



WIRING INTO ENERGY SAVINGS

Future proofing your rental property does not have to be as expensive as you think. The rewards can be reaped for years to come through increased tenant appeal, higher rents and increased property values. **Carolyn Brooke**

ECO-FRIENDLY HOMES are making more and more sense these days, even as rental properties. Sure, there is the initial outlay to consider but the paybacks can be significant with increasing demand from tenants wanting modernised and future-proofed homes.

It certainly makes commercial sense to Rob Sodeau who develops properties through Paige 1 Property Holdings. "Mum and dad investors were becoming more conscious about nice, modern, low-energy and easy to maintain properties – we just met the market," Sodeau says.

"We found a lot of developers were doing a bad job, doing things as cheaply as possible to maximise the profit margin."

Future-proofed renovations will cost a bit more but the benefits can't be ignored. A more eco-friendly home is a great selling point and Sodeau finds they tend to rent quicker (and for a higher price) and increase a property's value.

Word is also getting out among tenants who want lower power bills and Sodeau is receiving enquiries about potential new listings from tenants seeking a more efficient home.

Sodeau's main future-proofing focus is around lighting and hot water heating, two key drivers of electricity bills. He finds heat-pump hot water systems to be the most efficient. They work by heating small quantities of cold water that is then used to replenish hot water in the cylinder as it is used, saving the whole tank from having to be reheated.

The cost of an installed system is about \$4500 to \$5000 with a guaranteed 66% savings in hot water bills and a five year payback.

Rewiring a house is also a standard part of his renovations to enable future-proofing technologies to work. It is also necessary for the electrical certificate for code of compliance.



Harnessing the sun's energy



Heat pumps are just the beginning of an eco overhaul

SWITCH ON TO SAVINGS



“We’ll thoroughly investigate the wiring and 99.9% of the time you have to rewire and put in a new board,” he says.

Light fittings can then be upgraded and low energy 4 to 6 watt LED light bulbs can be used.

“You can have every light on in the house for 24 hours and it will cost less than the cost of one normal light.”

The cost to rewire an average house to modern standard is around \$3500 including a new fuse board, but price can vary depending on the house and what is involved.

Solar power is another developing technology and while Rob doesn’t install it as part of his rental renovations, he prepares houses so a future owner could easily do so.

“You can slap on solar energy panels for anywhere between \$5000 to \$10,000 and

you’ve got free hot water,” he says.

“If you put battery packs on for another \$3000 to \$5000 then you can actually run lights too, so you can run hot water and lights, the two main energy users, completely free.”

Excess energy captured during the day at the sun’s peak can be sold back to the grid creating a potential extra revenue stream for landlords who opt for solar.

“It’s another way to justify costs of \$5000 to \$10,000 you spend over normal costs in order to future proof.”

Aside from rewiring, low-energy lighting and a heat-pump hot water system, Sodeau’s renovation jobs usually entail repainting, new carpet, a new kitchen, a new bathroom with tile finish and some landscaping.

A recent renovation on a four-bedroom house/two-bedroom sleepout property

HOUSEHOLD POWER BILLS MORE THAN HALVED



Calculate the savings

in Papakura cost \$45,000 and led to an overall increase in value of \$110,000. It rented for \$480 per week – the highest market rent for the area, he says.

“It was a reflection of this house being future proofed – it was going to be low energy and low cost house to run and it was more appealing to tenants,” he says.

“The tenants were so impressed with the technology we put into the house that they outbid each other.”

The household power bill more than halved from high \$200s/low \$300s to \$140 in the first month.

“That is six people having showers every morning – especially good as three to four of them were home all day as it was the school holidays.”

Good curtains are another easy future-proofing method. The key is to not buy cheap curtains but rather the properly

backed thermal lined ones (with a separate lining rather than latex type film).

“Cheap curtains just block out light but curtains in modern houses need to be more than just light blockers – they need to keep heat out or in.”

Airflow in a home is also important and one technique Sodeau has used to improve it is taking out a non load-bearing wall (always seek professional advice first), it helps with light flow too. Adding a skylight is another way to transform an area, especially dark hallways. An HRV system also helps with airflow as your property becomes air tight and will cost around \$2500 for a small house.

Ceiling and under floor insulation is a no-brainer for future proofing a house and can be done in an average home for around \$2500. Government grants for insulation still apply for some rentals so it is always worth checking out.

WATERWORKS

Water storage systems are also effective and simple ways to future-proof your home. The work involves cutting into guttering to enable the transfer of water, through a filtering system, into a plastic barrel that is elevated off the ground. Water then can be used for gardening or domestic use in the event of emergencies.

Rob has dug in vege gardens too but finds there is little point doing this for rental properties as tenants tend not to maintain them.

Soft-close drawers are also a great idea in the kitchen for longer lasting cabinetry, while a thorough renovation job on a bathroom helps to avoid problems later.

“You’ll find if you start to do a little bit of work but don’t do all of it – like the tiles around the bath – then you’re probably going to create a leak so just do the whole thing.”

Dual-flush toilets and low-pressure shower heads are other staples of a future-proofed home. It is also best to avoid heated towel rails and heat lamps.

“The second you put those on you can watch your power meter tick up.”

Always install a kitchen rangehood and a bathroom fan to help reduce moisture and smells and to protect paintwork.

While most rentals don’t include whiteware beyond an oven, low energy appliances are another good idea to optimise power efficiency.

“If you can look after the electrics and the hot water system then you can future proof your house.” ■