

POY Exhibits

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Kennedy Associates Sustainability Policy

Through its commitment to Responsible Property Investing (“RPI”), Kennedy will strive to improve the sustainability of the real estate investments it manages on behalf of its clients, recognizing that real estate has varying and often significant environmental impacts.

As a fiduciary, cost-effectively improving the sustainability of its client’s real estate portfolios will help maintain and enhance asset value through reduced operating expenses, higher occupant satisfaction, and better tenant recruitment and retention, while minimizing the risk of future asset value declines by avoiding building obsolescence created by regulatory requirements, energy price fluctuations, changing tenant preference, and evolving investor sentiment.

Kennedy will strive to meet the following goals, by implementing policies, plans and procedures, and utilizing recognized design and technological best practices for both new development and ongoing property operations:

- Pursue sustainable real estate development, seeking Leadership in Energy and Environmental Design (“LEED”) Silver certification or higher while emphasizing sustainable project features including Transit Oriented Design, green roofs, provision of open space, and use of highly efficient building systems, etc.
- Achieve a 15% reduction in energy use by 2013 (from 2009 levels) and reduce building CO₂ emissions by employing energy management best practices such as: monthly ENERGY STAR benchmarking, no-and-low cost operational improvements, energy audits, lighting retrofits, building controls and HVAC systems upgrades, and ongoing tenant engagement through outreach and education.
- Reduce potable water use by 20% through the use of low and no-flow restroom fixtures, smart and drip irrigation systems, and use of native landscaping and gray water capture and re-use, where feasible.
- Ensure healthy indoor environmental quality for building occupants and visitors through ongoing green cleaning, integrated pest management and use of low-Volatile Organic Compound (“VOC”) materials and day-lighting in tenant improvement and common area construction.
- Minimize building waste through proactive recycling and construction waste diversion efforts, while reusing existing building materials where possible in cases of re-development and re-tenanting.

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- Utilize recognized third-party environmental certification and reporting standards where possible to meet the aforementioned sustainable goals, such as LEED for Existing Building Operations and Maintenance certification.
- Develop and deploy tools to increase the sustainability of new development and ongoing property operations such as Kennedy's Green Lease and Sustainable Tenant Improvement Manual.
- Ensure Kennedy employees receive ongoing training in RPI and sustainability including opportunities to become LEED Accredited Professionals or Green Associates.
- Actively promote RPI and Environment, Social and Governance best practices within the real estate sector through research, thought leadership, public speaking, press and active involvement and leadership in industry associations (i.e., UNEP FI, RPI Center, Urban Land Institute, EPA/ENERGY STAR and the USGBC).

Kennedy expects its asset management and acquisitions teams to diligently pursue these goals, and will work to ensure its third-party asset services providers implement them at each property, recognizing Kennedy's sustainable initiatives are being implemented across a diverse portfolio of assets which will likely result in varied results.

Exhibit 2

AM September 10 Energy Star Update Report

AM	Facility Name	Building Type	Current Energy Period Ending Date	Current Rating	Target Rating	Eligibility for the ENERGY STAR	Current Site Electric Use (kWh)	Previous Site Electric Use (kWh)	% Change in (kWh)	Current Annual Energy Cost	Previous Annual Energy Cost	Change in Energy Cost	Total Energy Cost per Sq. Ft.
BT	3169 Dodd Road Corp-3DRB01	Warehouse (Unrefrigerated)	12/31/2008	76	N/A	Not Eligible: Current period ending over 120 days	865,841.20	865,841.20	0.0%	\$24,136.76	\$24,136.76	0.0%	\$ 0.19
BT	675 West Manville Street - K6WB01	Warehouse (Unrefrigerated)	8/31/2010	24	N/A	Not Eligible: Rating must be 75 or above	779,706.60	793,044.80	1.7%	N/A	N/A	#VALUE!	N/A
BT	775 West Manville Street - K7WB01	Warehouse (Unrefrigerated)	8/31/2010	91	N/A	ENERGY STAR Application In Process	197,472.20	196,841.90	-0.3%	N/A	\$2,661.44	#VALUE!	N/A
BT	Sbay/Cerritos - Cerritos Comm. - KSCB01	Warehouse (Unrefrigerated)	8/31/2010	94	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 03/31/2011	230,593.70	233,688.90	1.3%	\$7,334.45	\$10,828.01	47.6%	\$ 0.06
BT	Sbay/Susana - Susana Road - KSSB01	Warehouse (Unrefrigerated)	9/30/2010	91	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 05/31/2011	172,639.00	189,194.00	9.6%	N/A	N/A	#VALUE!	N/A
BU	C&W Kennedy Agave Center D - 1614, 1725	Office	8/31/2010	85	N/A	Eligible	500,112.10	528,808.40	5.7%	\$53,531.97	\$55,527.33	3.7%	\$ 1.32
