So Many Million Dollar Homes in Quake Zones

Hi, I'm Ronan, and you're watching *This Week's Sustainable Building News*.

Our main story today is about homes in earthquake prone areas. A new study finds that earthquake-risk counties contain about 13 times as many million-dollar homes as hurricane-risk counties. The analysis by Barcus Arenas identifies about 2.34 million homes valued at $1 million or more in counties with high modeled earthquake losses. The comparable count for high-loss hurricane counties is about 178,000. This doesn't mean that earthquakes automatically produce greater financial losses. The study estimates average annual losses of $1,448 per million dollars of building value for earthquakes, compared with $2,523 for hurricanes in their respective high-loss county groups. The earthquake hazard itself reaches well beyond the familiar Western fault lines. The U.S. Geological Survey says nearly 75% of the country could experience potentially damaging earthquake shaking. Its National Seismic Hazard Model covers all 50 states and includes nearly 500 additional faults capable of producing damaging earthquakes. That wider risk map has implications for builders, homeowners, insurers, and local officials. It puts questions about building age, structural reinforcement, construction standards, and preparedness on the table in communities that may not think of themselves as earthquake country. And the financial risk can continue after the shaking stops. Standard homeowners policies generally exclude earthquake damage. Separate earthquake policies may use percentage deductibles, which can leave homeowners responsible for significant costs before coverage applies. For example, a hypothetical 10% deductible on a home insured for $1 million would mean $100,000 out of pocket. The analysis doesn't tell us whether any particular home is well-built or adequately insured. It does, however, highlight the gap between a home's market value and the risks and protections that shape its long-term cost.

https://www.barcusarenas.law/research/million-dollar-disaster-zones/

Full study: https://www.barcusarenas.law/research/million-dollar-disaster-zones
USGS National Seismic Hazard Model: https://www.usgs.gov/news/national-news-release/new-usgs-map-shows-where-damaging-earthquakes-are-most-likely-occur-us
Earthquake insurance overview: https://content.naic.org/insurance-topics/earthquake-insurance

Builders are still facing pressure from rising construction costs. NAHB reports that the price index for goods and services used in residential construction rose 10.4% over the past year. Energy costs were a major driver, but they weren't the only one: plywood prices climbed 24.5%, and diesel fuel, even after a monthly dip, remained 115% higher than a year earlier. Service costs are rising, too, especially transportation and warehousing. That means cost pressure follows a project from the supply chain to the jobsite—and keeps the challenge of building attainable homes in focus.

https://www.nahb.org/blog/2026/11/building-materials-up-in-october

Public incentives can shape what gets built—and what developers are expected to give back. Salt Lake City, Utah, has lowered the maximum reimbursement under two tax-increment programs from 90% to 80% of the new tax revenue a project generates. The base remains 60%, with five percentage points available for each qualifying public benefit. Developers now need four benefits to reach the cap instead of three. Examples of public benefits in the city's reimbursement deals include structured public parking, restoring historic buildings, and creating public plazas or other public spaces. Projects using the programs must also meet Salt Lake City's sustainability and public-art policies. That requirement follows a dispute over Silo Park, which sought an exception to the sustainability rules. The city is also capping reimbursement terms at 15 years, or the time remaining in a project area. Tying public incentives to community benefits isn't new: Pittsburgh, for example, requires TIF-financed projects to achieve LEED Silver. Salt Lake's update makes its own expectations clearer—and mandatory for every project using these programs.

https://buildingsaltlake.com/salt-lake-city-trims-developer-tax-rebates-makes-green-building-rules-mandatory/

How are building departments preparing for new technology—and what happens when AI enters the plan-review process? In the latest *Impact Series*, host Mike Collignon speaks with Jim Meyers, founder and chief strategist at Build Intel. Meyers' career has taken him through several very different areas of engineering and building performance. He began by working on fuel-cell systems for the Space Shuttle program, then moved into energy efficiency, home energy ratings, and building codes. In the conversation, Meyers describes potential ways AI could assist building departments, from finding relevant code sections to helping with plan review and drafting comments. He offers advice to future leaders: Make room for new ideas, even if an approach sounds unusual at first. Listen to this clip:

https://youtu.be/wbEUxqDlJV0

A green building label may signal energy efficiency, but does it tell you whether a building can keep people safe through a heat wave or power outage? Researchers compared six certification systems—including LEED, RELi, Phius Plus, BREEAM, Envision, and WELL—across six climate risks. They found a crucial difference between protections a system offers as optional credits and protections every certified project must provide. In the editions studied, LEED, BREEAM, and Envision had no qualifying mandatory adaptation provisions. That doesn't mean those buildings lack resilience; the study examined certification documents, not actual building performance. Its takeaway: look beyond the label and ask what protections are required.

https://www.devdiscourse.com/article/science-environment/3708125-behind-a-green-label-what-six-building-standards-reveal-about-climate-readiness

This week's Editors' Product Pick is Resideo Pro-IQ Predict, an AI-powered analytics service designed to help HVAC contractors identify developing equipment issues earlier. The service analyzes more than 80 system behaviors across compatible residential HVAC equipment and sends contractors actionable alerts. These insights are intended to help technicians prepare for service calls, diagnose issues remotely, and discuss maintenance or replacement before a problem becomes an emergency. Pro-IQ Predict is available through Resideo One and works with compatible equipment, a compatible ElitePRO smart thermostat, and sensing hardware.

https://www.resideo.com/us/en/pro/proiq/

The building envelope is another place where one approach may not work everywhere. Green Builder Media editor Michele Lerner's article, *Hybrid Insulation Solutions for Every Climate and Code,* looks at a system that combines insulation materials in different parts of the home. The example uses spray foam in selected areas where air sealing and high thermal resistance are priorities, while cellulose fills exterior wall cavities. The article considers how that combination can support comfort, sound reduction, energy performance, moisture management, and lower embodied carbon than an all-foam approach. As with any assembly, the right choice depends on the design, climate, code, and how the components work together. Click the link in the notes to read the blog.

https://www.greenbuildermedia.com/blog/hybrid-insulation-solutions-for-every-climate-and-code

A home may have high-performance features that don’t fit neatly into an appraisal form. That’s changing with a new reporting standard from Fannie Mae and Freddie Mac. The Uniform Appraisal Dataset 3.6, introduced November 2, adapts its report to the property and gives appraisers a more consistent way to document features such as energy efficiency and green-building certifications. NAHB says the new format could also make it easier to compare homes and reduce appraisal corrections or delays. It won’t automatically raise a home’s value, but it may help make its features more visible.

https://www.nahb.org/blog/2026/11/new-reporting-system-advances-nahbs-push-for-better-appraisals

And what will builders need to know as they prepare for 2027? Green Builder Media CEO Sara Gutterman will share the latest State of the Industry research from COGNITION Smart Data in a free webinar on December 1st at 2 p.m. ET. In *The State of the Industry*, she will discuss business pressures, buyer expectations, resilience, insurance, and the housing outlook. Visit GreenBuilderMedia.com to register for your spot or hit the link in the notes.

Thanks for watching *This Week’s Sustainable Building News*. Stay informed, stay ahead, and we’ll see you next week.