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Can clean energy amp up property value?

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1–2 minutes



Seven in 10 Aussies believe that energy efficiency increases the value of their homes, according to a recent report.

Solar panels, double glazing, insulation and LED lights have all got the nod of approval for climate activists, but money-savvy investors have not always shared the sentiment.

According to new research, however, the property world would do well to get on board. A recent report commissioned by CommBank found that 71 per cent of Australians believe installing energy-efficient home features can send property value soaring.

Dr Michael Baumann, CommBank’s executive general manager of home buying, revealed that Australians have an increasing appetite for energy-efficient homes.

“Energy-efficient features are moving from a nice-to-have to an essential for many Australians, with the research results showing that 75 per cent of Australians believe energy-efficient features are a must-have in their homes,” explained Dr Baumann.

With energy costs mounting and the cost-of-living crisis showing no signs of stopping, the top energy features important to respondents are increased insulation, solar panels and water efficiency.

Nearly eight in 10 home owners intend to turn these values into reality by installing green energy products within the next 12 months.

Despite this, the cost of making upgrades remain a barrier to many, and six in 10 respondents cited this as the main barrier preventing them from greenifying their homes.

“Buying and installing clean energy products is an investment, and making meaningful upgrades to your home can require a significant upfront financial commitment,” said Dr Baumann.

It isn't only home owners who are affected by this wave of sustainability support, property managers and landlords are also primed to benefit.

[As MCG Quantity Surveyors managing director Mike Mortlock previously told REB:](#) “Energy-saving measures result in more tenant appeal – so, higher rents – lower running costs, depreciation benefits and a cleaner planet.”

An uptake of support for “[green leases](#)” in the last few years points to an uptake of eco-support among tenants and landlords, while [growing enquiries about eco-credentials by commercial investors](#) indicates popularity in the commercial sphere too.

Numerous moneylenders across the nation, both large and small, are beginning to offer green home loans to help home owners fund climate-friendly upgrades, with [CommBank announcing their own green home loan in April last year.](#)