BU	C&W Kennedy Agave Center E - 1615, 1729	Office	8/31/2010	N/A	N/A	Not Eligible: Rating must be 75 or above	195,467.90	231,952.00	18.7%	\$26,930.73	\$28,100.37	4.3%	\$ 1.42
BU	C&W Kennedy Agave Corporate Center-Agave 2 - 1612, 1711	Office	8/31/2010	79	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 01/31/2011	1,505,040.00	1,513,830.40	0.6%	\$150,623.18	\$149,776.49	-0.6%	\$ 1.75
BU	C&W Kennedy Agave Executive Center-Agave 3 - 1613, 1721	Office	6/30/2010	90	N/A	Not Eligible: Current period ending over 120 days	229,356.80	229,356.80	0.0%	\$25,455.19	\$25,455.19	0.0%	\$ 1.35
BU	Canyon Park 228 Building A - 1331	Office	8/31/2010	48	N/A	Not Eligible: Rating must be 75 or above	1,592,735.30	1,895,100.00	19.0%	\$126,421.93	\$138,530.02	9.6%	\$ 1.90
BU	Canyon Park 228 Building B - 1332	Office	8/31/2010	62	N/A	Not Eligible: Rating must be 75 or above	688,058.80	705,766.80	2.6%	\$54,731.43	\$55,451.89	1.3%	\$ 1.43
BU	Centrepointe Chino II - Bldg 1 - 1751	Warehouse (Unrefrigerated)	9/30/2010	88	N/A	Eligible	103,841.00	101,763.00	-2.0%	N/A	N/A	#VALUE!	N/A
BU	Centrepointe Chino II - Bldg 2 - 1752	Warehouse (Unrefrigerated)	9/30/2010	94	N/A	Eligible	154,810.00	184,639.00	19.3%	N/A	N/A	#VALUE!	N/A
BU	Centrepointe Chino II - Bldg 3 - 1753	Warehouse (Unrefrigerated)	9/30/2010	99	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 07/31/2011	88,214.00	90,600.00	2.7%	\$4,580.20	\$4,580.20	0.0%	\$ 0.04
BU	Centrepointe Chino II - Bldg 4 - 1754	Warehouse (Unrefrigerated)	9/30/2010	91	N/A	Eligible	267,012.00	156,820.40	-41.3%	\$11,560.39	N/A	#VALUE!	\$ 0.07
BU	Centrepointe Chino II - Bldg 5 - 1755	Warehouse (Unrefrigerated)	9/30/2010	98	N/A	Eligible	1,005,479.00	936,159.00	-6.9%	N/A	\$49,909.33	#VALUE!	N/A
BU	Centrepointe Chino, Bldg A - 1311	Warehouse (Unrefrigerated)	10/31/2010	91	100	Eligible	979,037.00	1,057,676.00	8.0%	\$135,647.71	\$49,638.74	-63.4%	\$ 0.39
BU	Centrepointe Chino, Bldg C - 1313	Warehouse (Unrefrigerated)	8/31/2010	49	60	Not Eligible: Rating must be 75 or above	821,672.80	804,911.60	-2.0%	N/A	N/A	#VALUE!	N/A
BU	Centrepointe Chino, Bldg D - 1314	Warehouse (Unrefrigerated)	8/31/2010	1	8	Not Eligible: Rating must be 75 or above	1,417,572.40	1,436,727.20	1.4%	N/A	N/A	#VALUE!	N/A
BU	Centrepointe Chino, Bldg E - 1315	Warehouse (Unrefrigerated)	8/31/2010	95	100	ENERGY STAR Application In Process	113,398.50	129,173.80	13.9%	N/A	N/A	#VALUE!	N/A
BU	Highlands Corp Center Bldg A - 1151	Office	9/30/2010	5**	N/A	Not Eligible: Rating must be 75 or above	2,561,802.60	2,564,727.00	0.1%	\$200,709.27	\$207,442.52	3.4%	\$ 3.13
BU	Highlands Corp Center Bldg B - 1152	Office	3/31/2010	21**	N/A	Not Eligible: Rating must be 75 or above	1,497,400.30	1,497,400.30	0.0%	\$108,681.43	\$108,681.43	0.0%	\$ 1.88
BU	Hollis Business Center A - 1771	Office	8/31/2010	64	N/A	Not Eligible: Rating must be 75 or above	3,757,846.50	3,686,158.90	-1.9%	\$573,916.96	\$561,740.42	-2.1%	\$ 4.18
BU	Hollis Business Center B - 1772	Office	8/31/2010	66	N/A	Not Eligible: Rating must be 75 or above	2,878,303.50	2,931,544.20	1.8%	\$477,854.59	\$486,975.93	1.9%	\$ 5.41
BV	Alexander Park - 1541	Office	9/30/2010	76	85	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 11/30/2010	2,425,448.00	2,420,645.90	-0.2%	\$394,637.42	\$399,225.83	1.2%	\$ 2.80
BV	Alexander Park II - 1801	Office	9/30/2010	41	52	Not Eligible: Rating must be 75 or above	1,778,585.50	1,706,951.70	-4.0%	\$292,261.89	\$287,098.70	-1.8%	\$ 4.06
BV	Forest Park 20 - 1131	Warehouse (Unrefrigerated)	9/30/2010	21	N/A	Not Eligible: Rating must be 75 or above	1,349,556.20	1,388,085.80	2.9%	N/A	N/A	#VALUE!	N/A
BV	LYNDWOOD EXEC CENTER BLDG A - 1891	Office	9/30/2010	88	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	1,072,902.40	1,076,140.50	0.3%	\$151,712.84	\$157,998.64	4.1%	\$ 1.88
BV	LYNDWOOD EXEC CENTER BLDG B - 1892	Office	9/30/2010	83	N/A	Eligible	1,382,330.80	1,328,342.40	-3.9%	\$194,483.36	\$187,480.98	-3.6%	\$ 2.38
BV	Westbrook Corporate Center - 1171	Office	7/31/2010	72	N/A	Not Eligible: Rating must be 75 or above	4,237,271.80	4,124,348.70	-2.7%	\$478,983.20	\$462,634.01	-3.4%	\$ 2.55
CH	908 N Elm	Office	2/28/2010	72	N/A	Not Eligible: Rating must be 75 or above	2,564,526.40	2,564,526.40	0.0%	\$137,027.96	\$137,027.96	0.0%	\$ 1.10
CH	911 N Elm	Medical Office	4/30/2010	73	N/A	Not Eligible: Rating must be 75 or above	836,698.50	836,698.50	0.0%	\$73,734.92	\$73,734.92	0.0%	\$ 1.32
CH	Duke Medicine Plaza	Medical Office	7/31/2010	30	N/A	Not Eligible: Rating must be 75 or above	2,357,980.90	2,539,968.80	7.7%	\$206,796.49	\$205,359.73	-0.7%	\$ 2.44
CH	Huguley Medical Bldg.	Medical Office	6/30/2010	45	N/A	Not Eligible: Rating must be 75 or above	2,286,810.90	2,286,810.90	0.0%	\$159,998.77	\$159,998.77	0.0%	\$ 2.40
CH	Katy POB I LP	Medical Office	3/31/2010	43	N/A	Not Eligible: Rating must be 75 or above	4,289,380.00	4,289,380.00	0.0%	\$486,928.70	\$486,928.70	0.0%	\$ 3.70
CH	Lakeview	Medical Office	4/30/2010	48	N/A	Not Eligible: Rating must be 75 or above	4,006,400.00	4,006,400.00	0.0%	\$284,340.83	\$284,340.83	0.0%	\$ 1.96

