

GREEN WITH ENVY

Environmental features can add a big percentage to your asking price



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ADDING green features to your house can add more than \$137,000 to your asking price at sale, new research shows.

And if you're selling an environmentally friendly apartment you could bump up your price by \$43,000.

PRD Nationwide national research manager Diaswati Mardiasmo said her study showed properties with green features generally commanded higher asking prices than the median price of their suburb.

"If you are thinking of adding value to your home through green features, you can't really go wrong," Dr Mardiasmo said.

"There is an even spread of how much value a green feature

can add to your home. Solar panels, solar hot water, water tanks and grey water systems all add about 29 to 33 per cent to house asking prices compared to the suburb's median."

Overall, houses with green features had price tags that were \$137,473 or 30 per cent higher on average than the median price, while units or apartments had average asking prices \$43,532 or 11 per cent higher.

However, sustainable features did not pay the same dividends in rental homes.

Green houses only asked 4 per cent more for rent than the suburb median rent and there was no difference in the rent asked for units.

The research analysed houses and units advertised for sale and rent in Victoria over the past six months.

The study compared the asking price of 50 properties with similar numbers of

WHAT IT'S WORTH

- Solar panels: \$129,501
- Solar hot water: \$136,809
- Water tank: \$146,849
- Grey water system: \$129,225
- High energy efficiency rating: \$206,090
- Medium energy rating: \$92,029

Source: PRD Nationwide. Figures show the average amount added to house asking prices compared to the median price.

bedrooms and bathrooms on the market in 41 suburbs and 50 units for rent in 39 suburbs.

Lucas Real Estate managing director Glen Lucas said younger buyers in particular appreciated green features.

However, developers were yet to realise the demand for green features in apartments, he said.

"Lots of buyers would prefer some degree of green features like solar hot water and a grey water system," Mr Lucas said.

Jason Kuan wasn't thinking

particularly green when he and his wife, Tessa Shaw bought an apartment in the Forte tower in Docklands — the world's tallest timber residential development.

But having lived in the sustainable tower for the past year, green credentials are something he would certainly take into account in the future.

"I really enjoy the timber construction because it keeps the temperature regulated and it saves me money in terms of bills," Mr Kuan said.

"It just feels comfortable."

But Mr Kuan, who runs property advocacy firm Provincial, said not many of his clients asked for an environmentally friendly property.

"Buyers need to become more educated about green features because there are more benefits to having a green apartment," he said.

An AGL survey on attitudes to energy efficiencies revealed 65 per cent of respondents wanted to be better informed about ways to save energy.

AGL spokeswoman Nicole Lyons said the survey, conducted in Victoria, NSW, SA and Queensland, showed that people wanted to proactively manage their energy usage.

"There is certainly a move towards making homes more green," she said.

Ms Lyons said the company's recently launched home check-up service to help Victorians reduce their energy use had a

good response from customers. Green Building Council of Australia chief operating officer Robin Mellon said he was not surprised properties with green features could fetch more.

Mr Mellon said he believed the trend would become more popular.

"I think as people understand the building they are in, they understand more about technology — whether it is about LED lighting or specific double glazing — they will understand more about how the place can make them comfortable and can offer them benefits," Mr Mellon said.

"We'd like to think in five or 10 years' time the thing that we call green will be what people are demanding as standard.

"Because again the things that we call green today, five or 10 years ago were space age — they were aspirational."