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THE DIVIDENDS FROM GREEN OFFICES

Green office buildings are constructed to save energy. But do better ventilation, eco-friendly carpeting, and increased natural light bring other bottom-line payoffs? Yes, according to a study by the University of San Diego and commercial real estate broker CB Richard Ellis Group. The researchers surveyed 2,000 tenants in 154 buildings under CBRE's management across the U.S., all with EPA-awarded Energy Star labels or LEED certification.

The survey found that employees took an average 2.9 fewer sick days each year in their environmentally sound offices than in their previous, nongreen workplaces—a cost savings to their employers of roughly \$1,200 per worker, based on average salaries. Some 55% of tenants also reported a rise in employee productivity in their green digs—adding up to a 5% average increase worth \$5,000 per worker annually. Professor Norm Miller at the University of San Diego's

Burnham-Moores Center for Real Estate says the research didn't pinpoint exactly which green features made employees healthier and more productive. But "generally it's lighting and air quality," he notes.

Most tenants also expressed a belief that their healthier environments helped them retain their staffs (61%) and burnish their image with clients (74%). Energy savings? Sending tenants individual utility bills caused them to consume 21% less electricity on average.

With all this, the green buildings were able to command higher rents—\$30 per square foot vs. the national average of \$27. And vacancy rates were lower—about 16.6%, vs. 17.2%. David Pogue, CBRE's national director of sustainability, says that difference is "modest" partly because many of the buildings surveyed house financial-services firms that have cut their staffs. —Christopher Palmeri