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CH	Michigan Road	Medical Office	4/30/2010	14	N/A	Not Eligible: Rating must be 75 or above	1,301,760.00	1,301,760.00	0.0%	\$94,599.85	\$94,599.85	0.0%	\$ 2.43
CH	Mooreville MOB	Medical Office	5/31/2010	9	N/A	Not Eligible: Rating must be 75 or above	1,646,459.80	1,646,459.80	0.0%	\$94,316.01	\$94,316.01	0.0%	\$ 1.92
CH	St. Francis	Medical Office	5/31/2010	43	N/A	Not Eligible: Rating must be 75 or above	3,890,532.40	3,890,532.40	0.0%	\$239,956.90	\$239,956.90	0.0%	\$ 1.66
CH	Sugar Land POB I LP	Medical Office	2/28/2010	29	N/A	Not Eligible: Rating must be 75 or above	4,921,922.40	4,921,922.40	0.0%	\$568,140.30	\$568,140.30	0.0%	\$ 4.32
CH	The Care Group	Medical Office	9/30/2010	53	N/A	Not Eligible: Rating must be 75 or above	1,725,940.90	1,783,256.80	3.3%	\$124,426.36	\$124,733.18	0.2%	\$ 2.41
CH	Womens	Medical Office	4/30/2010	52	N/A	Not Eligible: Rating must be 75 or above	674,994.00	674,994.00	0.0%	\$58,475.13	\$58,475.13	0.0%	\$ 1.64
GK	CABRILLO TECHNOLOGY CENTER - 1321	Office	9/30/2010	6	10	Not Eligible: Rating must be 75 or above	4,246,943.80	4,406,391.10	3.8%	\$623,850.55	\$666,935.24	6.9%	\$ 4.20
GK	CABRILLO TECHNOLOGY CENTER - 1322	Office	8/31/2010	56	75	Not Eligible: Rating must be 75 or above	1,183,276.10	1,208,199.50	2.1%	\$209,478.33	\$214,593.58	2.4%	\$ 2.27
GK	CABRILLO TECHNOLOGY CENTER - 1323	Office	9/30/2010	74	75	Not Eligible: Rating must be 75 or above	546,532.20	562,339.10	2.9%	\$120,162.25	\$120,619.08	0.4%	\$ 2.67
GK	Coal Creek Business Park PhII - 1871	Office	5/31/2010	41	36	Not Eligible: Rating must be 75 or above	2,999,834.60	2,999,834.60	0.0%	\$246,033.37	\$246,033.37	0.0%	\$ 3.27
GK	Coal Creek Corporate Center - 1432	Office	6/30/2010	76	45	Not Eligible: Current period ending over 120 days	1,998,289.30	1,998,289.30	0.0%	\$177,298.60	\$177,298.60	0.0%	\$ 2.34
GK	Coal Creek Signature Building - 1431	Office	8/31/2010	93	N/A	Eligible	1,896,675.20	1,295,906.70	-31.7%	\$164,416.22	\$143,877.27	-12.5%	\$ 2.99
GK	Corporate Pointe at West Hills - 8401	Medical Office	9/30/2010	4	12	Not Eligible: Rating must be 75 or above	9,790,024.00	9,749,451.00	-0.4%	\$1,234,221.08	\$1,204,765.49	-2.4%	\$ 7.68
GK	Corporate Pointe at West Hills - 8403	Medical Office	9/30/2010	60	56	Not Eligible: Rating must be 75 or above	1,022,335.00	976,955.00	-4.4%	\$122,144.77	\$113,956.01	-6.7%	\$ 3.15
GK	Corporate Pointe at West Hills - 8407	Office	9/30/2010	69	65	Not Eligible: Rating must be 75 or above	1,611,822.00	1,800,358.00	11.7%	\$196,769.67	\$217,881.75	10.7%	\$ 2.38
GK	Corporate Pointe at West Hills - 8411	Other	9/30/2010	N/A	75	Not Eligible: Rating must be 75 or above	346,233.00	359,278.00	3.8%	\$48,246.23	\$49,036.43	1.6%	\$ 4.38
GK	Corporate Pointe at West Hills - 8413	Office	9/30/2010	N/A	27	Not Eligible: Rating must be 75 or above	486,633.00	498,346.00	2.4%	\$58,939.74	\$58,919.65	0.0%	\$ 1.95
GK	Corporate Pointe at West Hills - 8501	Office	9/30/2010	70	81	Not Eligible: Rating must be 75 or above	3,052,099.00	3,177,921.00	4.1%	\$376,873.21	\$386,109.88	2.5%	\$ 2.35
GK	Corporate Pointe at West Hills - 8511	Office	9/30/2010	89	70	Eligible	1,985,195.00	2,443,620.00	23.1%	\$243,718.31	\$298,294.28	22.4%	\$ 1.72
GK	Corporate Pointe at West Hills - 8521	Office	9/30/2010	80	N/A	ENERGY STAR Application In Process	1,991,105.00	1,987,571.00	-0.2%	\$252,652.07	\$247,882.37	-1.9%	\$ 1.52
GK	Corporate Pointe at West Hills - 8531	Office	9/30/2010	62	62	Not Eligible: Rating must be 75 or above	1,371,498.00	1,485,111.00	8.3%	\$158,059.60	\$169,838.01	7.5%	\$ 1.61
GK	GSW Gateway 2 - 2352	Warehouse (Unrefrigerated)	9/30/2010	N/A	N/A	Not Eligible: Rating must be 75 or above	1,670,363.00	1,584,423.80	-5.1%	N/A	N/A	#VALUE!	N/A
GK	MISSION TRAILS INDUSTRIAL PARK - 1391	Warehouse (Unrefrigerated)	4/30/2010	66	75	Not Eligible: Rating must be 75 or above	262,806.20	262,806.20	0.0%	\$50,727.34	\$50,727.34	0.0%	\$ 0.81
GK	MISSION TRAILS INDUSTRIAL PARK - 1392	Warehouse (Unrefrigerated)	4/30/2010	N/A	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 02/28/2011	N/A	N/A	#VALUE!	\$87,417.94	\$87,417.94	0.0%	\$ 0.66
GK	MISSION TRAILS INDUSTRIAL PARK - 1393	Warehouse (Unrefrigerated)	5/31/2010	N/A	N/A	Not Eligible: Rating must be 75 or above	N/A	N/A	#VALUE!	\$3,825.44	\$3,825.44	0.0%	\$ 0.03
GK	MISSION TRAILS INDUSTRIAL PARK - 1394	Warehouse (Unrefrigerated)	9/30/2010	98	75	Eligible	415,254.40	406,129.60	-2.2%	\$86,064.29	\$87,744.28	2.0%	\$ 0.29
GK	MISSION TRAILS INDUSTRIAL PARK - 1395	Warehouse (Unrefrigerated)	10/31/2010	52	75	Not Eligible: Rating must be 75 or above	180,801.20	180,503.30	-0.2%	\$33,472.16	\$33,705.76	0.7%	\$ 0.66
GK	Peakview Office Plaza A - 1671	Office	9/30/2010	74	20	Not Eligible: Rating must be 75 or above	2,242,427.00	2,248,906.00	0.3%	\$202,765.59	\$187,810.81	-7.4%	\$ 1.73
GK	Pinnacle Park 1 - 2361	Warehouse (Unrefrigerated)	10/31/2010	N/A	N/A	Not Eligible: Rating must be 75 or above	2,367,282.10	N/A	#VALUE!	\$15,221.93	N/A	#VALUE!	\$ 0.02
GK	Pinnacle Park 2 - 2362	Warehouse (Unrefrigerated)	10/31/2010	1	N/A	Not Eligible: Rating must be 75 or above	810,437.80	869,721.40	7.3%	\$6,893.87	\$26,861.44	289.6%	\$ 0.02
GK	Russell Ranch Road 2331	Office	9/30/2010	93	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 09/30/2011	1,714,074.00	1,564,944.00	-8.7%	\$72,494.21	\$72,494.21	0.0%	\$ 0.65
GK	Russell Ranch Road 2332	Office	9/30/2010	90	N/A	ENERGY STAR Application In Process	1,012,036.00	1,090,355.00	7.7%	\$53,727.56	\$53,253.71	-0.9%	\$ 0.82
HJ	212 Corporate Center - 981	Warehouse (Unrefrigerated)	9/30/2010	N/A	75	Not Eligible: Rating must be 75 or above	345,836.60	713,470.50	106.3%	\$41,913.40	\$90,907.65	116.9%	\$ 0.25
HJ	212 Corporate Center - 982	Warehouse (Unrefrigerated)	9/30/2010	71	75	Not Eligible: Rating must be 75 or above	326,220.30	323,777.90	-0.7%	\$47,958.30	\$47,722.05	-0.5%	\$ 0.70
HJ	5901 College Boulevard -1441	Office	9/30/2010	79	N/A	Eligible	2,382,296.00	2,237,133.30	-6.1%	\$190,537.32	\$179,650.23	-5.7%	\$ 1.70
HJ	Alderwood Corporate Center - 932	Warehouse (Unrefrigerated)	9/30/2010	1	75	Not Eligible: Rating must be 75 or above	2,236,556.30	2,220,705.90	-0.7%	\$300,773.42	\$310,084.68	3.1%	\$ 2.64
HJ	Alderwood Phase II - Bldg B - 1112	Warehouse (Unrefrigerated)	9/30/2010	60	75	Not Eligible: Rating must be 75 or above	320,225.80	319,038.10	-0.4%	\$42,083.94	\$45,928.48	9.1%	\$ 0.55
HJ	Alderwood Phase II - Bldg C - 1113	Warehouse (Unrefrigerated)	4/30/2010	14	75	Not Eligible: Rating must be 75 or above	3,641,766.60	3,641,766.60	0.0%	\$211,175.76	\$211,175.76	0.0%	\$ 1.10
HJ	Brewery Block 2 - 1931	Office	7/31/2010	64**	N/A	Not Eligible: Rating must be 75 or above	3,467,398.60	3,377,972.90	-2.6%	\$581,941.03	\$586,656.69	0.8%	\$ 2.65
HJ	Lighton Plaza I - 2431	Office	7/31/2010	83	90	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 03/31/2011	2,188,858.00	2,158,141.00	-1.4%	\$207,608.50	\$202,436.07	-2.5%	\$ 1.69

