

Our Recent Sub-Zero Cold Spell Showed Value of Weatherization

Now that our spell of exceptionally cold weather is finally over, what can we learn besides the fact that Peyton Manning can play in cold weather?

For Rita and me, that week of sub-zero nights really demonstrated the value of home weatherization. That's because in 2012 we spent \$10,000 on weatherizing the 2002 Genesee home we had purchased backing to Lookout Mountain. It was

primarily because of that investment in weatherization — not just our solar PV system and air source heat pump — that I put our house on that year's Golden Tour of Solar and Sustainable Homes.

This week I'll describe the weatherization of our home in case you have decided based on last week's cold spell that your house would benefit from a massive improvement

REAL ESTATE TODAY



By JIM SMITH, Realtor®

in insulation. The work was performed by Bill Lucas-Brown of GB3 Energy Solutions. I got to know Bill and his wife when I sold them a home in downtown Golden and he described his work.

What exactly did Bill's company do that made such a difference? First, we had Bill perform an energy audit on our house, which includes a blower door test. A blower door test depressurizes the house by installing a strong fan in a doorway which sucks the air out of the house. With the fan running, it's possible to identify the places in the house where outside air leaks into the house.

In our case, Bill found that the molding around our windows needed caulking and that the can lights in our ceilings were not sealed which was allowing air to leak into our attic.

In addition to the blower door test, Bill used an infra-red camera to determine which areas of the exterior walls were poorly insulated and which electrical outlets in those exterior walls might need sealing.

From his energy audit Bill gave us a list of things we could have him do, and we agreed to everything on that list. Among the items were: conditioning of the crawl space under the front section of the house, sealing and insulating the rim band (where the floor joists sit on top of the concrete foundation), blowing in 180 bales of additional cellulose attic insulation, caulking around windows, and insulating the walls and attic of our attached garage.

We trusted that such a massive increase in insulation would make our home more comfortable in the winter, but after last week's cold spell, we have a genuine appreciation for the effects of GB3's work.

These improvements are detailed

in a YouTube video which I made with Bill shortly after the work was completed. (I created videos describing all the homes on the 2012 tour of solar & sustainable homes, including our own.) I have put a link to that video at www.JimSmithColumns.com in case you'd like to see what Bill's company did for our home that made such a difference in the past week.

Our gas bill isn't in yet, but last December's gas bill was only \$30 higher than our gas bill in July. It must be due to weatherization.

We were so pleased with GB3's work on our home that I also hired the company to weatherize Golden Real Estate's office. They conditioned that crawl space in the same manner as at our home and blew additional insulation into the attic. As a result, our office was also nice and cozy throughout last week's cold spell.

Contact info for Bill and the other vendors is displayed on that video.

FHA Lowers the Maximum Loan Amount for Jeffco to \$391,000

Beginning in January 2014, the maximum size mortgage which FHA will insure has been adjusted downward. The maximum amount varies from county to county, being highest in counties like Boulder where home prices are highest. For the other Front Range counties, including Jefferson, the new maximum was reduced from \$417,000 to \$391,000.

FHA loans are attractive to first-time home buyers and others because they only require a 3.5% down payment, although there are lenders who will write non-FHA loans that are equally or more attractive.

Since the maximum amount for a conventional loan is also \$417,000, I have asked the lenders I work with whether that limit will also be dropping, but the response I have received so far is that there are no such plans. When the loan amount on a home purchase exceeds that limit, it is classified as a "jumbo" loan, which has traditionally carried a higher interest rate.

Open House in Genesee Sat. 12-3

Karon Hesse is holding her fabulous listing at 2195 Foothills Dr. S. open on Saturday. View it online right now at www.GeneseeHome.info.

Inventory of Listings Drops Drastically

Typically, the number of houses on the market drops during December, but this year's drop was three times last year's drop.

At the beginning of December *last year*, according to Metrolist statistics, the number of listings was 10% lower than the number of listings at the beginning of November.

This year, I have calculated the drop at 30%.

The low inventory of homes for sale has been a subject of

press coverage for over a year, but the number of active listings now is less than half what it was in July and 45% lower than it was in January 2013.

In the City of Golden, we're down to just 14 active listings, compared to 25 or 30 earlier this year. The total number of MLS listings is under 10,000 — lower than at any time since 2008, which is as far back as Metrolist displays statistics.

Is December a good time to

put your home on the market? It certainly is when there are so few homes to compete with.

Personally, I have carried 10 to 20 listings consistently since starting Golden Real Estate seven years ago. Today, I'm down to just one listing, and I am expecting competing offers for it by the time this column is published on Thursday. This drought of listings is unprecedented for me personally and for the MLS generally.



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