

Re-Vitalizing Apartment Buildings
Adding 50+ Years Of Useful Life

**Design Build
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Industrial Engineer
Permitting Specialist
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Code Savvy in DPP, Zoning,
NEC, UPC, IBC, IEEC, and
others.
12+ years remodeling and
permitting of Oahu
apartments and condo units.

Oahu apartment buildings are typically 60 – 72 years old.

Nary a new apartment building has been built since the early 1980s. The real estate market typically sells 38 to 49 apartment buildings per year for the last 11 years. And nearly none of the buyers expend cash for capital improvements after the purchase.

The new owners simply wait 5 – 9 years and then the building is put back on market to be sold again to a new buyer. They want to make their money based upon natural market appreciation. But this game plan is getting old and cannot be sustained much longer. Thus, a newer game plan.

Major developers do build new condominium buildings throughout Oahu. Many of these new condo owners do rent out their units as a passive income investment. Of course, new construction is a creature all of its own. Typically, takes 2 – 4 years even on a fast track and considerable fortitude by the developer/owner.

For apartment building owners, many are beginning to realize that their building is literally wearing out and needs some important improvements in order to compete in today's rental market when up against the more modern condominiums available for rent.

- Exterior facelifts are needed to attract the younger renters; i.e. pretty sells.
- Interior modernizations are needed for the same reason; and impaired renters need accessibility.
- Addition of AC inside the apartments is a big demand item from renters of all ages
- Property security is a key decision factor for many of today's renters
- Overall, safety is more important for today's renter than ever before. This would include fire alarm systems, fire hardening of the building to prevent fire spread, improved access and emergency egress features, and modern communications systems [a growing safety item].
- Property amenities are less important for a growing number of renters; but affordability is key!!
- Renters want good clean and affordable properties to rent that are safe to live in – close to work.

Re-Vitalizing an old apartment building is a unique effort that requires a lot of remodeling experience, understanding of upgrading of electrical systems, pipe repairs/replacements, with a look towards the Capital Expenditure and Capital Recovery needed to enhance Net Operating Income for the total investment.

My philosophy is to add about 50+ years to the useful life of a building to ensure continued positive net operating income in Oahu's ever growing renter's market.

If this sounds like you... Let's take a look at how this could be done for your building – a no charge look see.

Call 808-738-6656, designbuildpropertiesltd@aol.com www.designbuildpropertiesltd.com