AM September 10 Energy Star Update Report

AM	Facility Name	Building Type	Current Energy Period Ending Date	Current Rating	Target Rating	Eligibility for the ENERGY STAR	Current Site Electric Use (kWh)	Previous Site Electric Use (kWh)	% Change in (kWh)	Current Annual Energy Cost	Previous Annual Energy Cost	Change in Energy Cost	Total Energy Cost per Sq. Ft.
HJ	Lighton Plaza II - 2432	Office	7/31/2010	91	90	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 03/31/2011	1,804,607.00	1,798,102.00	-0.4%	\$186,537.86	\$182,812.95	-2.0%	\$ 1.52
HJ	Lighton Tower -2433	Office	7/31/2010	92	90	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 06/30/2011	3,702,849.00	3,662,168.00	-1.1%	\$359,344.04	\$353,636.49	-1.6%	\$ 1.43
HJ	Rivergate Corp. Center I - Bldg A - 2002	Warehouse (Unrefrigerated)	9/30/2010	85	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	1,494,964.50	1,587,632.10	6.2%	\$111,758.02	\$119,469.84	6.9%	\$ 0.33
HJ	Rivergate Corp. Center I - Bldg B - 2001	Warehouse (Unrefrigerated)	9/30/2010	N/A	75	Not Eligible: Rating must be 75 or above	679,601.20	680,857.40	0.2%	\$68,511.45	\$69,285.36	1.1%	\$ 0.46
HJ	Rivergate Corporate Center II - 2071	Warehouse (Unrefrigerated)	9/30/2010	98	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	1,239,014.70	1,260,093.60	1.7%	\$127,345.36	\$130,112.53	2.2%	\$ 0.21
JC	777 Sixth Street NW - 2781	Office	7/31/2010	74	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 11/30/2010	3,422,747.70	3,413,038.60	-0.3%	\$545,577.61	\$543,567.27	-0.4%	\$ 2.90
JC	Burlington 300 - 1851	Office	7/31/2010	98	93	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 01/31/2011	1,735,800.00	1,703,670.00	-1.9%	\$308,158.33	\$297,866.70	-3.3%	\$ 2.28
JC	Burlington 400 - 1231	Office	7/31/2010	76	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 05/31/2011	2,597,920.00	2,575,440.00	-0.9%	\$417,951.04	\$410,010.98	-1.9%	\$ 3.49
JC	Burlington 500 - 0481	Office	7/31/2010	74	65	Not Eligible: Rating must be 75 or above	2,314,600.00	2,359,000.00	1.9%	\$391,308.72	\$390,923.88	-0.1%	\$ 3.13
JC	Kirts Office Park - 643	Office	9/30/2010	18	N/A	Not Eligible: Rating must be 75 or above	599,760.00	600,314.50	0.1%	\$86,177.91	\$87,251.80	1.2%	\$ 2.87
JL	Madison Operating LLC - 2051	Office	7/31/2010	68	75	Not Eligible: Rating must be 75 or above	2,523,787.20	2,498,959.70	-1.0%	\$380,161.43	\$384,207.38	1.1%	\$ 3.91
JL	Milestone Business Park - Office Bldg - 2401	Office	9/30/2010	56	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 11/30/2010	5,390,778.20	5,393,493.00	0.1%	\$544,694.51	\$582,448.48	6.9%	\$ 2.80
KD	1660 International Drive - 1361	Office	10/31/2010	85	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 07/31/2011	4,504,980.80	5,213,009.50	15.7%	\$320,254.49	\$365,971.19	14.3%	\$ 1.48
KD	1717 Rhode Island - 2021	Office	8/31/2010	69**	N/A	Not Eligible: Rating must be 75 or above	3,303,950.20	3,051,075.00	-7.7%	\$447,443.23	\$444,096.24	-0.7%	\$ 2.85
KD	Commerce Executive VI - 1161	Office	9/30/2010	56	N/A	Not Eligible: Rating must be 75 or above	3,205,044.80	3,208,017.30	0.1%	\$227,112.42	\$233,740.22	2.9%	\$ 1.63
MR	Brown Campus 2 - KBCB01	Warehouse (Unrefrigerated)	10/31/2009	N/A	N/A	Not Eligible: Rating must be 75 or above	N/A	N/A	#VALUE!	\$57,149.39	\$57,149.39	0.0%	\$ 0.26
MR	Brown Campus 3 - KBCB02	Office	9/30/2010	49	N/A	Not Eligible: Rating must be 75 or above	2,918,579.00	3,063,163.00	5.0%	\$104,128.98	\$137,613.92	32.2%	\$ 0.80
PP	Barrington Pointe - 781	Office	9/30/2010	94	97	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	2,751,738.00	2,640,952.00	-4.0%	N/A	N/A	#VALUE!	N/A
PP	Courthouse Tower - 1621	Office	8/31/2010	79	75	Eligible	4,402,504.30	4,231,957.70	-3.9%	\$373,249.25	\$374,837.37	0.4%	\$ 1.57
PP	GREENSPOINT II, Bldg E - 1571	Office	8/31/2010	74	55	Not Eligible: Rating must be 75 or above	425,956.70	431,560.00	1.3%	N/A	N/A	#VALUE!	N/A
PP	Greenspoint II, Bldg F - 1572	Office	8/31/2010	47	50	Not Eligible: Rating must be 75 or above	822,599.50	792,176.50	-3.7%	N/A	N/A	#VALUE!	N/A
PP	Greenspoint III - 1581	Office	9/30/2010	100	82	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	2,819,653.00	2,809,185.00	-0.4%	N/A	N/A	#VALUE!	N/A
PP	Greenspoint Office Building - 461	Office	9/30/2010	96	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	3,181,202.00	3,159,830.00	-0.7%	N/A	N/A	#VALUE!	N/A

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PP	Meadows Office Bldg I - 1521	Office	9/30/2010	87	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 01/31/2011	2,252,150.00	2,266,335.00	0.6%	N/A	N/A	#VALUE!	N/A
PP	Meadows Office Bldg II - 1881	Office	9/30/2010	87	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 05/31/2011	1,906,188.40	1,877,918.70	-1.5%	N/A	N/A	#VALUE!	N/A
RC	3500 Lacey Road - 2251	Office	9/30/2010	78	77	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 07/31/2011	17,566,230.60	16,979,542.60	-3.3%	\$1,800,602.48	\$1,778,768.52	-1.2%	\$ 2.66
RC	Patriots Plaza I - 2061	Office	7/31/2010	75	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	7,289,554.20	7,220,091.00	-1.0%	\$1,101,213.92	\$1,088,786.44	-1.1%	\$ 3.74
RC	Shaw Park Plaza - 1451	Office	9/30/2010	79	78	Eligible	6,905,148.20	6,931,522.90	0.4%	\$461,771.92	\$443,803.09	-3.9%	\$ 1.60
RC	WEST 70 COMMERCE CENTER I - 1081	Warehouse (Unrefrigerated)	9/30/2010	59	70	Not Eligible: Rating must be 75 or above	701,707.50	789,724.40	12.5%	\$111,570.44	\$121,188.98	8.6%	\$ 0.54
RC	West 70 Commerce Center V - 1681	Warehouse (Unrefrigerated)	9/30/2010	60	72	Not Eligible: Rating must be 75 or above	242,154.30	240,438.20	-0.7%	\$26,692.07	\$33,344.19	24.9%	\$ 0.43
RC	West 70 III - 1631	Warehouse (Unrefrigerated)	9/30/2010	71	64	Not Eligible: Rating must be 75 or above	2,383,868.40	2,346,826.20	-1.6%	\$125,701.49	\$194,485.06	54.7%	\$ 0.48
SM	Sycamore Vista 1325 - 1765570	Warehouse (Unrefrigerated)	9/30/2010	76	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 03/31/2011	214,615.40	205,531.10	-4.2%	\$36,321.75	\$35,874.03	-1.2%	\$ 0.85
SM	Sycamore Vista 1335	Warehouse (Unrefrigerated)	3/31/2010	96	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 03/31/2011	350,229.10	N/A	#VALUE!	\$65,328.90	\$65,328.90	0.0%	\$ 0.51
SM	Sycamore Vista 1345	Warehouse (Unrefrigerated)	9/30/2010	99	78	Eligible	185,164.70	188,812.50	2.0%	\$31,144.57	\$32,315.19	3.8%	\$ 0.29
SR	20 North Clark Street - 2821	Office	9/30/2010	95	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 05/31/2011	4,485,906.10	4,391,063.40	-2.1%	\$608,064.45	\$613,154.86	0.8%	\$ 1.55
SR	500 Park Boulevard - 2382	Office	9/30/2010	90	88	ENERGY STAR Application In Process	7,953,485.00	7,590,224.00	-4.6%	N/A	N/A	#VALUE!	N/A
SR	Arena Corporate Center I - 1971	Office	9/30/2010	80	N/A	ENERGY STAR Application In Process	1,614,903.30	1,657,828.30	2.7%	\$226,961.24	\$144,422.82	-36.4%	\$ 1.87
SR	Arena Corporate Center II - 1972	Office	9/30/2010	89	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 03/31/2011	2,192,353.00	2,275,428.00	3.8%	\$305,387.35	\$286,843.41	-6.1%	\$ 2.39
SR	Arena Corporate Center III - 1973	Office	9/30/2010	99	70	ENERGY STAR Application In Process	3,442,557.00	3,428,636.00	-0.4%	\$463,536.26	\$440,563.51	-5.0%	\$ 3.63
SR	Gates Corporation World Headquarters	Office	9/30/2010	100	N/A	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 05/31/2011	2,921,085.80	2,842,371.70	-2.7%	\$290,629.97	\$277,774.32	-4.4%	\$ 1.02
SR	Harman International Business Campus-PAR A - 371	Office	8/31/2010	94	N/A	ENERGY STAR Application In Process	2,337,882.00	2,519,084.00	7.8%	\$366,358.08	\$382,464.48	4.4%	\$ 2.28
SR	One Pierce Place - 2381	Office	9/30/2010	92	87	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 08/31/2011	8,371,160.00	8,338,063.00	-0.4%	N/A	N/A	#VALUE!	N/A
SR	Pacific Vista Business Center A - 1711	Office	8/31/2010	75	N/A	ENERGY STAR Application In Process	1,358,711.00	1,213,310.00	-10.7%	\$47,011.67	\$81,718.25	73.8%	\$ 0.61
SR	Pacific Vista Business Center B - 1712	Office	9/30/2010	88	N/A	ENERGY STAR Application In Process	729,169.00	719,959.00	-1.3%	\$53,284.14	\$75,631.50	41.9%	\$ 0.76
SR	Pacific Vista Business Center C - 1713	Office	8/31/2010	72	N/A	Not Eligible: Rating must be 75 or above	927,195.00	947,229.00	2.2%	\$74,876.89	\$2,509.42	-96.6%	\$ 1.06
SR	Pacific Vista Business Center D - 1714	Office	8/31/2010	58	N/A	Not Eligible: Rating must be 75 or above	886,189.50	881,900.40	-0.5%	\$128,772.41	\$126,646.84	-1.7%	\$ 2.46
SR	Pacific Vista Business Center E - 1715	Office	9/30/2010	67	N/A	Not Eligible: Rating must be 75 or above	968,495.00	1,140,209.00	17.7%	\$211,851.21	\$243,867.37	15.1%	\$ 4.05
SR	Tanasbourne Commerce Center - 873	Office	9/30/2010	99	75	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 12/31/2010	1,127,196.40	1,132,250.00	0.4%	\$111,567.98	\$112,798.08	1.1%	\$ 2.05

