve the energy efficiency, indoor environment quality, resource management, durability, and general environmental appropriateness of a structure. Green building practices may include on-site energy production, water harvesting, careful land use, and specification of sustainable materials. A product may be considered green because it is made from renewable raw materials, contains recycled components, does not contain toxins or create pollutants, or is designed to have a long and efficient life-cycle.

With the increased interest among homebuyers, it is not surprising that 96 percent of homebuilders in the survey group intend to incorporate more green building materials and processes into their business in 2007. Just 51 percent of those same builders currently report using green products or practices regularly.

The primary reasons builders provided for not using more green products were price and availability. This suggests that manufacturers have an opportunity to penetrate the market with new cost-competitive product lines, and also that there is marketshare to be gained by these manufacturers by providing a wider selection of product choices.

The top reason builders claim they are adopting greener practices is because it is good for the environment, but they are quick to acknowledge that they purchase green materials because homebuyers have requested them. They also assert that using green products increases their profits by enabling them to build a differentiated, premium home with a higher sale price.

"Builders are buying green products because they feel it's important to both the environment and their businesses. This shift in behavior and purchasing patterns confirms just how significant the green building movement is," said Sara Gutterman, CEO of Green Builder Media. "As demand increases for green products within both the consumer and trade market, manufacturers will respond by accelerating research and development, which benefits both the environment and homebuyers."

As builders begin to build greener homes, they believe that marketing those projects to potential homebuyers is important. In fact, 60 percent of those surveyed currently market some of the homes they build as green homes.

For more information regarding this survey, or to request a copy of the full report, please contact Will Zweigart at 410.821.8220 or willz@imrecommunications.com.

About Green Builder(R) Media

Green Builder Media is a leading media group that provides information and services that relate to green building, responsible growth, and sustainability for the North American building market. Green Builder Media has a diverse portfolio of products, including publications, demonstration homes, and online distance learning, that address the growing demand for information about environmentally appropriate and healthy building projects.

Imre Communications (IC) is an integrated brand communications firm that serves business-to-business and business-to-consumer clients in the home & building, healthcare & insurance and association sectors. IC is an avid supporter of the green building movement, providing brand strategy and positioning, public relations, and corporate and marketing communications for clients committed to the cause, including the American Institute of Architects, The Home Depot, Clean Control Corporation, Dynea, CoreNet Global, and Travelers. IC has offices in Baltimore and Washington, D.C. and is a Manning, Selvage & Lee Global Network Member.

SOURCE Imre Communications

(c) 2007 U.S. Newswire. Provided by ProQuest Information and Learning. All rights Reserved.