

Slowly But Surely, Builders Are Gravitating From 'First Cost' to 'High Performance'

Drive through almost any new subdivision along the Front Range and the homes may look interchangeable — same rooflines, same palettes, same elevations. But, as *Pro Builder* reports, what's behind the walls is beginning to diverge in ways that matter far more than curb appeal.

For decades, builders and buyers alike have been conditioned to focus on *first cost*, the upfront price of materials and labor. That narrow lens shaped everything from insulation choices to HVAC sizing. But as the article notes, a home is a long-term asset, and its true cost unfolds over years of energy use, maintenance, durability, and eventual resale.

That shift in perspective is driving a quiet evolution in residential construction: the rise of *high-performance building*. These are homes designed not just to meet code but to exceed it — homes that use less energy, maintain more stable indoor temperatures, resist moisture and air leakage, and require fewer repairs over time. Many features once dismissed as "premium upgrades" now pencil out as financially rational decisions when viewed across the life of the home.

The article highlights a simple truth: homeowners pay for a house twice — once at closing, and then every month thereafter through utility bills, maintenance, and system replacements. A tighter building envelope, better insulation, high-efficiency mechanicals, and durable materials all reduce those ongoing costs. That means the cheapest option on day one is often the most expensive option over the next 30 years.

Builders, too, benefit from this shift. High-performance homes generate fewer

callbacks, which are costly and time-consuming. They also produce happier homeowners, which translates into stronger referrals, still the lifeblood of many small and midsize builders. High-performance becomes a form of market differentiation in a landscape where floor plans and finishes can blur together.

Colorado's climate makes the economics of high performance all the more compelling. Our temperature swings, wildfire smoke events, and growing energy costs all reward homes that are built to a higher standard. A well-sealed, well-insulated home with balanced ventilation doesn't just save money, it protects indoor air quality and reduces strain on the electrical grid during peak-load periods.

Buyers are increasingly aware of this. They may not ask for "continuous exterior insulation" or "ERV-balanced ventilation," but they do ask for lower bills, better comfort, and healthier indoor air. High-performance construction is simply the technical path to delivering those outcomes.

The *Pro Builder* article makes a point that resonates strongly with what I see in the Denver metro market: when builders invest in performance, they're not adding luxury—they're adding value. And when buyers choose homes built to higher standards, they're not indulging in upgrades, they are making smarter financial decisions.

This reframing is overdue. For too long, the industry has treated energy efficiency, durability, and resilience as optional add-ons rather than core components of a well-built home. But as the article argues, the economics are shifting. The long-term savings for

homeowners, combined with reduced service burdens for builders, make high-performance construction a win-win.

As Colorado communities adopt stricter energy codes and buyers grow more discerning, the market is moving toward a new baseline—one where performance is expected, not exceptional. The homes may still look similar from the street, but the ones

built with long-term value in mind will stand out where it counts: in comfort, durability, and the monthly bills that follow homeowners long after the closing table.

High-performance building isn't a trend. It's the future of responsible, economically sound homebuilding, and the sooner we stop fixating on first cost, the sooner both builders and buyers will reap the rewards.

REAL ESTATE
TODAY



By JIM SMITH
Realtor®

Inman Column Recounts History of Real Estate in U.S.

In a recent Inman News column, Darryl Davis uses America's upcoming 250th birthday to trace the profession's evolution from land grants to listing agreements, arguing that the industry's future depends more on integrity than on technology. His historical sweep is engaging, but it leaves out a foundational truth: the modern housing market was shaped not only by innovation and professionalism, but also by government-sanctioned and private-sector discrimination that systematically excluded Blacks from homeownership.

Davis begins by noting that real estate is woven into the country's founding story. Many signers of the Declaration of Independence were land speculators, and early Americans navigated a chaotic marketplace of overlapping claims, colonial grants, and government auctions where "buyer beware" was the guiding principle. The Homestead Act of 1862 marked a turning point, transferring more than 270 million acres to 1.6 million families and helping build the white middle class.

The 20th century brought professionalism. Before 1908, anyone could call them-

selves a broker. The creation of the National Association of Realtors established the idea that real estate should be a regulated profession grounded in competence and ethics. Federal reforms during the Depression, including the creation of the FHA and Fannie Mae, democratized homeownership through the long-term, fixed-rate mortgage. The GI Bill accelerated that shift, pushing homeownership above 50% for the first time.

But what the Inman article does not address is that these same federal institutions also entrenched racial segregation. Beginning in the 1930s, the Home Owners' Loan Corporation created color-coded maps that graded neighborhoods from "A" to "D." Areas with Black residents, regardless of income or housing quality, were marked in red and deemed "hazardous."

This is just the beginning of a much longer article, which you can read in full at <http://RealEstateToday.substack.com>.

If you list your home with me, it will be featured on this page and on page 3 of all 24 metro area weekly newspapers. Call me at 303-525-1851 for details.

Beware of Texts or Emails Creating a Binding Agreement

I have written before about the June 2000 **Electronic Signatures in Global and National Commerce Act**, commonly called the **ESIGN Act**, which established nationwide validity for e-signatures in transactions affecting interstate or foreign commerce. A little known effect of that law is that if you state that you agree to something — anything — in a text or email and add your typed name to it, you have made a legal commitment which can be enforced.

Here's some practical advice to avoid that trap.

Use a non-binding disclaimer in substantive messages. For example: "This email or text does not create acceptance or a binding contract."

Flag at least one material term as still open. When electronic communication concerns price or concessions, leave something explicitly unresolved, such as inspection. If even one material term is genuinely undecided, the contract generally remains unenforceable.

For agents: disclaim authority to bind. For example: "I do not have authority to bind my client by email or text. All agreements require my client's written signature."

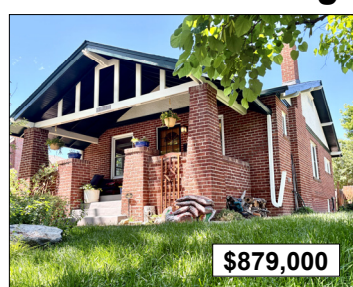
Agents need to be especially careful when not talking to another agent. When the other side of the message is an unrepresented principal, like a FSBO seller or unrepresented buyer, the above safeguards especially matter.

Price Reduced on 'Tech-Forward' Condo

If you were a Silicon Valley millionaire, what high-tech upgrades might you put into your 3-BR townhome? You'd probably do what the seller of this townhome at 11246 Osage Circle did, from the sound system to the HVAC, even to the outlets and switches. How about a 4-figure "smart" toilet that opens when you approach it? These upgrades are detailed at www.GRElistings.com. Now priced at only \$515,000. Open this Saturday, 11 to 2.



NW Denver Bungalow Listed by David Dlugasch



This is an exceptional 3-bedroom, 2-bath bungalow at 4401 W. Hayward Street in West Highland, minutes from Sloan's Lake. The home has a fireplace, hardwood floors and a kitchen with stainless steel appliances, quartz countertops, and tile backsplash. A special feature of this home is its huge patio, great for barbecuing and entertaining guests. The home has both a gas furnace and a heat pump, both A/C and an evaporative cooler. It's extremely fuel efficient, with on-demand water heater and double-pane vinyl windows. A special feature is the attached garage that has been converted into an office/studio. There's a detached oversized 2-car garage plus space for another car or RV parking. The finished basement has a bedroom and full bath with marble countertops and double sinks. It also has a large family room. The home is convenient to parks, restaurants, shopping, downtown Denver, and major commuter routes. View a narrated video walk-through at www.GRElistings.com, then call David to request a private showing.

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