



*Financial Solutions to Value a Sustainable Future*

TINY HOUSE – SUSTAINABLE ECONOMICS

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City of Houston—Public Works & Engineering-USGBC

Earth Day – April 22<sup>nd</sup>, 2015

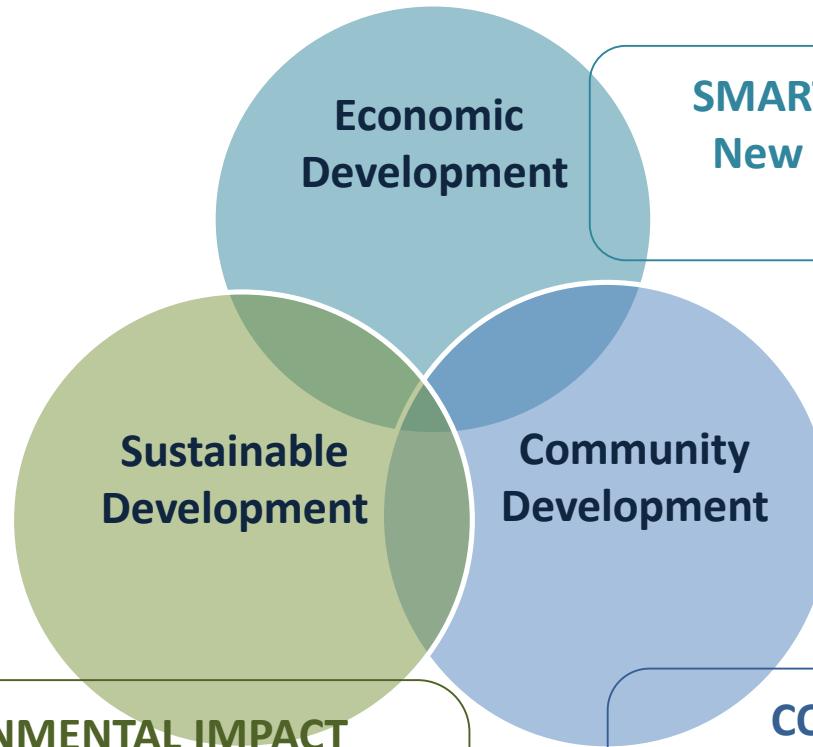
# TINY HOUSES TRENDING.....

- Will movement reach mass market adaption?
- How will financial, real estate, consumer markets react and adopt?



# TRIPPLE BOTTOM LINE

## People, Planet, Profit



**SMART GROWTH- Tech-Jobs  
New Infrastructure– Debt  
Reduction**

**Sustainable  
Development**

**Community  
Development**

**REDUCE ENVIRONMENTAL IMPACT**

**Efficiency- Renewable Power Generation  
Food Production – Waste Reduction  
Bio-diverse Ecosystems, Water (Cons. Rec.)**

