

Real Estate Journal

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The future is green

Can building "green" save you green? Well, those who have seen the future of real estate believe that building green is here to stay.

Fortunately, those seeking to build "green" don't have to stumble around seeking guidance from multiple and often conflicting sources regarding the proper environmental construction and design of their buildings. Thankfully, this matter has been streamlined by the Leadership in Energy and Environmental Design (LEED) Green Building Rating System, the nationally accepted benchmark for the design, construction and operation of high performance green buildings. LEED provides building owners and operators with the tools they need to have an immediate and measurable impact on their building's performance and encourages and accelerates global adoption of sustainable green building and development practices through the creation and implementation of universally understood and accepted tools, checklists and performance criteria measured by an independent third party verification mechanism which rates buildings on a point system.

Why Build Green?

Having addressed the how, the next question is why build green? Well, for one, it appears that going green saves you green. A recent survey of 99 green buildings in the U.S. found that on average, green buildings use 30% less energy than comparable conventional buildings. That translates into lower operating costs for owners. Moreover, by building green, particularly in the early stages of development, an owner can achieve greater synergies in design and construction as well as experience very real cost savings by reducing a building's operating costs (i.e., its water, energy and utility expenses) as well as

the obvious reduction in maintenance and replacement costs due to the greater durability of materials incorporated into the building.

Interestingly, even individual home-owners can take advantage of the green revolution, with IRS tax credits by upgrading their homes by using qualifying energy efficient products placed into service by December 1 2007. Unlike a tax deduction, a tax credit can provide significant savings by reducing the amount of income tax you have to pay dollar for dollar.

In addition, the environment in which our buildings are constructed has a tremendous impact on our health, welfare and wellbeing, both economically and socially. A 1990 study by the American Medical Association and the U.S. Army found that indoor air quality problems cost U.S. businesses approximately \$150 million workdays and about \$15 billion in productivity losses each year. The World Health Org. puts these losses at close to \$60 billion. Moreover, the use of environmentally safe materials in residential construction is especially important in protecting residents from illness and disease. Clearly there is a cost in not being mindful of such factors. Additional benefits of building green include the protection of the ecosystem, improvement of air and water quality, reduction of waste streams and the conservation and restoration of our precious and limited natural resources.

Some major green projects in New York include: One of New York City's first green schools in Battery Park City; the City College of New York; the Solaire project; one of the city's first green condo-hotels located in the Bowery; the Gherkin project; the renovation of Condé Nast Building at 4 Times Sq. as well as the proposed design and construction of the Freedom Tower.

By the year 2010, it is estimated that another 38 million buildings are expected to be constructed in the U.S., bringing the country's total to over 100 million. I read it, is this true? The challenge is to build those new buildings, and renovate the older ones. By building green, we can reduce building operating costs, preserve natural habitats, watersheds, and ecosystems, protect air and water quality, reduce greenhouse gas emissions and solid waste, all while conserving natural resources and creating healthier indoor and outdoor environments which improve occupant health and productivity and optimize life-cycle economic performance. Not bad for a color.

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