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SR	Tanasbourne II - 1911	Office	9/30/2010	N/A	75	Not Eligible: Rating must be 75 or above	656,369.30	778,050.00	18.5%	\$54,565.38	\$63,831.41	17.0%	\$ 1.07
SR	The Centre at HIBC - 1591	Office	8/31/2010	76	N/A	ENERGY STAR Application In Process	2,756,249.00	2,549,310.00	-7.5%	\$400,634.35	\$384,245.91	-4.1%	\$ 3.10
						Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on							
SR	Tualatin Corp Center III - 891	Warehouse (Unrefrigerated)	9/30/2010	80	75	11/30/2010	298,129.20	295,686.20	-0.8%	\$37,133.39	\$37,185.20	0.1%	\$ 0.45
SR	Tualatin Corp Center III - 892	Warehouse (Unrefrigerated)	9/30/2010	16	75	Not Eligible: Rating must be 75 or above	1,043,718.50	1,055,405.20	1.1%	\$97,493.36	\$105,887.26	8.6%	\$ 1.63
SR	Tualatin Corporate Center - 572	Warehouse (Unrefrigerated)	9/30/2010	N/A	75	Not Eligible: Rating must be 75 or above	52,491.80	150,221.40	186.2%	\$10,388.18	\$17,964.66	72.9%	\$ 0.22
SR	Tualatin Corporate Center - 573	Warehouse (Unrefrigerated)	9/30/2010	39	75	Not Eligible: Rating must be 75 or above	215,380.40	221,327.60	2.8%	\$34,109.74	\$35,059.43	2.8%	\$ 1.08
SR	Tualatin Corporate Center II - 861	Warehouse (Unrefrigerated)	9/30/2010	78	N/A	Eligible	225,662.90	232,716.30	3.1%	\$33,761.47	\$35,042.08	3.8%	\$ 0.62
SR	Tualatin Corporate Center II - 862	Warehouse (Unrefrigerated)	9/30/2010	74	75	Not Eligible: Rating must be 75 or above	337,913.70	340,023.40	0.6%	\$39,717.05	\$39,949.67	0.6%	\$ 0.60
						Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on							
SR	Tualatin Corporate Center II - 863	Warehouse (Unrefrigerated)	9/30/2010	89	75	03/31/2011	244,000.00	247,450.20	1.4%	\$28,321.49	\$28,712.84	1.4%	\$ 0.34
						Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on							
SR	Two Conway Park - 1301	Office	9/30/2010	77	75	01/31/2011	2,427,408.00	2,473,991.00	1.9%	\$46,279.49	\$94,154.45	103.4%	\$ 0.37

KENNEDY ASSOCIATES

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1215 Fourth Avenue • 2400 Financial Center • Seattle, WA 98161
Phone: 206.623.4739 • Fax: 206.682.4769

EXTERNAL MEMORANDUM

To: Property Managers
From: Kennedy Associates
Date: 1/27/09
Regarding: ENERGY STAR: Updated Requirements and Processes
CC:

The following memo sent originally in September 2008, provides an updated list of requirements as they relate to the ENERGY STAR benchmarking process as well as directives for standardizing the information presented in Portfolio Manager.

General Duties:

- Property Managers should continually work with their respective property teams to improve building energy efficiency by implementing cost-effective solutions and best practices. These efforts and ideas should be communicated to the Asset Manager during ongoing discussions.
- **MONTHLY ENERGY STAR benchmarking commenced September 30, 2008. Property Managers should input the most current utility information (i.e., use and cost data) into Portfolio Manager prior to the end of each month. Utility data > 45 days old must be updated.**
- **Monthly ENERGY STAR scores generated from the Facility Performance section of Portfolio Manager should be entered into MRI as previously noted. Delays in ENERGY STAR monthly data input, negatively impact Kennedy's ability to report in a timely fashion to its clients.**
- **The MRI ENERGY STAR input screen has been modified to include expanded information related to tracking designations received or in process. This should be updated on a monthly basis during the regular information update.**
- The monthly updated information should be discussed and reviewed with the Asset Manager (i.e. ENERGY STAR score, expanded designation information and related comments) **PRIOR** to the monthly benchmarking deadline which falls on the last day of the following month.
- If this has not already been implemented, Property Managers should create a tracking list of all energy efficiency projects noting implementation date, expected cost, energy savings, and estimated payback. The tracking list should continually be updated in order to present new information or ideas.

Communicating ENERGY STAR Successes:

- Once an ENERGY STAR designation is received (or-renewed), a press release (**Exhibit A**) should be created to highlight the energy efficiency achievements at the asset. The press release should be reviewed and approved by the Asset Manager prior to distribution.
- Once an ENERGY STAR designation is received (or-renewed), a Building Profile should be drafted as highlighted on www.energystar.gov. The Building Profile is an important marketing tool to promote the asset and its respective energy-related achievements on the ENERGY STAR website.
 - A sample Building Profile is attached as Exhibit B.
 - Asset Managers should review and approve the Building Profile.
- Property Managers should also review the *Ideas for Promoting ENERGY STAR* manual (Exhibit C) and technical assistance program ideas (Exhibit D), to help promote ENERGY STAR and energy saving activities at the property level.

Owner/Contact Information:

Please make the following changes within Portfolio Manager to maintain consistency with the portfolio:

- For MEPT, ensure that the building's owner is displayed as **MEPT/Kennedy Associates**.
- For all benchmarked buildings, please include Kennedy's contact information as the owner's contact
- Updated contact information for the Property Manager should also be entered into Portfolio Manager in the field provided.
- When a building qualifies for the ENERGY STAR label or is re-certified, please make sure that correct building information, ownership entity and contact information for Kennedy and the Property Manager are noted in the required Statement of Energy Performance (SEP) form.
 - The SEP is approved by the Professional Engineer and becomes the basis for information displayed in the ENERGY STAR website for labeled buildings.
 - For existing, incorrectly noted ENERGY STAR labeled buildings, Kennedy will work directly with ENERGY STAR to update the currently noted owner, property manager etc.

Updated Requirements

Benchmarking Water Usage:

- In addition to tracking electricity related usage through the ENERGY STAR benchmarking process, we also have the ability to track water usage data through Portfolio Manager. Property Managers should begin inputting all required water meter data (noted as inside and outside) where possible *on a monthly basis* as part of the regular benchmarking update. This change affects all benchmarked buildings and was *effective as of September 30, 2008*. Tracking water use to reduce potable water consumption is a key tenet of Kennedy's Responsible Property Investing initiative.

Set an ENERGY STAR Baseline Period:

- ENERGY STAR's Portfolio Manager also provides the ability to set a Baseline Period for each benchmarked building which allows Kennedy to compare the performance of the Baseline year to the current performance of the building. This allows Kennedy to more effectively quantify the results of the benchmarked portfolio over specific periods, and significantly enhances Kennedy's reporting capability to its clients.
- A Baseline Period must be a 12-month period for which your building receives an energy performance rating. Property Managers should define the Baseline as the earliest *stabilized* 12 month period for which each benchmarked building has a rating, but no earlier than 2000. Please discuss the recommended Baseline Period with the Asset Manager to have the required information incorporated within Portfolio Manager and was *effective as of September 30, 2008*.