**CONNECTIVITY, EQUALITY**

**Improved Quality of Life, Health  
Multi-Generational - Interdependent**

# ***Tiny House Market Challenges – Gaps***

## **Multi-Generational Income Disparity Baby Boomer Millennium - Gen X**

**Lack affordable,  
sustainable housing  
solutions**

**Reduce Debt  
Housing expenses < 15%  
Income – fixed costs**



## **Municipality HOA By-Laws - Zoning**

**Antiquated Zoning  
Policies**

**Planned Unit  
Developments – not  
Sustainable –  
Affordable  
Owner Built Risk**



## **Financial – Real Estate Market- Consumer Risk Adversity**

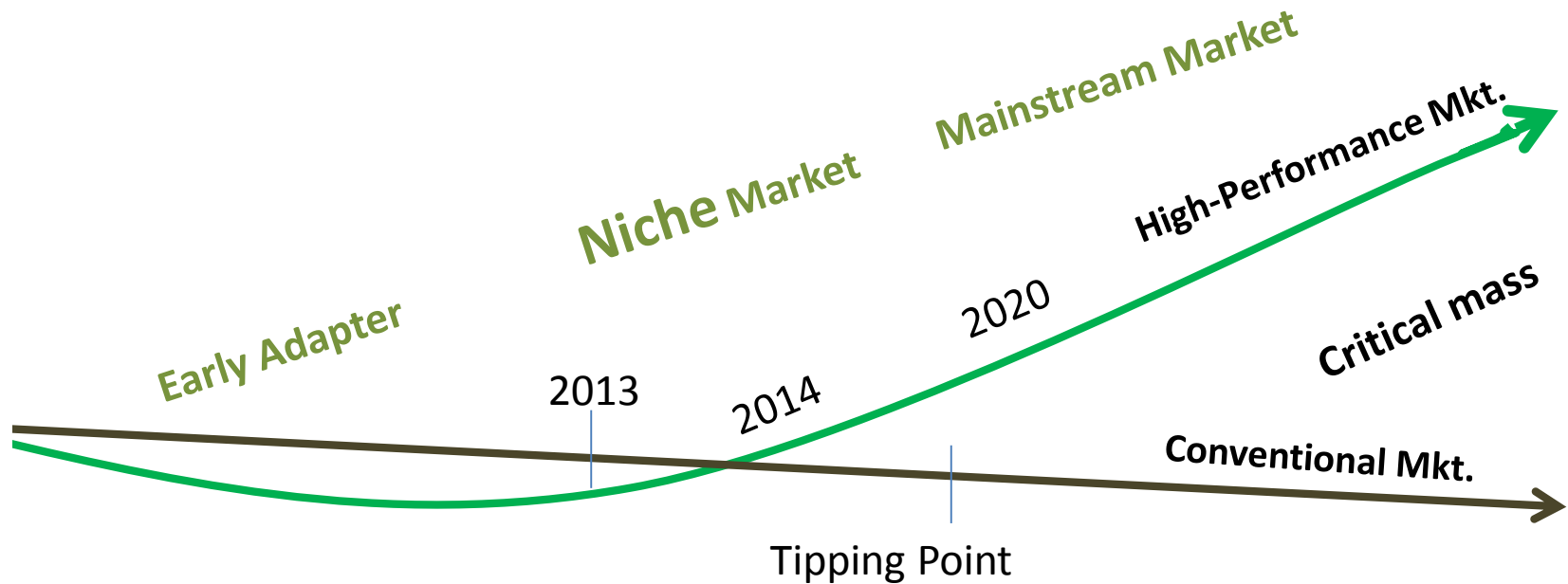
**Cost-investment certainty**

**Marketability – Land –  
Property Tax Increase**

**Antiquated Appraisal**



# Market Reaction-Adaption



## Sustainable Properties-Premium Value

- Supply & Demand for small homes
- Debt Control -Affordability
- O&M- Reduced Risk
- *Marketability*
- *IECC Building Mandate - Adaption*

## Conventional Properties –Brown Discount

- Increased utility O&M Expenses
- Lack durability, building integrity
- Deferred maintenance (DM) risk
- *Rising Land, property taxes, utility costs*
- *Building code antiquation*

