Problem to be solved

EFFIC's mission is to contribute to the reduction of the carbon footprint and help households achieve net zero emissions through the rehabilitation of the sector. Our primary geographical focus is Spain, and the asset target is residential buildings. The following facts highlight the problem of emissions and energy inefficiency that Spanish households face:

- About 40% of global CO2 emissions come from the real estate sector. Source: UNEP Finance Initiative.

- Of the total of 26 million homes in Spain, 14 million are more than 20 years old. Source: INE.

- 8 out of 10 Spanish homes have energy certification E or lower, according to the Institute for Energy Diversification and Saving (IDAE). The average year of construction of buildings rated as E, F, and G is 1982, 1977, and 1974. We add the graph shown below, on the primary energy rating of dwellings in Spain.

- Spain has signed up to the European Union's commitments to decarbonize the building stock by 2050, requiring residential buildings to have a minimum energy rating of E by 2030 and D by 2040.

To meet the commitment made to the European Union to decarbonize the sector and make our residential stock more efficient, EFFIC focuses on improving the energy efficiency of the residential sector. In addition to reducing CO2 emissions, EFFIC's activity contributes to saving on energy bills, increasing the value of properties, and providing the tenants with greater comfort and liquidity in the market.

Our aim is to reduce emissions by 0.05% annually of the Spanish CO2 emissions (321Mt in 2022, globally. [https://www.iea.org/reports/co2-emissions-in-2022])
Customer definition

Our clients are owners of 3 types of assets:

- Multifamily buildings from institutional owners
- Multifamily buildings from communities
- Individual homes

Our target buildings were built prior to year 2000.
Total addressable market (TAM): 14 million homes in Spain.
**Solution**

**EFFIC** takes care of the whole process.

- **Personal telephone support**
- **Application for the subsidy and assistance in the search for financing**
- **Enjoy a more efficient home**

**We visit your home, carry out an energy study and provide you with a budget**

**Integrated rehabilitation management**

**Renovate your property with EFFIC**

- **Management of the new energy certification**
- **Facades and roofs**
- **Interventions on centralised installations**
- **Aerothermia**
- **Air conditioners and/or heating pumps**
- **Replacement of exterior carpentry**
- **Boilers**
- **Solar panels**

**Identifying Needs**

- **Study of the Spanish housing market**
- **Contact and communication with public administrations**
- **Agreements with local authorities**

**Diagnosis**

- **Experience in rehabilitation of homes, buildings and districts**
- **Technical team specialized in energy efficiency**
- **Processing of energy efficiency certificates**

**Evaluation and budget**

- **Competitive pricing by using economies of scale**
- **Energy efficiency calculator**

**Subsidy Processing**

- **Team specialized in the processing of subsidies**
- **Scalable team**
- **Subsidy Monitoring Centre**

**Execution Works and Installation**

- **Production capacity and presence throughout the national territory**
- **High-quality products and certified suppliers**
- **First-class construction and industrial firms**

**Justification of the Works**

- **Processing of new energy certification, once the rehabilitation has been carried out.**
- **Guarantee before the adaptation of the energy efficiency change or improvement in order to obtain the subsidies**

**FINANCING**

**EFFIC**

**Experts in energy efficiency**

ULI PropTech Innovation Challenge 2023
Solution

EFFIC is the leading renovation agent in the management of energy efficiency improvement projects in residential buildings and housing throughout Spain.

• EXPERIENCE. EFFIC was born from the experience in managing more than 50,000 rehabilitation projects in assets of Aliseda Inmobiliaria and Anticipa Real Estate, the leading real estate asset and loan management companies in Spain, from which it has also acquired a deep knowledge of the market.

• NATIONAL REACH. While other operators focus on specific points in Spain, EFFIC manages energy efficiency improvement projects in buildings and homes all over Spain. It has developed this type of projects in more than 3,000 municipalities throughout the country.

• COLLABORATIVE BUSINESS MODEL. This allows the addition of collaborators and partners at national, regional, and local levels throughout the value chain. This facilitates the growth and scalability of EFFIC’s business, incorporating more local suppliers with more competitive prices, seeking savings for its customers.

• OPEN INNOVATION. We are committed to quality and innovation through constant investment in technology and the digitalization of processes, with our own management platform under constant development.
Thanks to the 3 billion euros that the Next Generation funds provide for the improvement of energy efficiency in rehabilitation in the residential sector in Spain. These renovations can be subsidized by up to 80% by these European aids, depending on the improvement in energy efficiency that is obtained with the intervention.

These energy refurbishments bring about a clear reduction in the cost of energy bills for buildings and homes, as well as greater comfort for their users. They also increase the value of the property and its liquidity in the market.

The non-subsidized part of the work can be financed and paid in small monthly installments. Thanks to the agreements that EFFIC has signed with the primary financial institutions in the country, its customers can benefit from advantageous financing conditions. In addition, the savings on energy bills thanks to these improvements are often greater than the amount of the monthly installment.

EFFIC only receives their fees once the subsidy has been approved by the government.
### OBJECTIVE AND METHODOLOGY

- **Objective**: To reposition the assets as a sustainability and wellbeing benchmark in the Spanish residential sector.
- **EFFIC**: Carried out a Sustainability Due Diligence of the assets to identify the opportunities to upgrade current EPC levels and facilitate an ESG roadmap. Main tasks:
  - Visited the residential assets on-site
  - Reviewed all relevant documentation (energy efficiency, audit, previous EPC certificate, etc.)
  - Formulated different scenarios (current status, low & medium-effort, high effort) according to the feasibility of each proposed measure.