

# Growing Green?

No there wasn't a typo in the title. The press, politicians, and now businesses (GE and NBC commercials for example) are regularly promoting a higher level of environmental consciousness. While "Going Green" has become a popular mantra over the past two years, "Growing Green" is a little different spin on the movement. Some of the "Green" promotion is dependent on an emotional appeal to do the right thing, but there may be compelling business reasons to look at environmentally friendly real estate and associated operations.

In the real estate world LEED (Leadership in Energy and Environmental Design) is gaining momentum. Its supporters extol the benefits of environmentally friendly buildings while its detractors complain about the costs. In reality, some of the requirements add cost and do not earn a return on investment, while others add little or no cost and pay generous dividends. Landlords and tenants should be incorporating the best ideas into construction and operations regardless of intentions to LEED certify the building.

Before lean manufacturing techniques were discovered and implemented, manufacturers, and therefore customers, had to make the choice between quality and price. It was widely held that you couldn't manufacture quality products inexpensively. As manufacturing evolved, a few, including Toyota, started to realize that optimizing the system and eliminating waste could actually improve quality and reduce cost. We have never looked back.

Real estate and its related operations are now moving in the same direction. Addressing residential, commercial, industrial, and institutional building efficiency is a tremendous opportunity. For example, changing inefficient incandescent lights to fluorescents costs the typical homeowner \$35 and saves \$87 per year in energy costs. Similar cost savings are applicable to commercial buildings. Federal and State governments as well as utilities are even offering tax credits to defray part of the cost of some improvements.

Green construction is about air, lighting, and efficiency. North-facing windows and prismatic skylights reduce lighting costs by letting in indirect light without heating the building during the summer. Using energy efficient HVAC systems that are maintained regularly and have programmable thermostats reduces heating and cooling costs. Getting out the caulk gun to seal drafts reduces the air change rate resulting in higher HVAC efficiency. Properly insulating water pipes and attics are inexpensive investments that reduce energy consumption and save building owners money. While pursuing green certifications ensures implementation of these techniques, you can implement the concepts design principals even if you don't pursue certification.

Regardless of your position on renewable energy and the related government incentives promoting it, reducing inefficiencies in the construction and operations of real estate makes economic sense. In twenty years, as Southern Utah grows, we may have many more buildings built after 2009 than were built before 2009. Why not grow at a lower cost? We are entering a new phase of development, construction, remodeling, and operations where increasing efficiency and reducing waste produce a higher quality product at a reduced cost and, by the way, it is also good for the environment.



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