



SHARE

Social Housing Action to
Reduce Energy Consumption



Case Study 23



Owners join forces for refurbishing their shared property

97% of the housing fund in Bulgaria is owned by the inhabitants. 60% of it is in multi-dwelling buildings with many owners. Owners' associations are non-existent, which makes it extremely difficult to maintain and refurbish old buildings because all of the owners have to agree and to be able to afford the reconstructions.

As a result insulation works are often carried out in a patchy way, one apartment at a time, which significantly reduces the desired energy efficiency effect and makes the works more expensive.

The inhabitants of Block 10 in Zaharna Fabrika district in Sofia overcame all these problems by uniting and tackling them together.

They registered the first association of owners in Bulgaria. Together with the Bulgarian Housing Association, Housing Association De Nieuwe Unie, Rotterdam and Housing Association Woondrecht, Dordrecht, they started a project for overall renovation of the building of 13 dwellings, which they shared. The block was built in 1947 and had very poor energy efficiency characteristics.

The following improvements were made:

- Thermal insulation of external walls;
- Whole reconstruction of the attic and restructuring of two premises for living;
- Water proofing and thermal insulation of the roof;
- New double glazed windows with PVC frames;
- Thermal insulation of basement ceiling;
- Improvement of heating system.

With the assistance of its partners, the owners' association got a low-interest 20-year loan from Dutch banks.

Key benefits and added value from realisation of the project:

- The building achieved 46% energy saving and the money saved on energy bills was used for loan repayment;

SHARE is an Intelligent Energy Europe Project working in eight European areas to develop energy efficiency and low carbon technologies in social housing. For more information about the SHARE project and for other case studies see the project website:

www.socialhousingaction.com



Block 10 before the reconstruction

- As a result the building was given Certificate A for energy efficiency and according to the Bulgarian legislation is not subject to property tax for a few years;
- Two common attic premises were converted to living accommodation. They are rented out and the income covers half of the monthly loan payments;
- The property market price and lifespan were significantly increased;
- The established owners' association can tackle all future issues regarding the management of the shared property.



Key conclusions:

- For the realization of refurbishment of a multi-dwelling building it is necessary to involve all the owners and to organize them in an association. Thus they are able to negotiate good loan conditions with the banks overcoming their low/medium income levels, to carry out overall refurbishment of the whole building and to further manage the joint property.
- Innovative approaches, such as extension of the existing building and transforming common property for living and then renting it out, can create income for the association and cover partially or in full the reconstruction costs.
- The financial institutions should be flexible when giving loans for such projects, encouraging owners' associations and taking into account the low or medium incomes of most owners.
- Due to the ownership structure of the Bulgarian housing fund, such projects have enormous potential for replication and for achieving significant reduction of energy consumption, prolongation of the life of the buildings and cooperation among neighbours.

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