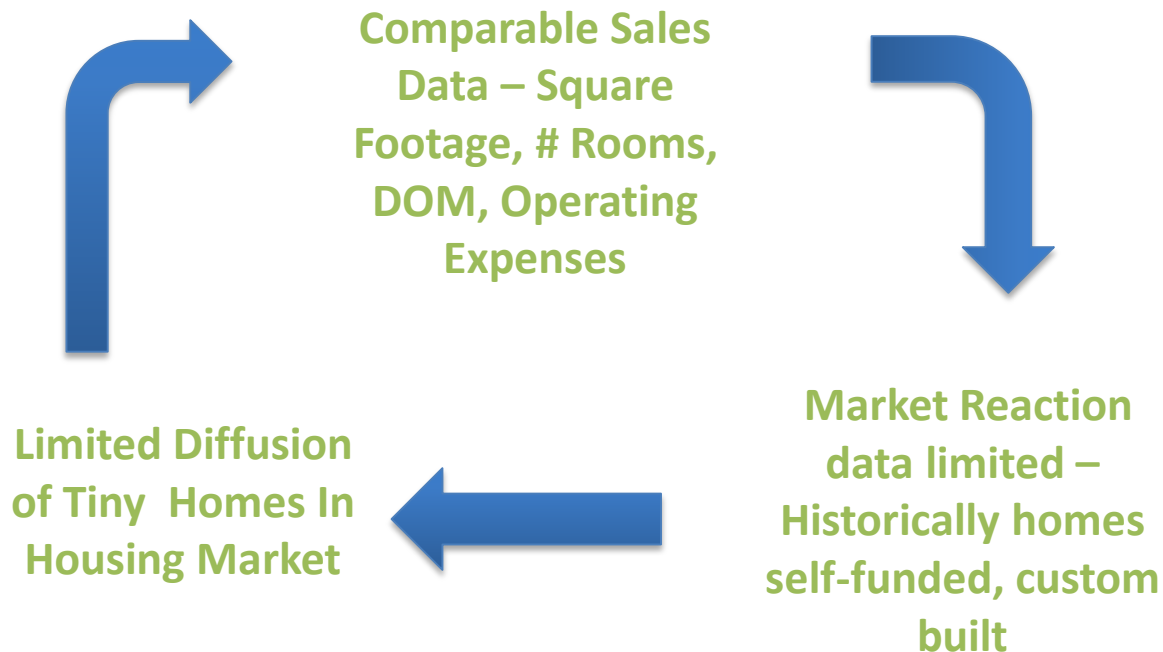


# Tiny House - Green Market Appraisal Challenge

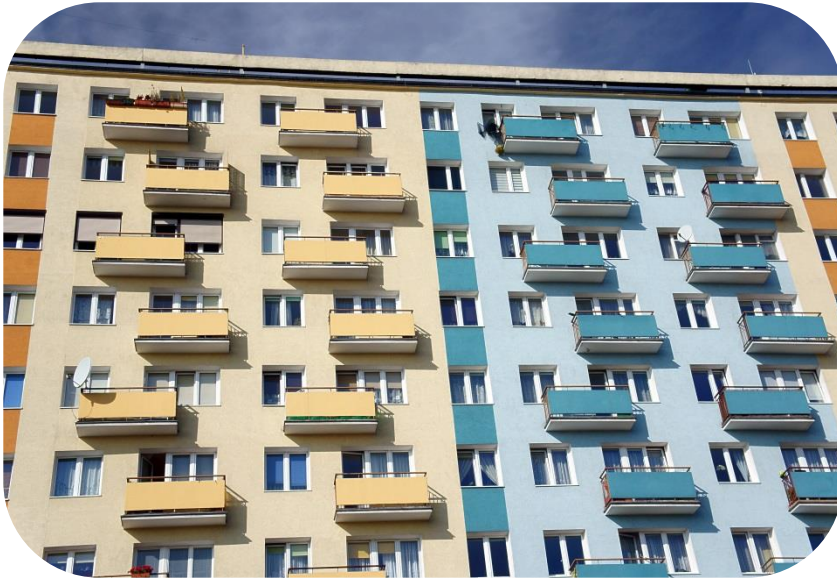
Central problem –

Financial market requires Paired Sales Analysis

Vicious Cycle – Comparing Apples to Oranges



# Sales Comparison – Paired Sales Analysis Problematic



**\$59,995 Condo @ 590 Sq. Ft.**



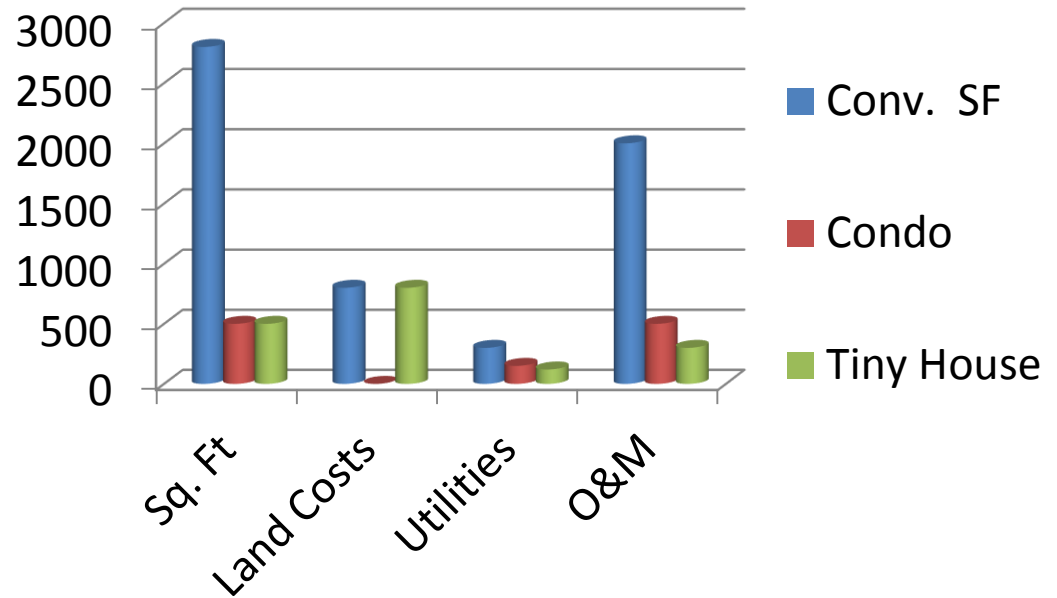
**Single Family Detached  
@ 1800 – 2900 vs.  
500 Sq. Ft. + Lot**

**IT'S ALL ABOUT MARKETABILITY-MITIGATING RISK**

**New Paradigm - Diversified Communities  
Multi-Generational Functionality, Sustainable  
Economically Viable**

# Appraisal Valuation Comparisons

**ADJUSTMENTS  
CAN'T EXCEED  
10% or 30% Aggregate**  
- Less than 10 miles apart



**\$300k**



Traditional  
2800 Sq. Ft.

**\$330k**



Green – High-Performance  
Conv. Sq. Ft. 2800

**\$75k**



Tiny House  
500 Sq. Ft.

