

Monthly Newsletter

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New energy efficiency regulations will mean larger water heaters and there are some properties where these new regulations will create challenges

New energy rules will require larger water heaters beginning in April 2015.

Beginning in a few months, in April 2015, federal energy regulations will require that new water heaters be more energy efficient. The way that manufacturers are complying with these new rules is by building larger water heaters.

After April, for some amount of time, we will still be able to find current water heaters on store shelves. Once those are sold out, however, there will be no more of the old-style water heaters.

This will have only a small effect for most of the properties that California West manages. When a water heater breaks, we will replace it with whatever similar model is currently available.

There are some properties, however, where these new regulations will create real challenges.

Larger water heaters will be an issue in places where there is no room for them. Sometimes, the doors are not big enough to fit the new wider water heaters. In other circumstances, there is simply no room to put the new water heaters.

Solutions can include replacing old heaters now, before the new regulations take effect; making carpentry changes; installing tankless water heaters; or possibly something else. Each of these solutions can be quite expensive because they may require new electrical or gas lines and there are sometimes space considerations that simply cannot be overcome.

Carpentry changes include modifications such as installing a wider door to fit the heater through; removing cabinetry to fit a different size heater; and removing other fixtures – it all depends on the property.

In sum, if you have concerns about the space available in your property, now is the time to begin considering available options.

For single family homes, condos, and premium apartments, it makes sense to add a little bit of color to the walls.

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Tenants expect more than white walls.

An interesting change in recent years has been that tenants are paying a premium to have more than basic white walls in the units that they rent.

In the past, property owners were wise to choose a basic white paint color. White makes everything seem larger and cleaner. Neat and clean is always essential. Now, though, for single family homes, condos, and premium apartments, it makes sense to add a little bit of color.

That said, bright and bold colors are still a poor idea because they cause a real love and hate effect with prospective tenants. You do not want to pick a color that will be a deal-breaker for a potential tenant. Another disadvantage is that dark colors make a space appear smaller.

With that in mind, we are now beginning to recommend some topes and other neutral tones for contrast. We still use white on baseboards, casings, and doors but on walls we find that tenants now prefer something other than mere white.

The cost to paint in this manner is slightly more because painters must take additional time to prepare and cut around baseboards and other areas, but we are finding that additional expense is recovered from higher monthly rents.

In general, by making these changes in color, tenants are often willing to pay approximately \$50 per month more for standard apartments and approximately \$100 per month more for more expensive homes.

Longer hours in SLO office for the summer season.

In San Luis Obispo, our office will be open on Saturdays beginning on April 4 and continuing through early September. The reason for being open longer is because of turnover season when tenants are looking for units and moving into new units.

We will also be open during the lunch hour during that period.

As a reminder, our Arroyo Grande office is open for the lunch hour during the entire year to better serve working professionals who stop by during that time.