Set an ENERGY STAR Target Score:

- Property Managers should set annual energy reduction goals and Target Scores that are reasonably obtainable. Annual goals in energy reduction are meant to be in the form of a percentage change and should be realistically set based on each building's past energy performance and projected energy efficiency initiatives (operating expenses or capital) budgeted for 2009 in concert with the Annual Business Plan process. The Target Score should be entered within Portfolio Manager for each building to facilitate progress tracking and continuous discussion.
- Target Score guidelines are as follows. Buildings with ENERGY STAR scores of:
 - > 75 should work to increase their ENERGY STAR score as much as possible, and maintain/renew the ENERGY STAR designation
 - 65-74 should increase to a score of ≥ 75 to obtain an ENERGY STAR designation.
 - 45-64 should try to increase the building's score by 5%+

- 30-44 should try to increase the building's score by 10%+
- 0-29 should try to increase the building's score by 15%+

Cumulative Investment in Facility Upgrades

- ENERGY STAR's Portfolio Manager also provides the ability to enter and track data related to the total investment made in projects intended to improve energy efficiency within each benchmarked building. Tracking this data within Portfolio Manager allows Kennedy to determine capital expenditures and other costs incurred to improve energy performance on a portfolio level.
- Property Managers should begin inputting all costs spent on energy efficiency projects to date, as well as continue updating this data *on a monthly basis* as part of the regular benchmarking update within Portfolio Manager for all benchmarked buildings. This change was *effective as of September 30, 2008*.

Exhibit A

SAMPLE PRESS RELEASE

**[ORGANIZATION OR NAME OF BUILDING]
Earns the ENERGY STAR for Superior Energy Efficiency**

(Date, City, State) [NAME OF BUILDING/FACILITY], owned/managed by [ORGANIZATION], has earned the U.S. Environmental Protection Agency's (EPA's) prestigious ENERGY STAR, the national symbol for superior energy efficiency and environmental protection. Commercial buildings and industrial plants that rate in the top 25 percent of facilities in the nation for energy efficiency may qualify for the ENERGY STAR.

INSERT QUOTE FROM ORGANIZATION OFFICIAL (SAMPLE QUOTE BELOW)

"[ORGANIZATION] is pleased to accept EPA's ENERGY STAR in recognition of our energy efficiency efforts," said [Organizational Representative Name, Title]. "Through this achievement, we have demonstrated our commitment to environmental stewardship while also lowering our energy costs."

Commercial buildings that earn the ENERGY STAR use an average of 40 percent less energy than typical buildings and also release 35 percent less carbon dioxide into the atmosphere. [ORGANIZATION] improved our energy performance by managing energy strategically across our entire organization and by making cost-effective improvements to our building(s). [ORGANIZATION] has saved [INSERT DOLLARS OR PERCENT] in annual energy bills and prevented greenhouse gas emissions equal to the electricity use from [XXXXXX] households for a year*.

"Whether you are running a grocery store, a school, or an office building, getting the most out of your energy dollars – while reducing your carbon footprint – just makes sense," said EPA Administrator Stephen L. Johnson.

To earn the ENERGY STAR, [ORGANIZATION] took the following actions:

- INSERT GENERAL INFORMATION AND/OR INTERESTING DETAILS ABOUT TECHNOLOGIES USED, ENERGY MANAGEMENT PROGRAM, EMPLOYEE AWARENESS, ETC.

EPA's national energy performance rating system provides a 1-100 scale that helps organizations assess how efficiently their buildings use energy relative to similar buildings nationwide. A building that scores a rating of 75 or higher is eligible for the ENERGY STAR. Commercial Buildings that can earn the ENERGY STAR include offices, bank branches, financial centers, retailers, courthouses, hospitals, hotels, K-12 schools, medical offices, supermarkets, dormitories, and warehouses.

ENERGY STAR was introduced by EPA in 1992 as a voluntary, market-based partnership to reduce greenhouse gas emissions through energy efficiency. Today, the ENERGY STAR label can be found on more than 50 different kinds of products, new homes and commercial and industrial buildings. Products and buildings that have earned the ENERGY STAR designation prevent greenhouse gas emissions by meeting strict energy-efficiency specifications set by the government. In 2006, Americans, with the help of ENERGY STAR, saved about \$16 billion on their energy bills while reducing the greenhouse gas emissions equivalent to those of 27 million vehicles.

For more information about ENERGY STAR visit www.energystar.gov.

For more information about [NAME] visit [INSERT URL].

To calculate greenhouse gas emissions, please visit <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

Exhibit B

ENERGY STAR Labeled Building Profile:



Alexander Park I – 600 Alexander Park was built in 1999 and consists of 141,176 square feet of beautiful Class A office space situated within a well known Princeton, New Jersey office park. Amenities of this building include an on-site cafeteria with waterfront patio dining, scenic landscaping, and a 24 hour card access system. The building is also within walking distance to the Princeton Junction train station and local municipal bus service.

Recognizing the potential to improve Alexander Park I's energy and financial performance, Kennedy Associates Real Estate Counsel, LP ("Kennedy") directed CB Richard Ellis to proactively use the EPA's ENERGY STAR program in 2005 for the tools and resources necessary to help achieve superior energy performance. 600 Alexander Park has a current rating of "81" and officially earned the Energy Star designation in December 2007. Receiving the Energy Star designation has been considered a significant accomplishment given the fact that the building is heated using fan powered VAV boxes with electric reheat and cooled using DX cooling coils and air-cooled condensing coils.

Examples of Technologies and Practices at the 600 Alexander Park Building:

- Solar cool gray tempered insulated glass windows
- The use of 480 volt 3-Phase fan powered boxes
- Motion sensors for restroom lighting and programmable automatic air fresheners, 2003
- Energy efficient lighting systems and bulbs
- Variable frequency drives for (6) 460 volt, 40 horsepower with a max RPM of 1760 supply fans
- Variable frequency drives for (6) 460 volt, 15 horsepower with a max RPM of 1760 return air fans
- Retrofit with Touch Free restrooms, everything from automatic flushers, faucets and soap dispensers in February, 2008

Kennedy continues to request that the CB Richard Ellis (CBRE) management and maintenance teams, take proactive steps, utilizing best practices to maximize energy efficiency including:

- Periodic review and constant tracking of energy use patterns to determine and correct energy inefficiencies
- Daily engineering staff walkthroughs of vacant spaces to ensure only emergency lighting is illuminated and HVAC is appropriately programmed for vacancy
- Examination of the EMS settings in order to ensure the building automation reflects actual needs of the tenants. Through this process, it was discovered that the building's HVAC systems were being turned on for five hours each Saturday based on lease requirements, even though the majority of the tenants were not in the building over the weekend. A simple re-programming of the system and a note to the tenants making Saturdays "By Request Only" eliminated the unneeded energy consumption resulting in an immediate energy reduction
- Change start up times of HVAC units based on fifteen minute increments to stagger demand and cut back on peak usage of electricity

- Installation of a timer on the domestic hot water heater to be able to shut it down twelve hours per day or from 6pm – 6am Monday through Sunday
- A review of common area lighting schedules allowed for the elimination of “on” periods during relatively unoccupied weekend hours
- Time clocks are checked every two weeks to make sure the time is set correctly and that building systems and lighting come on and off at the right time.
- Reach out to employees and tenants in order to spread the word that energy efficiency is good for the bottom line as well as good for the environment.
- Ask for tenant cooperation to help curtail excessive demand on area power grid during high kilowatt draw summer heat waves by shutting off all but necessary lighting.
- Tenants are reminded to turn off all office equipment and computers at night and over the weekend.
- The janitorial staff is instructed to shut off lighting when any space is vacated.
- Tenants are told to “stop playing with the blinds”. Most tenants do not realize how important the window blinds and coverings are to controlling their environment. All tenants are notified to keep their blinds in place (down) and use them throughout the day to help reflect sun/heat.

Other steps Alexander Park is taking to reduce its carbon footprint:

- The building has an active recycling program for tenants to recycle paper, cardboard, glass, plastics, bulbs, batteries, etc. There are recycle bins in each tenant suite for paper, glass and plastics recycling as well as centrally located compact fluorescent and battery recycling containers. Waste Management supplies recycling services to the building. All of the paper and waste removal products are made with recycled materials.
- At Kennedy’s request, the building staff, along with its contract cleaning service, instituted green cleaning chemicals rated by the US Green Building Council for all of its regularly scheduled cleaning tasks.
- There is a bicycle rack at the building to promote cycling to work vs. generation of vehicle emissions.
- The building participates in non-chemical goose control through the use of a Border Collie service.

