

HOW THE LEASE CAN BRING LANDLORDS & TENANTS TOGETHER ON ENERGY EFFICIENCY

A growing number of commercial real estate companies, tenants, and brokers are using the lease as a collaborative blueprint to increase building performance, save money, and bolster sustainability.

GREEN LEASES CAN **REDUCE** UTILITY BILLS BY UP TO **\$0.51** PER SQ. FT.

GREEN LEASES HAVE THE POTENTIAL TO **REDUCE** ENERGY CONSUMPTION IN AN OFFICE BUILDING BY **11-22%**

Benchmarking in ENERGY STAR Portfolio Manager helps landlords measure and manage their buildings' energy consumption.

Why Green Leases?

Adding energy-saving language into a lease aligns the financial and environmental goals of landlords and tenants. It links corporate social responsibility best practices to building energy performance and demonstrates to potential tenants and investors a commitment to superior operations, tenant satisfaction, and sustainability.

The graphic to the right shows the transformation of an average building into a high-performing one resulting from energy-aligned leasing language put into action.

Source: IMT, 2015

Plug loads such as computers and refrigerators are the fastest growing segment of energy use. Plug and process loads **account for about 33% of building energy consumption**, which is more than heating, cooling, or even lighting. Setting office equipment to automatically turn off with advanced power strips can lead to huge savings.

Reducing building operating hours to only when the building is occupied means the A/C won't waste energy by cooling an empty building.

Submetering a space increases transparency and allows tenants to keep track and only pay for the energy they use.

Advanced lighting controls and motion sensors increase lighting efficiency and allow more control over the brightness of the office.

Daytime cleaning allows for a reduction in building operating hours and can be agreed upon as part of the lease process.

Training asset and leasing managers in the benefits of green buildings is important, as they in turn can communicate benefits to prospective tenants.

Regularly commissioned building systems operate more efficiently year round. It's like giving your building a check-up. Commissioning a **typical building costs \$.30/sq. ft.**, and the resulting energy savings provide a **91% cash-on-cash return for building owners.**

