Upgrading new homes in Houston, Texas to the 2012 International Energy Conservation Code (IECC) will reduce out-of-pocket expenses for homeowners – paying off their initial investment in a matter of months.

For the average new home, the 2012 IECC will only increase construction costs by a total of $1,622. When this amount is rolled into the average mortgage, real costs to homebuyers will mean a down payment increase of only $324.58, and $6.21 extra on monthly mortgage bills.

The added mortgage costs will be offset by monthly energy savings of $21, helping homebuyers pay off their initial investment in only twenty-two months. After breaking even during that time, the home will return buyers a profit of $15 per month—for a total return of $177 every year. This return on investment is shown in balance sheet below.

For additional Incremental Cost Analysis, please visit energycodesocean.org.

This model assumes a 2,400 square foot home. The mortgage is conservatively set at 30 years, with 20% down and the current average nationwide interest rate of 4.03%. With a lower down payment—such as 10% down—consumers will break even on their investment even sooner.
Homes are the biggest investment we make—and everyone deserves a home that meets national minimum energy efficiency standards. While it’s true that homeowners can always improve the efficiency of their homes, it is far more cost-effective to upgrade building components during construction, putting in better windows or swapping out one grade of insulation for a better one. Here’s what buyers get with the 2012 IECC:

Additional Upgrades:
- Sealed & Insulated Attic Hatch: $100
- HVAC System Savings: +$408

Homes built to the 2012 IECC could yield a $15 profit every month and $5,000 over 30 years.