

A photograph of a rocky coastline littered with plastic waste. In the foreground, a blue tarp and a yellow pipe are visible among the rocks and debris. The background shows a rocky cliffside under a clear blue sky. The text "Is it easy being green?" is overlaid in white, bold, sans-serif font.

“Is it easy being green?”

Business Owners Seeing  
Light Green

# “Is it easy being green?”

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- General feedback from JBA clients supports that it is not easy being green
- Complexity of dealing with Green paperwork, vendor sourcing, and regulations found challenging
- Return on investment for both developers and end users to date has not been attractive
- Current movement that we see is mostly on relatively low cost easier green improvements

# “Is it easy being green?”

## The Economics of Green

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- Businesses over exaggerate the costs of going green – but many find the actual cost too high
- Estimate 10% - actual 3%
- Developer passes on 3% increase in going green on new \$10 million building
- Who benefits economically by going green? Developer? Tenant? Environment?

# “Is it easy being green?”

## Initial Green Moves

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- Businesses deciding on “easy” green moves
  - o Lighting
  - o Skylights
  - o High efficiency systems
  - o Recycling construction waste
  - o Bike racks
  - o Pipe insulation
  - o Low flow bathroom fixtures
  - o Energy savings exit signs
  - o Recycle content in tiles, carpet and drywall
  - o Energy saving manuals and training
  - o Green supplies (inks, solvents, paints...)

# “Is it easy being green?”

## Green Headaches

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- Excess costs
- Green paperwork
- Sourcing
- Green vendors
- Verification of green (recycled content) paperwork
- Additional architectural and specialist fees
- Reduction of speed of construction/completion
- Lack of substantial return on investment data

# Green Investing

## Expectation of Superior Returns

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- Opportunity to obtain premium rents
- Dramatic reduction in energy costs
- Increased worker productivity
- Expectation of higher occupancy levels
- Lower tenant turnover



Case Has Yet To Be Proven

# Green Development

## Challenges With Building Green

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- Brokers not selling the benefits of green
- CBRE is the 1<sup>st</sup> Broker to take a stand-industry needs to follow their lead
- Tenants not willing to pay premium rents to occupy space in a green building
- Few tenants willing to pay the premium to build green product for their own use-except for marketing purposes
- Investment community not paying a premium to buy green buildings-yet

# Green Development

## Future of Green

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- Critical mass of green product will begin to support dedicated investments
- Public pension funds will lead green movement by allocating capital to green investment & development
- Social responsibility of developers, investors & tenants



# Call to Action

What Will You Do?

We must all take responsibility for what has happened to our environment. It is up to all of us to take action and fix it for the benefit of ourselves and future generations

# *Is It Easy Being Green?*

## *Event Hosts*