=

**Comparing Apples –  
Oranges**

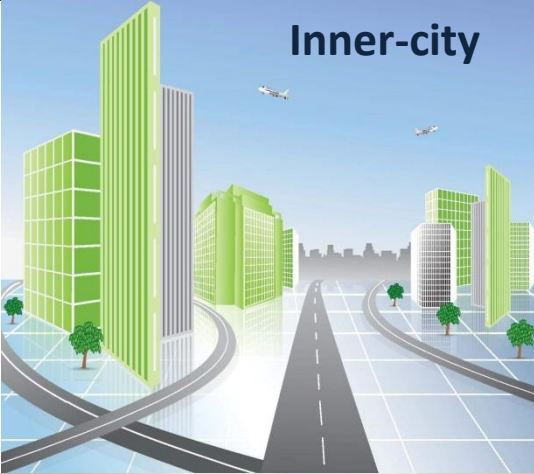




**New Urbanism**



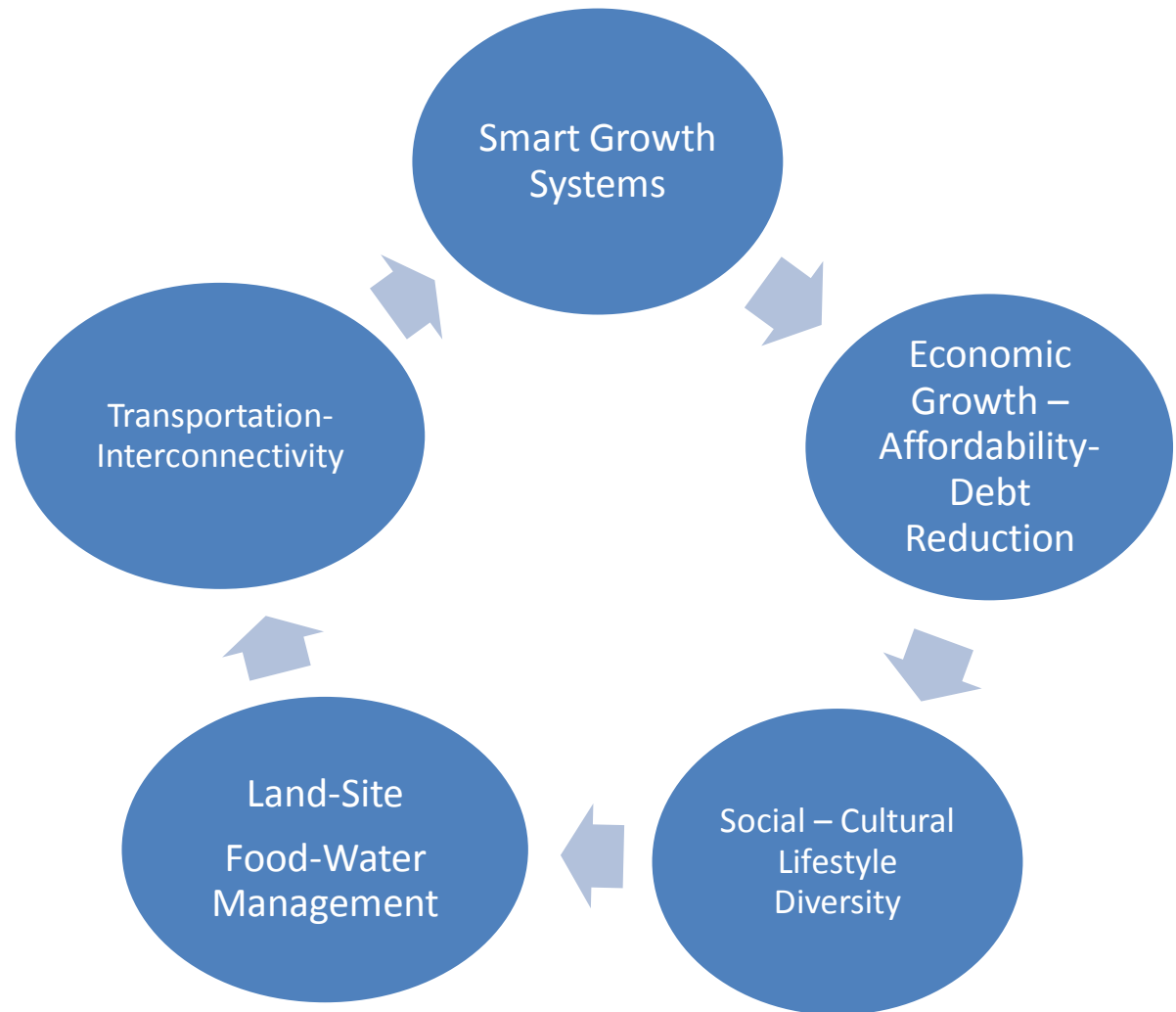
**Inner-city**



**Rural**

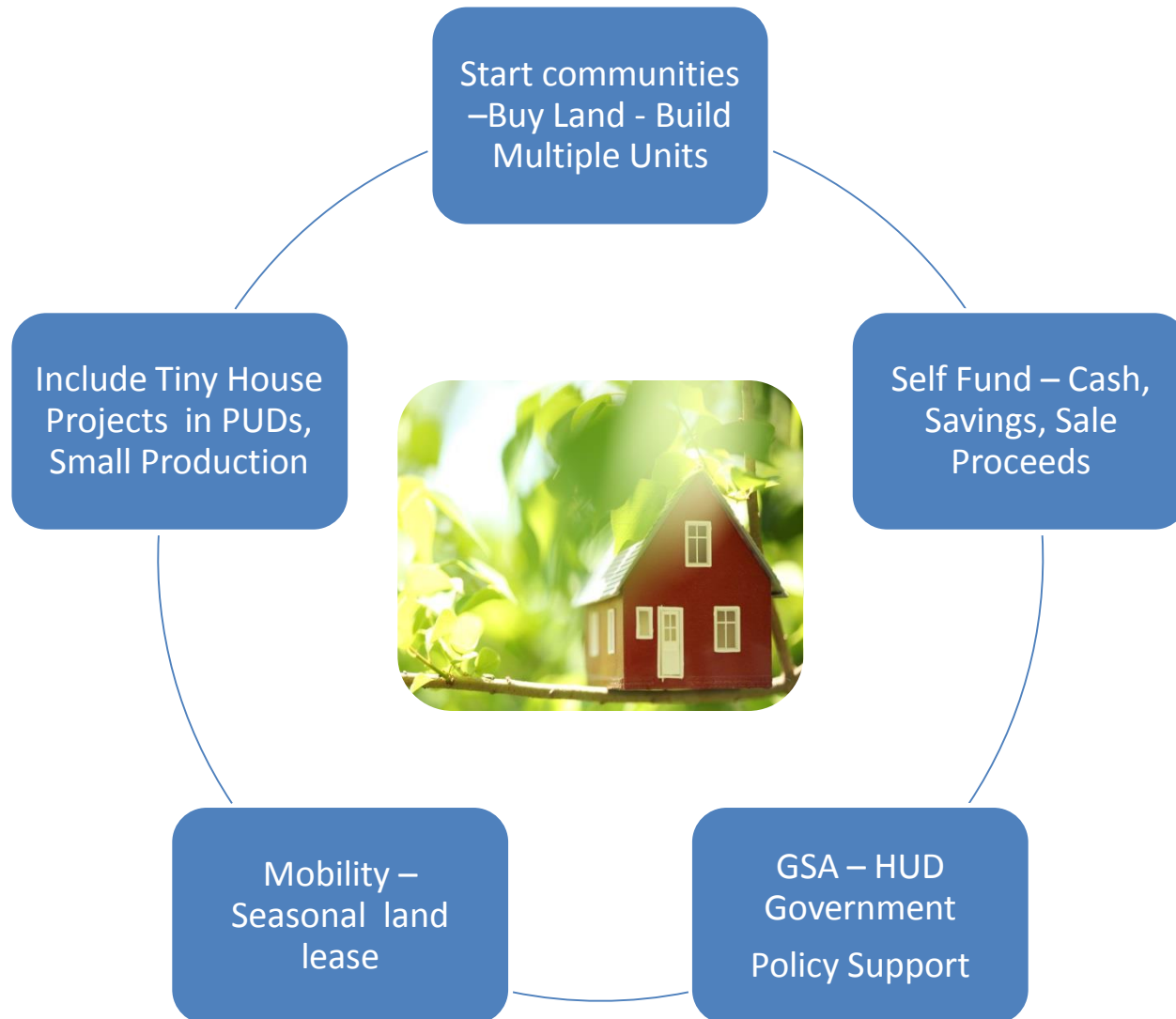


# ***21<sup>st</sup> Century Solutions - Sustainable