



# TNMP

## High-Performance Homes Program Newsletter

Fall 2015

Welcome

### A Letter from the Program Manager

TNMP Homebuilders and HERS Raters,

Thanks to all of you for your participation in and contributions to the 2015 TNMP High-Performance New Homes Program. We're having another successful year and to express our appreciation we are inviting you to attend the:

TNMP Awards Luncheon (combined with Entergy Texas) & 2016 Program Kickoff

**TOMORROW - Tuesday, December 8 2015**

11:30 AM to 1:30 PM CST

Steamboat House

8045 N. Sam Houston Parkway W.

Houston, TX 77064

In addition to having great food and good conversation, we will be providing you with information about how the 2016 TNMP Program can help you meet the upcoming 2015 IECC codes taking effect in 2016.

I'm looking forward to seeing you at the Awards Luncheon in Houston!

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### Galveston houses most expensive in Texas, report shows

A recent report found that Galveston's average home prices were highest in the state, suggesting the hard-knock, hurricane-ravaged island has made a comeback.

An annual Coldwell Banker Home Listing Report ranked 2,700 markets across the U.S. based on the average listing price for a four-bedroom, two bathroom home in each area. In Texas, the average home listing price was \$214,994. The national average is \$302,632. The full report on all the markets can be found [here](#).

In Texas, the Galveston market, which included Tiki Island and Jamaica Beach, had the most expensive average listing price for homes at \$447,936

The other most expensive markets were:

- Austin average home price of \$362,030
- Boerne, \$350,224
- La Vernia, \$340,661
- Grapevine, \$334,775.

The least expensive markets in Texas were:

- Socorro, average home price of \$134,170
- Duncanville, \$136,825
- Terrell, \$142,346
- Lancaster, \$144,427
- Marshall, \$145,278.

Houston ranked No. 42 on the Texas list with an average home price of \$237,204.

The Coldwell Banker analysis looked at more than 81,000 four-bedroom, two-bathroom home listings. It found that the most affordable 100 markets in the country all have an average listing price under \$135,000 and the most expensive markets all have an average listing of more than \$1 million.

Galveston may top Texas' market, but the California beaches still command higher prices. Nine out of 10 of the most expensive markets were in California.

No. 1 on the list was Newport Beach, with average listing of more than \$2 million.

From [www.chron.com](http://www.chron.com), Nov 11, 2015.

## First-time homebuyers fall, 'desire to own' jumps

### Knowing who to target



Housing is recovering in sales and prices, but one segment is stubbornly weak and getting weaker. The share of first-time buyers fell to the lowest level in nearly three decades, just 32 percent of all purchases, according to the National Association of Realtors' annual profile of buyers and sellers. Investors are not included in the survey.

At the same time, the share of buyers saying their primary reason for buying was the simple desire to own rose overall and most dramatically among first-time purchasers.

"There are several reasons why there should be more first-time buyers reaching the market, including persistently low mortgage rates, healthy job prospects for those college-educated, and the fact that renting is becoming more unaffordable in many areas," said Lawrence Yun, the Realtors' chief economist. "Unfortunately, there are just as many high hurdles slowing first-time buyers down. Increasing rents and home prices are impeding their ability to save for a down payment, there's scarce inventory for new and existing-homes in their price range, and it's still too difficult for some to get a mortgage."

Debt was the primary reason cited by first-time buyers for the delay in home ownership. They said debt kept them from saving for a down payment for at least three years. More than half of those citing debt pointed to student-loan debt as the main culprit.

While debt continues to stall younger buyers, their attitude toward home ownership appears to be making a dramatic move. Sixty-four percent of first-time buyers surveyed said their primary reason for purchasing was the "desire to own." That is up from 53 percent just one year ago. For repeat buyers, ownership tied with the desire for a larger home. The view of home

ownership as a good investment also moved slightly higher to 80 percent; 43 percent of those surveyed said they see housing as a better investment than stocks.

The report comes as the home ownership rate in the United States sits at the lowest level in a half century, 63.4 percent. It did, however, stop falling in the third quarter, the first time that has happened in two years.

Cash is still playing an outsized role in the housing market today. While the majority of buyers do finance their homes with mortgages, that share dropped slightly in the latest survey. Nearly half of first-time buyers said the mortgage applications and approval process was more difficult than they expected.

The average FICO credit score for those getting a mortgage is historically high today, but more borrowers are getting approved, according to an analysis released Thursday by Zillow. Loan approvals are especially improving among middle-income black and Hispanic applicants, although they still lag the overall market.

A few things that have not changed in housing - the median age of buyers (31), sellers (54), and the share of multigenerational households buying (13 percent), according to the Realtors survey. Builders have been focused on what they see as growing multigenerational housing demand, adding separate entrances and second kitchens.

Today's buyers are using the websites and mobile apps at an ever-increasing pace to find their potential purchases. They are also moving faster, buying in an average 10 weeks compared with 12 between 2009 and 2013. The median time on the market for recently sold homes stayed at four weeks for the second-straight year. This is far less time than historical norms and is due to the still very low inventory of homes for sale that plagues most of the country.

Rising home prices are giving sellers bigger equity gains and consequently bigger sale profit. More buyers are also seeking larger homes again, and slightly more are heading to the suburbs to buy. The market continues to be dominated by married couples who are seeing their household income increase. The share of single female buyers, while higher than male buyers, dropped to the lowest level in 14 years.

