

Case Study

Energy House Five – Demonstration & Education Profile

A Demolition Process That Can Make You Money

The Energy House and its team are actively involved in the building of an Energy Star 3.0 new home in Alexandria, VA. Their role is to not only oversee the energy features of this energy efficient structure but they are also making it sustainable and eco-friendly. As the first step in the actual construction of the home, the team of the Energy House made a profit on the removal of the existing home on the site for the home owner.

Paul Hughes, the founder of Rebuild Warehouse and DeConstruction Services, two local VA companies brought the concept to the Energy House in our first project.

From their web site;

DeConstruction Services, LLC is a 7-year old environmental company based in Fairfax, VA that disassembles residential and small commercial buildings throughout the DC metropolitan area. We assist building owners in donating reusable material from these jobs to a partnering IRS tax exempt 501(c)(3) nonprofit organization, [The ReBuild Warehouse](#), that sells it for substantially reduced prices to the general public, remodeling companies, property managers, landlords, and homeowners for their building and renovation needs. In the process, DeConstruction Services, LLC seeks to:

- recycle or reclaim for reuse approximately 80% of the structure
- enable the donors to earn a significant tax deduction for their donations
- save the property owner expensive debris hauling and disposal costs
- provide trade skills and permanent employment for hard-to-place workers.



Existing Home



Back Yard



Side Elevation

At the start of Energy House Five a decision was made by the homeowner to not go with conventional removal services which would have been done in a matter of days, would have used a backhoe and loader, and would have knocked the house down and put all the debris from the house into large dumpsters.

Rather the homeowner who is a local professional business person, who is LEED certified in his company wanted employ a process that was more environmentally friendly. The choice of DeConstruction Services to dismantle the home and then sell its parts for a reduced price to the public was an easy decision for this family. The added benefit of receiving a tax deduction was the added incentive that was a win win for everyone in the project.



This is how the DeConstruction process works, the house is appraised by an independent appraisal firm that provides the homeowner with a value for the contents in the house as well as the materials that make up the structure itself that could be recycled and reused. On Energy House Five that appraisal came in at approximately \$175,000.00.

This included a full kitchen that was taken out of the house early on and sold quickly in the Rebuild Warehouse showroom. It all also included all the hardwood floors, the bathroom fixtures, the doors and windows, the appliances, the heating and cooling system, the family room bar and stools and much more.



The demo of the existing home is part of the permit process with the city or county that the building will occur. For this project the demo permit was applied for and while that was pending work on the inside of the structure was able to begin. It started by removing everything of potential resale value. It is hauled to the reseller's showroom and put up for sale. The demo of the inside was taken all the way to the framing, with drywall, flooring, insulation, and ceilings removed. At that time because the demo permit was not finalized with the city the work ceased.

Homeowners should be aware that applying for and receiving a demo permit from their city or county in the metro DC area is time consuming. Whether you are simply knocking down the building or using the deconstruction method is sure to budget for extra time for the demo permit.

The Energy House Five deconstruction is not without its draw backs, it does cost almost double to have the home deconstructed, it takes nearly a month or more to have the home ready for the final demolition of its foundation and the site will be need supervision during the process.



But in the end the benefits certainly seem to outweigh the negatives. Not only are you doing the right thing for the environment, you are assisting this type of company in the hiring of hard-to-place workers, you are providing affordable materials for other home owners or contractors to use in upcoming projects but you are receiving a substantial tax deduction for doing the right thing.



Here is the breakdown of the deconstruction process;

Traditional Demolition

Approx. \$12,000.00
 Time Frame – One Week
 Est. Tax Deduction – 0

Deconstruction Services

Approx. \$20,000.00
 Time Frame – One Month
 Est. Tax Deductions - \$52,500.00 (30%)

All the way around deconstruction should be a serious consideration for anyone who is considering the removal of an existing home to make way for a new home or the renovation of an existing property as well.

For the Energy House Five project this was a great choice to use the deconstruction process, as it fit the profile of what the Energy House is all about, it met the needs of the homeowner and in the end turned a net profit to the family for their donation.



Stay tune for more updates on Energy House Five!

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