Multi-Generational Communities***



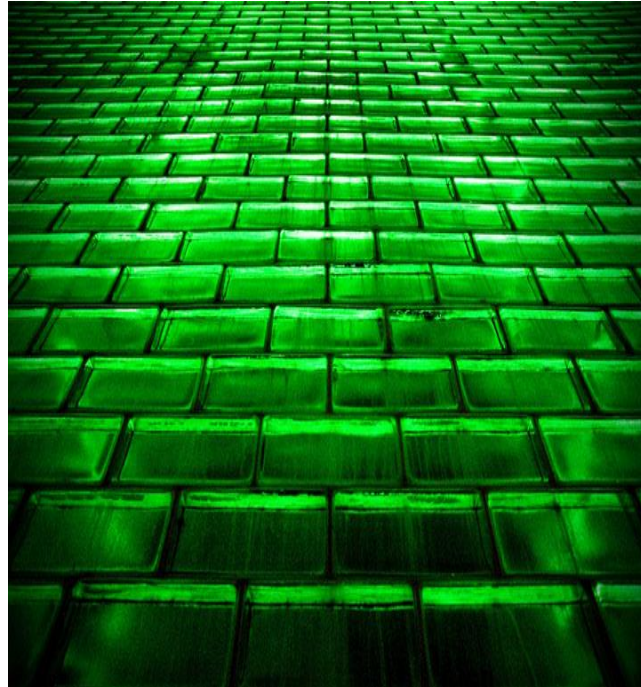
# Tiny House

## Funding – Valuation Solutions



**Thank you.....**

***[www.greenenergy-money.com](http://www.greenenergy-money.com)***



**Following The Green Brick Road  
To a Sustainable Future.....**