

NATIONAL GREEN BUILDING ADOPTION INDEX 2016

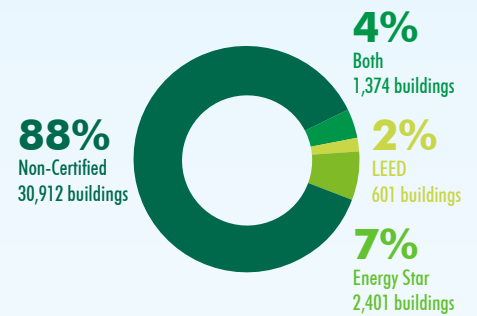
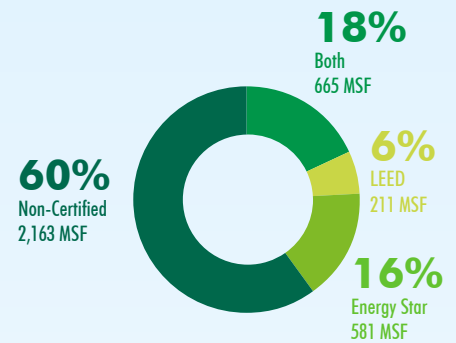
Welcome to the third edition of the Green Building Adoption Index developed in partnership with Maastricht University and CBRE as part of our Real Green Research Challenge grant program. Again working in close collaboration with the USGBC and CBRE Research, this release builds upon the work and findings of the two previous reports. Based on a rigorous methodology, the Adoption Index shows the growth of Energy Star and LEED certified space for the 30 largest U.S. office markets, both in aggregate and for each individual market, over the previous ten years. Some of the more notable findings are the following:

- At the end of the fourth quarter of 2015, 12.4% of the commercial building stock had an Energy Star label, LEED certification, or both, compared to 12.1% at the end of 2014 – a slight overall increase;
- Measured by size, the amount of certified commercial space also slightly increased from 38.6% in 2014 to 40.2% at the end of 2015;
- The ENERGY STAR program expanded slightly in 2015, with 9.6% of all commercial office buildings in the largest markets now certified, up from 9.5%. This represents 28.7% of total commercial office space, up from 28.1%;
- At the end of 2015, LEED certifications represented 4.7% of the total number of commercial office buildings across the 30 largest U.S. office markets, down from 4.8% the year before;
- By square footage, the total floor space certified by the USGBC decreased from 20.1% to 19.6%, including newly constructed buildings (“LEED NC” or “LEED C&S”),

- as well as buildings certified under the “Existing Buildings (“LEED EB”)” program;
- The slight decrease in LEED-certified space is due to the expiration of LEED labels. It appears that some of the buildings certified in the past did not renew their certification in 2015. This does not necessarily mean that the sustainability performance of these buildings changed, but that some owners and managers choose not to spend the time or expense to reapply for certification every couple of years.
 - Large geographic variation in the adoption of LEED and Energy Star certification remains. For both LEED and Energy Star certification, the top-3 markets in terms of green building adoption by percentage of square footage are:
 1. San Francisco
 2. Chicago
 3. Minneapolis
 - We have added a new feature to this year’s report, a map highlights the name, location and details of the specific green certification for most of the identified green stock in each market. Only those buildings which have requested privacy are not included.

The overall results again show that the adoption of green building practices in the 30 largest U.S. cities is significant, but the pace of buildings designated as “green” has been slowing down over the past two years. This does not imply that buildings are starting to perform worse than before, but it perhaps rather reflects the fact that only a certain fraction of the building stock can obtain a sustainability or energy efficiency certification. Perhaps it also indicates that the fraction that can seek certification has now done so. The

most sophisticated owners, with the most high-profile buildings, in top tier markets, have pursued and achieved certification. Several trends we will be following closely in future studies will include the pattern of re-certification of Energy Star labeled buildings, the impact various benchmarking and disclosure regulations have on certification levels, the impact of new LEED certification products and standards, the impact of the new EPA CBECS data on scores of historically certified properties, and the growth of green buildings in those cities currently lagging in our rankings.



VIEW THE FULL GREEN BUILDING ADOPTION INDEX REPORT AND 2016 MARKET RANKINGS

Use of Google Chrome or Firefox web browsers is required to access the report: goo.gl/9VdYcn

