

Another Benefit of Going Green:

INCREASED PRODUCTIVITY



With numerous studies now substantiating the long-held assumption that green buildings improve worker productivity, more and more companies are factoring this return into their real estate decisions.

How does increased productivity impact your bottom line? As the example below demonstrates, **even the most conservative estimate of a 1% increase in productivity can dramatically offset leasing costs** in a green building.

THE BOTTOM LINE

Standard Employee Base Pay:	\$50,000
Benefit/Overhead Burden (50%):	+\$25,000
Annual Employee Cost:	\$75,000

Square Feet/Employee:	300 SF
Annual Employee Cost/Square Foot:	\$250/SF
1% Increased Productivity Value/Square Foot:	\$2.50/SF

1% increase in productivity on a rent of \$25 PSF:	10% rent reduction
2% increase in productivity on a rent of \$25 PSF:	20% rent reduction
10% increase in productivity on a rent of \$25 PSF:	100% rent reduction

"It would be reasonable to assume a productivity gain of between 2 and 10% when moving from an average building to a green building that incorporates high quality natural light, exceptional ventilation, and possibly user controls." ¹



¹ Hescong Mahone Group Inc (California), *Windows and Offices: A Study of Office Worker Performance and the Indoor Environment*, October 2003. ² Kats, Greg, "The Costs & Financial Benefits of Green Buildings," *Capital E*, 2003. ³ Lucuik (Mark) et al, "A Business Case for Green Buildings in Canada," 2005. ⁴ Miller, Norm G. and Dave Pogue (et al), "Green Buildings and Productivity," *Journal of Sustainable Real Estate*, 2009. ⁵ Milton, Glencross and Walters, "Risk of Sick Leave Due Associated with Outdoor Air Supply Rate, Humidification and Occupant Complaints," *Indoor Air* 10(4), 2000. ⁶ "What Office Tenants Want: 1999 BOMA/ULI Office Tenant Survey Report," 1999. ⁷ Wyon (D.P.), "Indoor Air Quality Handbook: Thermal Effects on Performance," 2000: Referenced in: US DOE, "The Business Case for Sustainable Design in Federal Facilities," August 2003.