

BBCC – Office Building

Nirat Patel

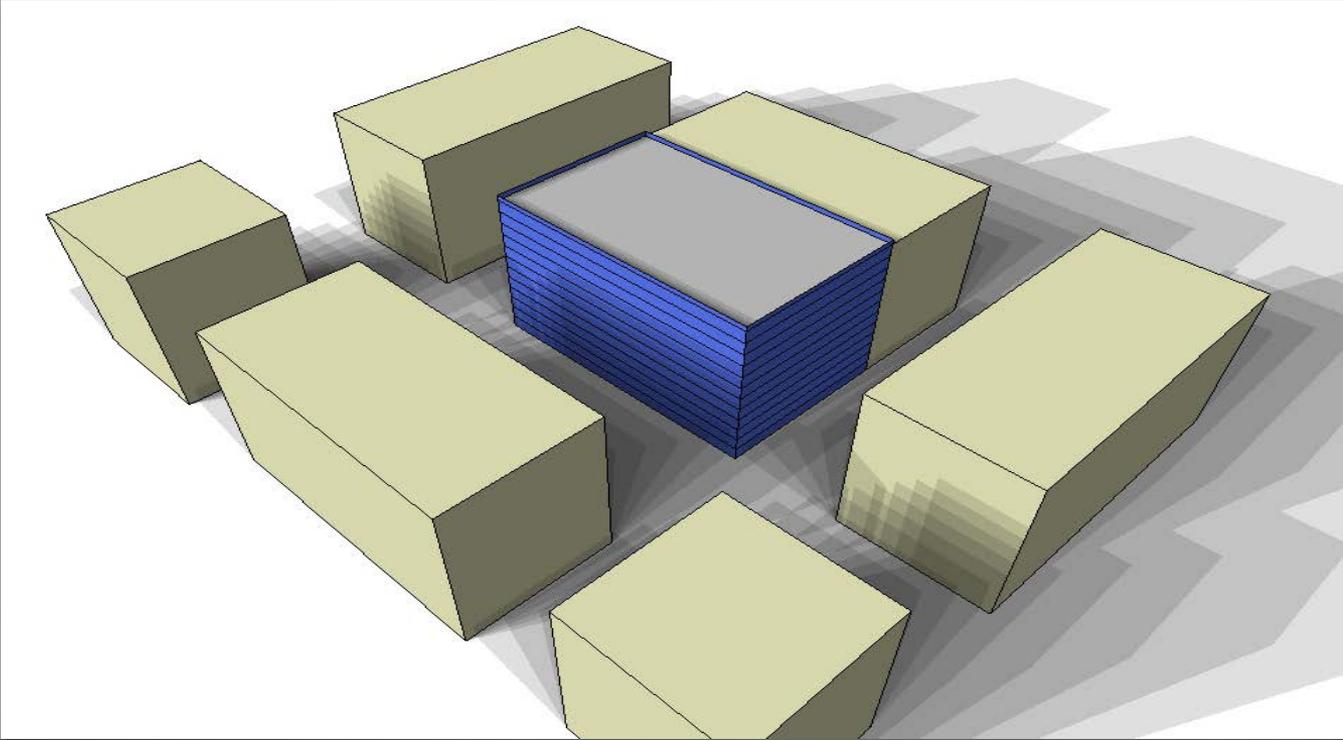
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2 Executive Summary

- 4% increase in building value
- LEED EB-O&M Silver designation will allow for rent increase
- All measures will have minimal impact on building tenants
- Payback period of slightly more than one year after NY State rebates

3 Methodology



- Time of Use rates
- LEED/EnergyStar
- Other CCMs



4 Cash Conservation Measures



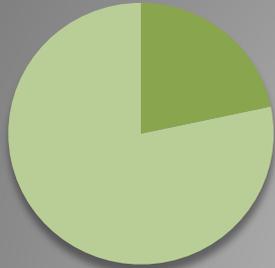
- LED Retrofit
- Enhanced Daylighting
- Water Fixtures
- Thermal Energy Storage

5 Rebates & ROI

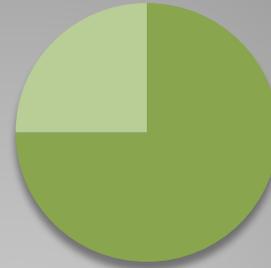
Project Rebates

22% of Total Project Cost

75% of Total Project Cost



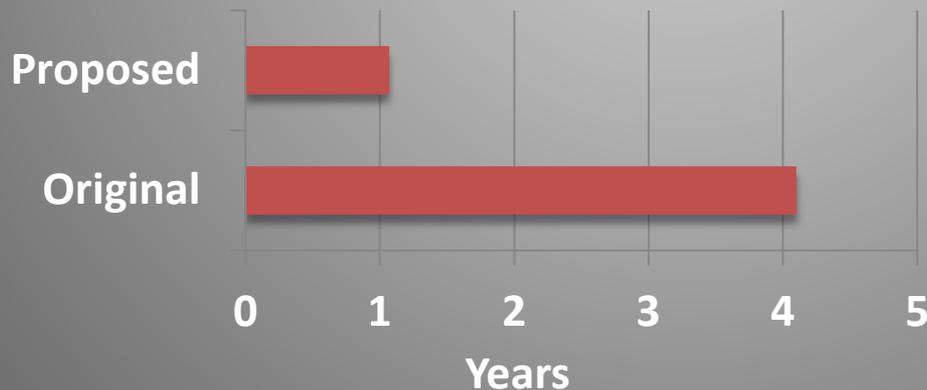
Net Project Cost \$155k



Net Project Cost \$555k

- NYSERDA rebate: \$0.16/kWh + \$600/kW for energy storage (capped at 75% of project cost)

Payback Period



- SBA and other loans for capital investments that will improve energy efficiency

6 Leasing Structure

| | Original Plan | Proposed Plan | Change |
|--|---------------|---------------|--|
| Electric Costs (\$/sf) | \$6.51 | \$4.78 |  26.6% |
| Profit/(Loss) on Electricity Inclusion | -27.55% | +6.40% |  33.95% |
| Building Value | \$228.95M | \$236.76M |  3.4% |

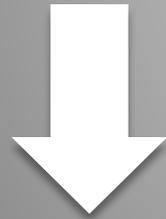
- Modified Gross Lease to Gross Lease
- Tenants benefit by having fixed rental rate and lease agreement for renewed leases
- Building Value Increases by \$7.8M

7 LEED & Rent Increase

1% rent increase for office tenants in 2015



20% lower vacancy rate in LEED buildings



\$3.9 Million increase in building value



- 57 points total
- Only additional costs for LEED are administrative
- Other reports detail more aggressive valuation increases from obtaining LEED

8 Conclusions

13 month payback period

\$480k increase in annual net operating income

\$240k additional increase in annual net operating income in 2015 with LEED