From [www.cnbc.com](http://www.cnbc.com), Nov 5, 2015.

## ENERGY STAR - Revision 8 responds to builder, rater, and HVAC contractor concerns

We have been anxiously waiting for the ENERGY STAR Certified Homes Version 3 Revision 8. What is Revision 8 all about? If you missed the builder webinar presentation, here is the link to the new ENERGY STAR New Requirements. In brief, the major changes are to help homebuilders continue building to the [ENERGY STAR](#) program requirements!



REDUCED PAPERWORK to a one-page report per system design, and certifying ENERGY STAR homes is easier than ever for raters and HVAC contractors and designers. The challenging workflow has been improved significantly to make it easier to participate.

Checklists have been streamlined and REDUCED considerably! There is only one compliance path, the PERFORMANCE path. For a complete list of changes visit the [ENERGY STAR Certified Homes Version 3 Revision 8 Highlights!](#)

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Here is a summary of the upcoming changes:

### 1. Greatly reduced paperwork

- Raters will no longer collect the Water Management Checklist.
- Raters will no longer collect full load calculations, an AHRI certificate, or a test & balance report.
- Raters will no longer collect the HVAC System Commissioning Checklist.
- Raters will only collect a single HVAC design report per system design.
- Thermal Enclosure System and HVAC System Rater Checklists will be consolidated into: a 1/2 page Rater Plan Review Checklist and a single-page Rater Field Inspection Checklist.

### 2. Greatly Improved Workflow

- Old HVAC System QI Checklist split into two parts: (1) HVAC Design Report goes from designer to Rater once per system design, earlier in the process, and (2) HVAC System Commissioning Checklist held by contractor; no longer collected by Rater.
- Rater Plan Review Checklist completed once per plan/system design, typically at the same time HERS modeling is completed.
- Rater Field Checklist has fewer items at final inspection, reducing uncertainty.

### 3. Reduced HVAC oversight for Raters, for the time-being

- No document collection from installing contractor.
- No more math check on refrigerant charge.
- No more collection or verification on Test & Balance report.
- No more basic system control checks.
- Streamlined visual inspections for ventilation inlets and exhaust ducts, though airflows will still be measured.
- Raters will continue to measure static pressure, but will no longer check against contractor readings.
- Sounds limits for intermittent exhaust fans recommended, but not required.

### Key Takeaways for Revision 8

#### For Raters

1. Reduces all paperwork collection to a one-page report per plan.
2. Greatly improves predictability at final inspection.
3. Easier than ever to include ENERGY STAR certification in your offerings.

#### For Builders

1. Estimated to reduce costs from Revision 7.
2. Less hassle-factor for them and their trades.
3. Continues to help improve performance and reduce cost of HVAC system.

Contact [energystarhomes@energystar.gov](mailto:energystarhomes@energystar.gov) for more information.

## Calendar of Events & Trainings

### [2016 Annual Economic Forecast Luncheon](#)

Jan 12, 11:00 a.m. - 1:00 p.m.

Hilton Americas Hotel, 1600 Lamar St, Houston, TX 77010

Sponsored by: Greater Houston Builders Association

### [February Luncheon - Bay Area Builders Association](#)

Feb 2, 11:30 a.m. - 1:00 p.m.

La Brisa Mexican Grill, 501 N. Wesley Dr, League City, TX 77573

Sponsored by: Bay Area Builders Association

### [RESNET 2016 Conference](#)

Feb 29-Mar 2

Scottsdale Resort at McCormick Ranch, Scottsdale, AZ 85258

Sponsored by: RESNET

### [March Luncheon - Bay Area Builders Association](#)

Mar 1, 11:30 a.m. - 1:00 p.m.

La Brisa Mexican Grill, 501 N. Wesley Dr, League City, TX 77573

Sponsored by: Bay Area Builders Association

[Dallas Builder Association - Special Events](#)

[Dallas Builders Association - Educational Classes](#)

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## TNMP FAQ's

### **How big is TNMP?**

We have about 350 employees in more than 20 counties throughout Texas. Our main office is located in Lewisville, TX.

### **Approximately how many people does TNMP serve?**

We provide electricity to over 230,000 accounts throughout Texas.

### **What is Energy-Efficiency?**

Improvements in the use of electricity that are achieved through customer facility or customer equipment improvements, devices, processes, or behavioral or operational changes that produce reductions in demand or energy consumption with the same or higher level of end-use service and that do not materially degrade existing levels of comfort, convenience, and productivity.

### **Why does TNMP run Energy Efficiency Programs?**

According to the 76th Texas Legislature in 1999, PURA § 39.905, and Substantive Rule § 25.181, programs are to be administered by transmission-distribution utilities to meet annual demand and energy savings goals. All customers shall have access to energy efficiency in order to reduce energy consumption and costs.

### **How many people have you served with Energy Efficiency?**

Since 2002, over 245,000 customers have participated in TNMP's programs. In the past 11 years, TNMP invested approximately \$17.6 million in energy efficiency programs.

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For more information, please contact:

[George Cornwell](#), ICF International Account Manager (Houston Area), 713-445-2027

[Gloria Vandegriff-Honea](#), ICF International Account Manager (DFW Area), 469-467-4408 or

[Ashley Erdman](#) of TNMP at (214) 222-4186.

For more information on ENERGY STAR, please visit the ENERGY STAR website ([www.energystar.gov](http://www.energystar.gov)).

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