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## **Sustainability in Corporation R. E. is going mainstream in most large cos.**

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Building and maintaining a green office tower may require extra time and effort, but corporate respondents to a unique international survey, being released, say they are prepared to overcome the obstacles and embrace sustainable practices with open arms.

CoreNet Global and Jones Lang LaSalle queried more than 2300 attendees of CoreNet Global Summits on four continents in recent months. Together, they learned that a large majority of companies around the world view sustainability as critical to their business and are willing to pay a premium to help their companies become more sustainable.

Four hundred and fourteen industry professionals at CoreNet Summits in London, Melbourne, Denver and Singapore took the watershed survey called, "Sustainability Perceptions and Trends in the Corp. R.E. Industry." Over 2300 were queried for an 18% response rate.

CoreNet and JLL found that, for an overwhelming 79% of respondents, sustainability is a near-term business issue that's important today, or will be in the next 1-2 years.

"As a result of this survey, it's crystal clear to us that a focus on sustainability has become important to the Fortune 500 and similar companies around the world," says Eric Bowles vice president and director of research for CoreNet.

"These findings reinforce what we are hearing from clients every day: more and more companies are recognizing the business case for sustainability, and their corporate real estate departments are charged with making it happen to a large extent," said Ben Breslau, VP, director of occupier research at JLL.

According to the survey, most companies are willing to pay for sustainable real estate solutions. But there's also a gap between what sustainable real estate solutions actually cost and the perception of what they will cost. Studies indicate that designing buildings energy efficiently, or building them to LEED certification will cost about 1-5% more than conventional construction, and the incremental cost is falling.

Many companies still don't realize that the cost of sustainability has come down. A large proportion of respondents thought sustainable designs were more expensive than they really are. Respondents' perceptions varied widely.

Despite the opportunity to apply techniques to make buildings more environmentally friendly, respondents to the CoreNet/JLL survey found obstacles to sustainability that have hindered widespread adoption:

\*Only 17% said that there is good, or widely available, sustainable real estate solutions in markets where their companies need to locate offices

\*42% reported patchiness and said the supply chain is good in some markets but not others

\*41% view overall availability as limited or minimal

While sustainable building is becoming more critical the world over, its intensity varies from continent to continent. According to the results:

- \* 61% of respondents in Europe feel sustainability is a critical business now

- \* 53% feel that way in Australia, while

- \* Only 44% of respondents who attended the Denver Global Summit feel that sustainability is critical now

"We have passed the tipping point for sustainability, and the question is no longer about whether sustainable design should be considered. The question will be, how do you explain why you chose not to have a sustainable design," says Bowles.

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