



## **Here comes Leadership in Energy & Environmental Design for existing buildings**

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In the last ten years, the rise in prominence of the US Green Building Council (USGBC) and the rapid adoption of its Leadership in Energy & Environmental Design (LEED) standard has been quite remarkable. The bulk of interest and activity has been focused on new construction even though it represents a tiny fraction of total building stock. The assumption that it is easier and cheaper to green a building from the start is now being questioned, and more importantly, a user-friendly tool that helps building managers improve performance and uncover operating inefficiencies has finally become available.

LEED was originally developed to apply to new construction and major renovations, specifically for an office or institutional building - but as time went on, demand for different building types led the USGBC to modify its original standard and develop a variety of different products to respond to market needs.

Different LEED products include Core & Shell (CS), Commercial Interiors (CI), Neighborhood Developments (ND), Homes, Retail and last but not least, Existing Buildings (EB). This may ultimately be the U.S. Green Building Council's most important "product" since 75% of the total cost of a building is incurred during operations, not during design and construction.

The USGBC launched its LEED for Existing Building standard in 2004 but uptake by the industry was fairly disappointing. The USGBC to its credit went back to the drawing boards last year and significantly revised LEED-EB to provide a much more streamlined system, with fewer prerequisites and more rewards for measured environmental performance.

The new LEED for existing buildings provides a guideline for introducing sustainability into all aspects of building operations and maintenance with the goals of improving overall sustainability indicators, energy performance, water efficiency and human health.

What is even more promising is that the cost of pursuing LEED-EB is often paid back in less than a year. In almost every case, LEED-EB provides an excellent return on investment. The savings achieved from energy and water efficiency are usually so substantial that they help pay for other sustainability improvements that offer significant benefits but are harder to quantify and do not provide clear and direct payback.

In addition, the new LEED-EB has an increased focus on facilitating its use across a portfolio of buildings, recognizing the market demand from larger real estate entities who manage more than one building. CB Richard Ellis and Transwestern are two of the major players who are already applying LEED-EB to many of their buildings.

Tenant demand for green buildings is here to stay and existing building owners can get into the game in a relatively short time by making a reasonable investment with a very good payback. What's not to like...more marketable properties, lower energy, water and maintenance costs, higher

value and a quick return on investment? Don't be surprised to see LEED for existing buildings coming to a property near you - very soon!

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