



## BENEFITS OF GOING GREEN

Commercial real estate owners and managers need to embrace environmentally progressive practices in order to remain viable and meet the needs of the community. Building owners and managers can leverage cost savings and other green benefits that produce a undeniable return on investment—and position their buildings for the inevitable transition into a new era of efficiency.

The many benefits to Going Green follow.

### Financial Benefits

- Expense Reductions: Green initiatives ultimately result in reductions to energy, water and maintenance costs.
- Enhanced Brand Image: All else being equal, green businesses are looked upon more favorably.
- Asset Appreciation: Green building concepts drive appreciation of building values and increase investor desirability.
- Higher Occupancy Rates: Tenants are attracted to space that increases employee comfort level while enhancing public image.
- More Productive Workforce: Green workspace results in happier employees and less absenteeism.
- Lower Insurance Premiums: Buildings that document their green progress are eligible for insurance premium credits from AGPOM insurers.

### Sample Savings of Going Green (\$/ft<sup>2</sup>)

Category	20-Yr Net Present Value
Energy Savings	\$5.80
Emissions Savings	\$1.20
Water Savings	\$0.50
Operations/Maintenance Savings	\$8.50
Productivity/Health Benefits	\$36.90 to \$55.30
Subtotal	\$52.90 to \$71.30
Avg. Extra Cost of Building Green	<b>(-\$3.00 to -\$5.00)</b>
<b>Total 20-yr Net Benefit</b>	<b>\$50 to \$65</b>



## Risk Management

One of the most effective ways to minimize risk is to build in sustainability practices and engage in a greener lifestyle. Buildings and managers that enforce green standards benefit from the following:

- Higher employee productivity.
- Reduced absenteeism.
- Improved product safety.
- Lower energy bills.

These benefits contribute to the overall management of company-wide risk; risk that includes not only bodily injury and property damage, but business profitability risks, environmental risks and geo-political risks. **Often the claims experience of property owners and managers is directly related to green building behavioral initiatives.**

## Community Benefits

- **Reduction in Health Risks:** The use of toxin-free building materials and green ventilation systems minimize potential health risks of cancer, asthma and other ailments.
- **Public Safety Improvements:** Green buildings undergo a commissioning process that ensures buildings systems are operating optimally which reduces potential for fire and other hazards.
- **Improvements in Thermal and Acoustic Environment.** With reduced VOCs (volatile organic compounds emitted by building materials), aesthetic qualities are heightened, strain on local infrastructure is minimized and quality of life is improved for everyone.
- **Strengthening of Infrastructure.** High-quality, green infrastructures promote ecological networks and links between enhancing quality of life and responding to climate change.

## Environmental Benefits

- Improvements in Air and Water Quality.
- Reduction in Solid Waste.
- Reduction in Fossil Fuel Use and Dependence.
- Conservation and Protection of Water and Forest Ecosystems.
- Promotion of Alternative Energy Sources.

The number of buildings going green continues to grow as owners and managers recognize the inherent benefits to sustainable building and property management practices.