TO LEED OR NOT TO LEED?

The view never changes if you are not the LEED Dog!

Value:

- Sales tool for residential
- Lower operating cost for commercial
- Hedge against rising utility costs
- Higher rents in good times when operating costs are lower than competition
- Lower Cap Rate when building is sold?
- It is the way of the future
The Hottest Trends in Real Estate

- Secure entitlements in difficult cities
- Mobilize broad community support
- No land cost
- Pre-fabrication/modular construction for quality control
- Green building
- Traffic demand management
- Earthquake-resistant affordable housing
- High leverage
- Government credit income stream
- Scalable

One project has it all!
Construct activist housing in Berkeley

This will work in Boulder!
Find potential tenants on Telegraph Ave

We have plenty on the Boulder Mall!
Investment highlights: mobilize community support

Progressive neighbors demand affordable housing!
Investment highlights: no land cost

Just look up!
Investment highlights: pre-fab construction ensures high quality

My kid could build that!
Investment highlights: green building

The green roof is free in a tree house!
Investment highlights: traffic demand management

Other developments reduce your carbon footprint

In a tree house you leave no footprint at all!
Investment highlights: **appropriate use of high leverage**

Low operating costs too!
There are trees all over campus!
Exit strategy

1. Launder proceeds
2. Evict tenants
3. Repeat
1155 Canyon

Total Project: $30M
C & S Budget for LEED: $13.1M

Retail, Bank, Commercial: 57,752 SF
Residences (18): 35,172 SF
Underground Parking: 91 Spaces
Total building square footage: 92,924 SF
**Green Features added for LEED Silver**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Alternative transportation signage</td>
<td>$750</td>
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<tr>
<td>LEED-compliant roofing material</td>
<td>$42,000</td>
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<td>Water efficiency</td>
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<td>Energy modeling</td>
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<td>Commissioning</td>
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<td>Renewable energy</td>
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<td>Measurement &amp; verification plan</td>
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<td>Construction waste management</td>
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<td>Outdoor air delivery</td>
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<td>Documentation</td>
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<td>LEED consultants &amp; fees</td>
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**TOTAL:** $509,750
LEED COST SUMMARY

1155 Canyon

**TOTALS**

**DOCUMENTATION & MODELING** $96,500

**CONSULTANTS** $30,500

**USGBC FEES** $3,500

**HARD COST ADDITIONS** $379,250

**$509,750**
Budgeting for LEED

Most studies show an average cost premium of 1% - 2% for LEED certification.

1155 Canyon cost approximately 2% more with federal and state credits.

Without those credits, the costs rise to 3.9% of the Core & Shell budget.