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Got green - What you need to know about sustainable value

December 29, 2007 - Spotlights

Three prominent real estate professionals, leaders in the green movement, spoke at Got Green - What You Need to Know About Sustainable Development and Value. We are closer to underwriting the impact of greenness. The Massachusetts Chapter of the Appraisal Institute sponsored the lively panel on September 18 at the Boston Chamber of Commerce.

The remarks were a lot closer to home than a tour of Genzyme or Manualife, both local LEED (Leadership in Energy and Environmental Design) certified (Green Building Rating System) Boston landmarks. Meredith & Grew's Jacquelynn Henke, LEED Accredited Professional, (LEED AP) de-mystified LEED building certification and professional accreditation. Henke is in the development and advisory services group at M&G and is advising clients on strategies to incorporate sustainable building technologies and practices in large-scale development. Henke, formerly with Turner Construction, advises clients during pre-construction and construction phases on value engineering and evaluation of sustainable design elements. Highlighting mayor Menino's Green Building Task Force recommendations and governor Patrick's executive order 484 for Clean Energy and Efficient Buildings, Henke reported sustainability goals for the new Russia Wharf and Filene's projects in downtown Boston.

Boston Properties' Bryan Koop reported the landlord's perspective on sustainability. Koop is senior vice president and regional manager of the Boston office. BP's 200,000 s/f 77 CitiPoint (formerly 77 Fourth St.) in Waltham is nearing completion and is probably the first LEED certified speculative office building on Rte. 128. Koop related his own personal and professional experiences with sustainability and Boston Properties' evolving strategies in sustainability. 77 CitiPoint has been well received by the market recording premium rent and superior absorption. Although much can be attributed to high quality sponsorship, excellent location, first class building and tenant finishes, Koop feels strongly that sustainable development has already contributed and will continue to contribute to the success of the investment at 77 CitiPoint.

Pacific Security Capital's Theddi Chappell, MAI, CRE, FRICS and LEED AP summarized the progress and pitfalls in the real estate industry for linking sustainability and value. She focused on the lack of experience and data on the measurable impact of green building costs and operations on investments returns. Chappell currently working with the Appraisal Institute on a course and seminar on Appraising Green Buildings, is also on the advisory board of the Green Building Finance Consortium, a group of corporations, real estate companies and trade groups which is funding research and analysis of green and energy efficient buildings for the real estate investment community.

All parties acknowledged a desire and need for integrating the technical and financial aspects of green design for better underwriting, operating and development decision-making. For the farmer, every day is earth day. The real estate industry has always had a sneaker for investment strategies

to enhance the land and the improvements. There are now more ways to make both work better for the real estate industry and the environment and society - a cultural breakthrough of sorts.

David Kirk, CRE, MAI, FRICS is principal and founder of Kirk & Company, Boston.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540