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2012 INTERNATIONAL ENERGY CONSERVATION CODE

Upgrading new homes in Pennsylvania’s Climate Zone 6 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 $1,640. When this amount is rolled into the average mortgage, real costs to homebuyers will mean a down payment increase of no more than $328, and $6 extra on monthly mortgage bills.

The added mortgage costs will be offset by monthly energy savings of $60.49, helping homebuyers pay off their initial investment in only six months. After breaking even in month six, the home will return buyers a profit of $54 per month—for a total return of $650 every year. This return on investment is shown in balance sheet below.

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

ENERGY CODE PAYBACK FOR PENNSYLVANIA SINGLE FAMILY HOMES

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:
- Hard-Ducted Returns: $155
- Improved Bathroom Ventilation: $180
- HVAC System Savings: +$408

Homes built to the 2012 IECC could yield a $54 profit every month and $19,200 over 30 years.

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