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Green market appeal: Why building green can mean seeing more green

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Particularly during tight markets, building green can pay off due to greater public interest and an increased buyer pool, factors which give green buildings a real edge over competing developments. Media attention, and curiosity alone, can pull more consumers into the building. Once people see the project, if in addition to a nice design, it's also a green project, it generates a "wow factor" for potential buyers. As Realtor Amy Tighe puts it, "People get excited. People understand it. People buy."

When it comes to selling green buildings, Tighe, a LEED accredited professional, stresses the importance of a knowledgeable sales and marketing team. While some buyers are actively seeking green buildings, others can be influenced by educative marketing, which helps make their decision to buy an easy one. She cites the case of the Fresh Pond Greenway in Cambridge, condominiums she had listed for sale during a tough market, in a transitional area, with moderate market rates in the 300-600K range. According to Tighe, these units were aggressively priced for such an area and market, yet approximately 95% sold in under a year - and without the price reductions of competing (non-green) units, consistently achieving 95% of asking.

Tapping this emerging market: two properties with Green Market Appeal

Macallen Condominium Building: Burt Hill, Architect and Engineer of record; Office dA- Design Architect; Bovis Lend Lease, Construction Manager

This LEED Gold, new construction residential property, offers state-of-the-art green living, compelling aesthetic features, and a design in-sync with neighborhood and skyline (highlighted by private terraces and panoramic views). A pivotal project in the urban revitalization of South Boston, Macallen's design incorporates a rethinking of the traditional approach to residential building. This produced an innovative, sustainable project while working within a highly financially competitive budget.

The building features a sloped green roof that reduces storm drainage, filters pollution, provides wildlife habitat, and reduces heating and cooling loads; in addition, 20,000 s/f of outdoor terrace provide similar benefits and a desirable amenity. Its innovative technologies will save over 600,000 gallons of water annually while consuming 30% less electricity than a conventional building.

Andrew Pappas, of developer Pappas Enterprises, said, "In a down market, having a green building has distinguished us from the crowd and tended to attract more attention. We've had a great '08. Sales have been moving at a very good pace."

Millennium Tower Residences: Handel Architects, Architects; Flack+Kurtz, Mechanical Engineers; Viridian Energy & Environmental, Green Building Consultants & Commissioning Agent.

This LEED Gold, new luxury property in Manhattan's Battery Park City, combines sophisticated, urban high-rise living with exceptional green design and modern, sleek aesthetics in a neighborhood on the forefront of green building. The design team took great care to use exciting new materials which exude the quality residents expect, while also contributing to the project's green goals.

Millennium Tower's attention-getting green features include a "black water" system which recovers waste water and treats it for re-use in toilets and for cooling tower make-up. Onsite gas cogeneration provides 10% of the base building's electricity and pre-heats domestic hot water, while a rooftop solar system provides 5% of the base building's energy requirements. Street-side landscaping incorporates LED lighting, native plants, and irrigation via a stormwater capture and re-use system.

Charles Norman, of developer Millennium Partners, said, "The building was designed to appeal to young professionals and an increasing number of families relocating to the area. Buyers placed high value on its green attributes, especially those which make the apartments healthier homes, like low V.O.C.s and fresh, filtered air in each unit. After only a year, the building is fully occupied and is now home to many growing families."

Most experts experienced in selling green buildings emphasize the importance of third-party verification. Tighe concurs, stating that verification wins buyers over, reassuring them the project is presented as green with just cause. She also stresses the fact that developers and condo buyers don't have to pay a premium for green, and that, "Buyers will pay a premium for good quality; good design. The green factor is something they can feel good about, making their decision to buy an easy one." Tighe calls this "a convenient truth" of selling green. Referring to her work with the Cambridge property, she said, "Based on marketing for one, 25-unit building alone, I now have a long waiting list of people wanting to buy green condos."

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