



## **CASE STUDY: LANDLORD**

### **May 2008**

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#### **Background**

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Warren Jones is a Sales Executive who has owned rental properties for twenty years to fund his retirement. He says it is “in the blood,” with both his grandfather and father having done the same.

He has three properties and ten units, all located in Christchurch. Two blocks of four flats are in Hereford Street, with one of these blocks purpose-built. The other two units are in a house in St Albans.

They are mainly two-bedroom units and above average size (approximately 80m<sup>2</sup>). Rent varies, but most units are \$200-\$220 per week. Warren avoids gas heaters, so the majority of the heating is electric. There are also extractor fans to prevent condensation and mould.

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#### **Role of CEA**

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When Warren noticed a unit felt cold, he made the decision to insulate and did so himself. After realising the cost and amount of work involved, he approached CEA to insulate the remaining units.

He has had four units insulated by CEA –three on Hereford St (one was unable to be done because of the rubble underneath the unit) and one at St Albans. He is about to get the second of the St Albans units insulated.

CEA measured the units and provided a quote within one week of contact being made. The procedures included insulating the ceiling and underneath the floor, inserting draught strips, and placing V-seal on windows.

With one exception – when a request was made during mid-winter peak time – CEA completed each unit’s insulation process quickly, and Warren was happy with the timeframes and quality of work.

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#### **Benefits of CEA Insulation**

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##### **Landlord**

Warren says it is noticeably warmer and drier, with feedback from tenants reflecting this. Many have also informed him that their energy bills have decreased.

From a business perspective, Warren believes it is cheaper to insulate through CEA than to do it yourself. It is also tax deductible and he says, “At the end of the day, it’s not that expensive anyway – approximately \$668 for a ceiling and \$400 for the floor.”

### **Tenant**

One of Warren’s tenants, Malcolm Cowie, had the ceiling and floor of his unit insulated by CEA at the end of winter 2007. He estimates that it is about 10 per cent warmer than it was before insulation. He has also noticed less condensation in the mornings. He was pleased with the work of the CEA staff who he says came and did the job then left, without any hassles.

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### **Conclusion**

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Warren thinks that CEA insulation is “absolutely worthwhile doing”. This comes from a third generation rental property owner with twenty years experience. He attracts loyal tenants, one of which has been living in a unit for eleven years and others who are in their fifth or sixth year in his units.