



Thurston County REALTORS® Position Statement

Proposed Home Energy Score (HES) Ordinance

Thurston County | Olympia | Lacey | Tumwater

POSITION AT A GLANCE

The Thurston County REALTORS® Association (TCRA) supports energy efficiency and climate resilience. However, TCRA has significant concerns with a mandatory time of listing Home Energy Score (HES) ordinance as currently proposed and recommends jurisdictions pause adoption pending further analysis and stakeholder engagement.

WHY THIS MATTERS

- Thurston County is facing a housing affordability and supply crisis.
 - Time of listing and point-of-sale mandates add costs, delays, and uncertainty to residential transactions.
 - Older homes and households on fixed incomes, such as seniors, may be disproportionately affected.
 - The proposal presents legal, fiscal, and operational risks that have not been fully evaluated.
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KEY CONCERNS

1. Housing Affordability & Market Impact

- Adds new transaction costs for sellers and buyers.
- Disproportionately impacts older homes and lower-income households.
- Risks reducing marketability or sales proceeds without clear consumer benefit.

2. Implementation & Enforcement Gaps

- Stand-alone HES inspections duplicate existing home inspection processes.
- No clarity on cost of HES assessments.
- No clarity on quantity, availability, and qualifications of HES assessors.
- No clarity on timelines, transaction delays, or enforcement.
- No clear mechanism on HES oversight or enforceability;
 - Fees and penalties will be relegated to each jurisdiction to set; however, the intent of this ordinance is to create standardized regulations county-wide to reduce uncertainty and create parity.
- A lack of equal enforcement
 - Low-income and private sales are exempt from this ordinance even though they are equal, if not greater, contributors of carbon emissions.
 - Not requiring HES scores on private sales not only is counterintuitive to the reduction of emissions, but incentivizes private sales (FSBOs), which can have rippling negative effects on the housing industry and market.

3. Limited Climate Benefit

- The ordinance requires scoring, not improvements.
- No evidence that mandatory disclosure alone meaningfully reduces emissions.
- Voluntary and incentive-based programs may achieve greater impact.

4. Appraisal & Financing Uncertainty

- Appraisers and lenders were not meaningfully engaged.
- Unclear how low scores may affect valuation or financing.
- Unclear how low scores may affect insurance rates or insurability.
- Introduces risk into otherwise standard residential transactions.

5. REET Legal & Fiscal Risk

- State law (**RCW 82.46.037**) restricts local governments that impose point-of-sale requirements.
 - Adoption could jeopardize REET operational uses, a critical funding source.
 - Potential impacts total millions of dollars annually for local jurisdictions.
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RECOMMENDED PATH FORWARD

TCRA encourages jurisdictions to:

- Pause mandatory HES adoption
 - Expand voluntary programs (e.g., Energize Thurston)
 - Offer incentives for energy upgrades
 - Leverage existing building codes for new construction
 - Convene REALTORS®, appraisers, lenders, inspectors, and housing stakeholders before advancing policy
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BOTTOM LINE

Well-intentioned climate policy should not unintentionally worsen housing affordability, disrupt real estate transactions, or expose jurisdictions to legal and fiscal risk. Collaboration and incentives—not time of listing or point-of-sale mandates—offer a more effective and balanced path forward.