Exhibit C

Celebrate Your ENERGY STAR Labeled Building:

Promote Your Success with ENERGY STAR

You have been recognized by ENERGY STAR for your hard work and commitment to saving energy—now celebrate your achievement! In large and small ways, share recognition of your accomplishment with your colleagues, employees and the community:

- Display the ENERGY STAR in a prominent place at your facility site—the entranceway or the main reception area are *much* better choices than the storage room or basement!
- Issue a press release (previously noted) announcing that you have earned the prestigious ENERGY STAR and distribute it to local media (see www.energystar.gov/labeledbuildings for a sample).
- Hold an organization-wide employee meeting and present the ENERGY STAR plaque to an official of your organization. Take photos for the company newsletter, and also send a photo with caption to the local newspaper.
- Distribute certificates of recognition/appreciation/participation to organizations or individuals who contributed time and effort to earning the ENERGY STAR.
- Reserve a special parking space for your energy manager for a month in recognition of his/her achievement and publicize this among your employees.
- Make plans to announce that your facility has earned the ENERGY STAR at a scheduled meeting where press typically will be in attendance if applicable.
- Write a letter celebrating your achievement to your town councilman, Chamber of Commerce, Board of Education, congressperson or senator, or other official representatives for your organization. Encourage them to challenge other organizations like yours to earn the ENERGY STAR.
- Invite local government officials, regional EPA officials, and members of the press to tour your ENERGY STAR facility along with your top company or organization officials. Present a certificate of achievement to company officials.

Host an ENERGY STAR Event

One of the best ways to share your energy efficiency achievements is to host a recognition event with your employees and community. Recognition events may include a special employee luncheon, an energy fair, or any other type of event that brings people together to learn about energy efficiency and ENERGY STAR. Use the steps below to create your event or modify the outline to suit your organization's needs.

- Select a date and time for the event that is convenient for employees, the media, and other guests you may wish to invite.
- Contact your local elected officials and regional EPA office to schedule their attendance. It's especially important to include those who have helped support your organization's efforts to earn the ENERGY STAR, and recognizable public figures will help bring media attention to the event.
- Develop an agenda with a timeframe of 15-30 minutes for the award presentation and speakers. You may have one or more speakers. For example:

- 10:45 a.m. – Invited guests, speakers, attendees arrive
- 11:00 a.m. – Welcome, opening remarks by organization representative or event coordinator
- 11:05 a.m. – First speaker – Local elected official
- 11:10 a.m. – Second speaker – Local leader/champion of the environment
- 11:15 a.m. – Third speaker – EPA representative or other official
- 11:20 a.m. – Presentation of ENERGY STAR to organization by EPA or other official
- 11:25 a.m. – Acceptance of the ENERGY STAR and remarks by organization leader or energy manager
- 11:30 a.m. – Event concludes

You may wish to assign one person to coordinate the event and speakers, designate a communications contact to work with members of the media before and during the event, and schedule a photographer or videographer to record the event. A small reception may be nice. Share your photos, articles, and materials with ENERGY STAR and your event may be posted on www.energystar.gov as an example for other organizations.

You can customize ENERGY STAR sample communications materials or develop your own to support the event. Possible materials include:

- A press release or a press kit including the press release, information about your facility and organization, and facts about ENERGY STAR labeled facilities.
- Posters and/or banners to draw attention to the podium or stage.
- Your ENERGY STAR facility profile—how you succeeded in making your facility a top energy performer nationwide. Make sure to provide copies to attendees and to the media.

The day after the event, deliver event photos with written captions to editors at local newspapers and business publications that were not represented at your event.

For additional guidance on how to coordinate your ENERGY STAR label event or media outreach, contact Maura Beard, Strategic Communications Director, ENERGY STAR Commercial Buildings and Industrial Facilities, 202.343.9991, beard.maura@epa.gov

Exhibit D

ENERGY STAR Technical Assistance Materials:

The following ENERGY STAR promotional materials are available on the ENERGY STAR website at www.energystar.gov . Key materials include:

1. **ENERGY STAR Video:** ENERGY STAR recommends proving showing this video to employees, tenants and even clients
2. **ENERGY STAR Challenge Brochure:** Provides information for property management teams on ways to promote Energy Star
3. **Sample ENERGY STAR Promotional Language:** Stock paragraphs for use in promoting ENERGY STAR on websites, letters, etc.
4. **ENERGY STAR Training Presentation:** Self-guided presentation intended for property managers working to improve energy performance ratings for commercial office buildings
5. **ENERGY STAR Informational Card:** Information about successes of Energy Star buildings
6. **Commercial Real Estate Pamphlet:** Overview of ENERGY STAR/commercial real estate
7. **2008 ENERGY STAR Commercial Office and Industrial Update:** Provides updated information on use of ENERGY STAR with these product types and associated news
8. **ENERGY STAR Fast Facts:** Data for use in PowerPoint presentations
9. **ENERGY STAR Brand Book:** Information on how to use the ENERGY STAR logo in promotional materials

LINK

Wednesday, December 1, 2010

You are logged in as: KENNEDYUSA\Greg

Dashboard

Reporting

Documents

Tools

Reporting **Portfolio**
 Name: All Assets - Incl. Sold Assets
 Description:

Current Portfolio: All Assets - Incl. Sold Assets (1897 properties)

Quick Load:

Quick Select

Current Properties

- All Assets - Incl. Sold Assets
- 1000 Valley Park Drive (VPD)
- 1010 Arapaho (1AR)
- 1200 N. Mayfair (140)
- 1201 Kas Drive (1KA)
- 121 Airport Centre I (1AC)
- 121 Airport Centre I (1AC)
- 121 Airport Centre I - Dev
- 121 Airport Centre II (1A2)
- 1233 N. Mayfair (014)
- 12600 Building (12B)
- 1401 N. Plano Road (14P)
- 150 West Carpenter Freewa
- 1501 N. Plano Road (15P)
- 1515 Boca (024)
- 1660 International Drive (13
- 1717 Rhode Island (202)
- 1737 North First Street (1NF
- 1800 Arch Street (267)
- 1900 16th St (252)
- 1900 16th St (2521)
- 1900 16th St Parking Gar
- 1900 16th St Surface Park
- 1900 16th St P1 Level Gar
- 1900 Spring Road (15R)
- 1919 Market Street (285)
- 20 North Clark Street (282)
- 200 Fifth Avenue (287)
- 200 FIFTH AVENUE-MEZZ.
- 200 5th Avenue (2871)
- 2085 Midway Road (2MD)
- 212 Corporate Center (098)

20 North Clark Street

As of October 31, 2010

20 North Clark Street is a 36-story, Class B, high-rise office building in downtown Chicago, Illinois. Constructed in 1981, the building contains 393,030 rentable square feet. The property is located on a 0.32 acre site in the heart of Chicago's Central Loop district at the northwest corner of Clark and Madison Streets. The building benefits from convenient access to many government buildings, including the Federal Courthouse and City Hall, as well as Chicago Transit Authority (CTA) bus lines, public train stations, and "el" trains. There is no on-site parking at the asset, but is available at several public facilities in the vicinity.

Property View



Leasing / Location

NRA/Leased SF	393,094 / 342,531 (87.1%)
Address	20 North Clark St
City/State/Zip	Chicago, IL 60602
MSA/Div/County	Chicago, IL / Cook
Region/Sub/Loc	Midwest / East North Central / Central
TWR Market	Chicago (LaSalle Street)

Capitalization

	Fair Value	PSF	Cost	PSF
Real Estate	\$45,400,000	115.49	\$59,394,114	151.09
Debt	28,400,000	72.25		
RE Equity	17,000,000	43.25		
MEPT Net Inv	12,983,927		56,422,276	
Part. Net Inv	\$683,364		\$2,971,838	

Attributes

Asset #	282
Portfolio	MEPT
Life cycle	Operating
Property type	Office / High-rise / Class B
Stories	36
# of buildings	1
Acreage	0.32
Parking	0
Date acq/sold	3/5/2008
Constr. start	N/A
Year built	1981
Year renovated	N/A
Next appraisal	1Q 2011
Investment style	Core
Investment type	Leveraged Partnership
Acquisition type	Purchase of existing asset
Owner(s)	MEPT Assets (95.00%), Hamilton Partners (5.00%)

Management

Asset Manager	Steve Reents
Analyst	Danny Zorotovich
Accountant	Phillip Blair
Acquisition Officer	Paul Boneham
Valuation Officer	Elizabeth Parker
Const Admin	N/A
Property Manager	Renee Broadbent / (312) 332-6660
PM Company	Hamilton Partners
Leasing Agent	N/A
Leasing Company	N/A

Property Level Performance

As of 9/30/2010

	Income	Apprec	Total	Bench*
Quarter	2.17%	2.88%	5.10%	3.28%
YTD	6.24%	0.06%	6.29%	4.23%
1 Year	8.03%	-0.36%	7.63%	2.27%
3 Year				-5.60%
5 Year				2.26%
10 Year				4.15%
Since Incept	7.81%	-12.01%	-5.07%	

*Total return for NPI: Metro IL - Chicago ; Property Type Office
Returns shown are gross, unleveraged for operating periods only.

