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Corporations More Focused on Sustainable Office Space, Survey Finds

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By: Eugene Gilligan, Senior Hotel Editor

A great majority of global companies view sustainability as critical to their business, and are willing to pay a premium to become more sustainable, according to a survey released at the CoreNet Global Summit in Atlanta today. But despite their embrace of green practices, respondents identified several barriers to achieving their green goals.

The survey distilled results from 414 industry professionals, out of a total of 2,300 attendees of CoreNet Global Summits in London, Melbourne, Denver and Singapore. The survey found that the clear majority of respondents, 79 percent, identified sustainability as a near-term business issue that's important today, or will be in the next one to two years.



The survey found that 77 percent are willing to pay a premium for sustainability, while 22 percent expected to pay the same. But while evidence finds that designing buildings with increased energy efficiency, or building them to LEED certification, can add from 1 to 5 percent more than conventional construction, there is a knowledge gap on this topic. Just over half of the survey's respondents, 52 percent, say premiums will be 5 percent or more to build in a sustainable manner, while 22 percent of them believe green buildings will cost 10 percent more than conventional building. But responses varied widely, as 38 percent said sustainable buildings will cost 1 to 5 percent more, while 1 percent believed it's actually less expensive. Those who said sustainable buildings will cost the same totaled 8 percent.

The survey noted some other hurdles to going green. Only 17 percent of the respondents said there is good, or widely available, sustainable real estate solutions in the area where their companies need to locate offices, while 42 percent reported patchiness, saying the supply chain is good in some markets but not in others, while 41 percent said overall availability is limited or minimal.

The survey also noted a different emphasis on sustainability depending on location.

"Europe is slightly ahead of the pack," said Ben Breslau, vice president & director of occupier research at Jones Lang LaSalle, at a conference call on the survey's results. The survey found that 61 percent of the respondents in Europe feel sustainability is critical to their business now, with 53 percent saying it is critical in Australia, while only 44 percent of the respondents at the Denver Global Summit identifying sustainability as critical now.

In an interview with CPN after the press conference, Eric Bowles (pictured), CoreNet Global vice president & director of research, said he did not see an economic downturn having an effect on this corporate focus on sustainability.

"Corporations make these (occupancy) decisions based on long-term strategy," Bowles said. "They don't turn on a dime."

An economic downturn could increase corporate focus on sustainability, said John Schinter, president of energy and sustainable services for Jones Lang LaSalle, as corporations, looking to cut expenses, would look at their energy usage as one potential area of savings.

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