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How energy efficiency plays a role in luxury housing boom

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Recently Boston has seen a significant shift toward luxury apartment and condo development in the city, with demand increasing as developers continue to build high-end building projects. According to the Boston Globe, experts have found that the demand for these units primarily comes from two groups: baby boomers who have sold suburban homes and are flush with cash, and young professionals entering the housing market.

Boston is also a city dominated by old infrastructure with nearly half of the city's apartments pre-dating World War II, highlighting yet another reason for the lack of options for new luxury units. These factors have contributed to the influx in new development, and neither trend has yet to show signs of slowing down based on the frequency that new buildings are going up.

Developers face many challenges when considering these types of projects. High property costs in the city force developers to pursue luxury units as well as luxury rental rates in order to help guarantee profits for investors and help manage future maintenance costs. Additionally, because of increased pressure from regulators to provide efficient energy systems, developers must enlist experienced contractors that have a proven track-record of providing sophisticated energy systems that ensure high-quality and reliability.

J.M. Electrical has seen this trend first hand as it implements new energy efficient systems in many of these newer projects. During a recent collaboration on the Ink Block Apartments project in the South End, the owners, developers and contractors worked together to make strategic decisions in order to preserve the project's bottom line. One consistent priority for Ink Block, as well as many other large-scale projects, was energy management to control costs and provide an optimal living environment for tenants and residents.

Making this type of strategic decision on cost-effective energy management is a benefit of building new.

Advancements in technology and innovation in energy and building management systems has opened up new pathways for creating innovative development features. Our experience working on projects like the Ink Block Apartments, has shown that high end projects are poised to adopt advanced building heating, ventilation, automation and cooling systems in order to give their occupants the utmost in comfort, control, safety and cost efficiency. In order to achieve these goals, it's important that the developer and other contractors identify key needs in energy efficiency in order to create opportunities for both immediate and long-term cost savings. The result in the Ink Block installation was a complete control system in three of the four buildings, a fuel oil system for emergency generators, local controls in each apartment unit, and a CO2 monitoring system in the parking garage.

The demand for luxury real estate in Boston has helped fuel the movement toward more sustainable building structures, and new and increasingly advanced products to create these structures are

accompanying this trend. Solar panels, green roofs and LEED certification are all becoming important assets for building development, and are proving to be the inevitable trend forward with changes in the housing market. In addition, automated systems and advanced energy management systems give building owners more control and the ability to not only save money on energy but create additional revenue opportunities. For this reason, smart buildings will continue to play an expanding role in the foreseeable future.

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