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MAXARI EV WHITE PAPER: **Electrify Your Multifamily or Residential** **Development: The ROI and Imperative of EV** **Charging Programs**



Abstract

According to the DOE's National Renewal Energy Laboratory, 80% of all electric vehicle (EV) charging takes place at homes. For those living in multifamily housing or residential communities, charging often takes place at an offsite location. This presents a missed revenue opportunity for the property and an inconvenience for the residents. In this white paper, we delve into the compelling reasons to invest in EV Charging Programs today, showcasing the substantial Return on Investment (ROI) and the benefits of staying ahead of the curve.



1. Introduction

Multifamily housing has long been associated with urban living and shared amenities. With over 2 million electric vehicles on US roads today and projected to be over half of new car sales by 2035, the demand for EV charging infrastructure is growing. Residential property owners are thus confronted with the challenge of accommodating this evolving need. This white paper unravels the multifaceted reasons why investing in EV Charging Programs makes sustainable, financial and strategic sense.

2. The Case for EV Charging Programs

2.1 Sustainability and Environmental Responsibility

At the core of the case for EV Charging Programs is environmental responsibility. By supporting electric mobility, multifamily housing owners play a crucial role in reducing carbon emissions and mitigating the impact of climate change. This commitment resonates with tenants who prioritize sustainable living.

2.2 Meeting Tenant Expectations

Tenants' expectations are evolving, and EV charging is no longer a luxury but a fundamental amenity. Providing this service can be a decisive factor in attracting and retaining eco-conscious tenants, enhancing overall tenant satisfaction.

2.3 Competitive Advantage

In a competitive rental market, setting your property apart can be challenging. Offering EV charging infrastructure can be a unique selling point that attracts a growing demographic of electric vehicle owners. By staying ahead of the curve, you gain a competitive edge and potentially command higher rental rates.



2.4 Enhancing Property Value

The value of a property isn't just measured in terms of dollars but in the amenities it offers. Installing EV charging stations can significantly enhance your property's value and appeal to a broader range of potential tenants.

3. Understanding the ROI

3.1 Installation Costs

The average Level 2 (L2) charger installation and equipment cost is approximately **\$10,000 (\$8,500** install and **\$1,500** per charger). With economies of scale, a four-charger L2 installation will cost \$33,000-\$35,000.

3.2 Tax Credits and Incentives

Federal and state governments offer tax credits and incentives to property owners who invest in EV charging infrastructure. Examples include the Federal [30C Alternative Fuel Infrastructure Tax Credit](#) which provides 30% in tax credits on the cost of installation. Alternatively, State or Cities may offer grants and/or refunds on installation costs, e.g. Austin Energy offers up \$3,000 per charging station whereas ONCOR offers a \$213 rebate for each kW of energy (or \$2,556 for a standard L2 charger). Tax credits, rebates and incentives are also stackable reducing the overall costs by 30%-40%.

3.3 Revenue Generation

EV Charging Programs can generate revenue through charging fees, making it a self-sustaining investment. To put this into context, a four charger L2 installation program of 12 kWh each, with a utilization of 30% can generate approximately **\$1,500 per month**. Assuming utilization increases, which is highly likely, so too would charger revenue per month.

3.4 Payback Timeline

In the above four charger example, total costs of installation after rebates and credits would amount to approximately \$20,000-\$25,000 and **paid back within 13-16 months**.

4. The Timing Advantage

4.1 Early Adopter Benefits

Early adopters of EV Charging Programs benefit from being pioneers in an emerging market. They establish themselves as leaders in sustainability, attracting like-minded tenants. Further, as the electric vehicle market grows, so does the demand for charging infrastructure. By acting now, property owners can capitalize on this demand, ensuring high utilization rates for their EV charging stations.

4.2 Future-Proofing Your Investment

Investing in EV Charging Programs is a future-proofing strategy. It ensures that your property remains relevant and attractive as electric vehicle adoption continues to rise.

4.3 Marketing and Promotion

Promoting EV charging facilities is essential. A case study by the Rocky Mountain Institute (RMI) highlights the success of property owners in marketing their charging infrastructure, resulting in new tenant contracts and renewals.

5 Conclusion

Incorporating EV Charging Programs in multifamily and residential properties is a forward-thinking strategy that aligns with evolving consumer preferences and global sustainability imperatives. By seizing the opportunity to attract more customers, enhance environmental credentials, increase profitability, and meet sustainability goals, residential property owners can pave the way for a brighter, more sustainable future.

In conclusion, the adoption of EV Charging Programs by multifamily and residential developments is a forward-thinking sustainability choice and a financially sound investment. With a well-defined ROI, the potential to attract and retain eco-conscious tenants, and a competitive edge in the rental market, the time to act is now. By electrifying your multifamily housing investment, you're not just supporting a sustainable future; you're ensuring your own success in a changing landscape.

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