Financials

	Month to Date			Quarter to Date			Year to Date			Annual
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Budget
Operating revenue	\$718	\$732	-\$14	\$718	\$732	-\$14	\$7,105	\$7,101	\$4	\$8,574
Operating expense	390	395	5	390	395	5	4,101	4,112	11	4,934
NOI	328	337	-9	328	337	-9	3,004	2,989	15	3,640
Capital expenditures	-28	-20	-8	-28	-20	-8	-721	-977	256	-1,720
Debt service	-145	-145	0	-145	-145	0	-1,423	-1,423	0	-1,709
NOI less CapEx & D.S.	\$155	\$172	-\$17	\$155	\$172	-\$17	\$860	\$589	\$270	\$211

Expirations

	Vacant	2010	2011	2012	2013	2014	>2014
Square feet	50,563	15,727	52,718	23,972	53,151	37,543	159,420
% of asset	12.9%	4.0%	13.4%	6.1%	13.5%	9.6%	40.6%

Major Tenants

	SF	% of SF	Exp Date	% Base Rent	Rent / SF
Flamm, Teilbloom & Stanko, Ltd.	11,784	3.0%	01/31/13	5.6%	\$25.54
Nyhan, Bambrick, Kinzie & Lowry, P.C.	16,701	4.2%	07/31/18	4.6%	\$14.95
Lotsoff Capital Management	24,127	6.1%	04/30/17	4.5%	\$10.07
Donald J. Nolan Ltd.	11,850	3.0%	04/30/20	3.7%	\$16.61
McArdle, Frost & Brinton	11,850	3.0%	03/31/13	3.4%	\$15.25

Powered by **REQUEST V3**

Exhibit 5

Energy Efficiency Best Management Practices Toolkit

Purpose:

The Energy Efficiency Best Management Practices Toolkit addresses monitoring and improving building energy performance. This Toolkit does this by understanding the building's energy consumption profile, identifying how energy is used, and tracking energy consumption data so that patterns can be analyzed, while meeting the requirements of LEED-EB O&M. Additionally, this Toolkit addresses the use of renewable energy and emissions offsets. This Toolkit contains the necessary elements to meet the USGBC LEED-EB O&M requirements, practice high-performance property operations and uphold Kennedy Associates' commitment to Responsible Property Investing during the Performance Period and on an ongoing basis. Refer to the memo from Kennedy Associates regarding their commitment to energy efficiency for further information.

Applicable LEED-EB O&M Credits:

EA Prerequisite 2	Minimum Energy Efficiency Performance
EA Credit 1	Optimize Energy Performance
EA Credit 3.1	Performance Measurement - Building Automation System
EA Credit 3.2 - 3.3	Performance Measurement - System-Level Metering
EA Credit 4	Renewable Energy
EA Credit 6	Emissions Reduction Reporting

Responsible Parties:

Asset Level
Asset Manager
Financial Analyst
Property Level
Property Manager
Building Engineer
Facility Manager

Energy Efficiency Tools:

Tool #	Name	Related LEED-EB O&M Credits	Description	Frequency of Update/ Use
Tool 1	Building Automation System Preventative Maintenance Plan	EAc3.1	A template plan for maintaining the Building Automation System (BAS) so that it effectively monitors building systems, to be completed according to the building's specific BAS requirements.	Annually
Tool 2	ENERGY STAR Instructions	EAp2 EAc1	Instructions for creating and maintaining an ENERGY STAR Portfolio Manager account for energy performance measurement.	Annually

Introduction: continued

Tool 3	Energy Performance Summary Workbook	EAp2 EAc1 EAc3.2 - 3.3	A tool to track the energy trends in the building, including meters in place, energy consumption, energy performance, and the ENERGY STAR score.	Quarterly
Tool 4	Energy Meter Calibration Log	EAp2 EAc1 EAc3.2 - 3.3	A log to track the calibration of meters and monitoring tools present at the building per manufacturer's recommended interval.	Annually
Tool 5	Building Automation System Log	EAc3.1	A log used to describe the current Building Automation System in place at the building and its monitoring capacity.	Annually
Tool 6	Renewable Energy Tool	EAc4 EAc6	A tool to track renewable energy purchases made for the building.	Annually
Tool 7	Quality Control Plan	All	A Quality Control Plan employed to track required LEED-EB O&M performance data using the provided Tools	Annually
Tool 8	Glossary & Resources	All	A glossary, reference and resources document related to this Toolkit	Annually

Tool 1: Building Automation System Preventative Maintenance Plan

Applicable LEED-EB O&M Credits:

EA Credit 3.1 Performance Measurement - Building Automation System

Instructions:

If a building intends to target EA Credit 3.1, it must develop a written Building Automation System (BAS) Preventative Maintenance Plan. The plan ensures that BAS components are tested and repaired or replaced according to the manufacturer's recommended interval. The structure of the plan should include the components listed below and can be expanded if necessary to meet specific building operational requirements. All components below must be included to meet the minimum LEED-EB O&M credit requirements.

Note: If an existing plan is already in place (typically in the form of a service contract or vendor program), verify that the LEED-EB O&M minimum requirements are met and if so, the existing BAS Maintenance Plan may be used in lieu of developing a new plan.

Plan Components:

1	Description of the BAS and systems monitored. LEED-EB O&M requires the following systems are monitored, at a minimum (LEED-EB O&M requires that Space Heating, Space Cooling and Ventilation; Lighting may be monitored under a separate system):
	a Space Heating
	b Space Cooling
	c Ventilation
	d Lighting
2	Describe the method by which sensors are tested and repaired or replaced.
3	Include the required calibration for the following components:
	a Outside air temperature
	b Mixed air temperature
	c Return air temperature
	d Discharge/supply air temperature
	e Coil face discharge air temperature
	f Chilled/heating water supply temperature
	g Condenser entering water temperature
	h Wet bulb temperature
	i Relative humidity
	j Space temperature
	k Economizer and related dampers
	l Cooling and heating coil valves
	m Static pressure
	n Air and water flow rates
	o Terminal unit dampers and flows
4	Outline other optional activities that may be incorporated into the plan:
	a Conduct overall visual inspections
	b Verify control schedules
	c Verify Setpoints
	d Reset and cleaning time clocks
	e Check all gauges
	f Check control tubing
	g Check outside air volumes
	h Check deadbands
5	Responsible Party: Identify the party responsible for verifying that the plan components have been met. The Responsible Party will complete the above tasks, at a minimum, according to LEED-EB O&M credit requirements, to ensure that the BAS Maintenance Plan is properly executed:
6	Forms/Record Keeping: Outline tools (including binders or service tickets) to be used in the BAS Preventative Maintenance Plan and the person(s) responsible for maintaining these tools.
7	Describe the staff training required on an annual basis.

Tool 2: ENERGY STAR Instructions

Applicable LEED-EB O&M Credits:

EA Prerequisite 2	Minimum Energy Efficiency Performance
EA Credit 1	Optimize Energy Performance

Establish Your Personal EPA/ENERGY STAR Portfolio Manager Account:

1	Go to http://www.energystar.gov/benchmark
2	In the box on right side of the screen that says "Portfolio Manager Login," click the link labeled "New User? Register."
3	Fill out the form, including all fields marked as "required."
4	Ignore the section marked "(Optional) Master Account Feature." Do not check the box marked "Display my user and organization name to Portfolio Manager users who wish to share facilities with my account."
5	Click "Save Profile" at the bottom of the page.
6	If your choices for username and password are accepted, then your account has been established and you will receive an e-mail confirmation. If the username and/or password are already in use, you will be asked to choose a different one before proceeding. <i>Please write down your login information and be sure to keep it handy!</i>
7	Once your account is established, email your username to Norman Hawkins for Office buildings and Andy Sanborn for Industrial buildings. You will receive an email from the Kennedy Associates ENERGY STAR Team once buildings have been shared in your account and instructions for creating and managing views.
8	You can access Portfolio Manager by going to http://www.energystar.gov/benchmark , entering your username and password in the box and clicking on the button marked "Login" in the "Portfolio Manager" box.

Managing Views:

The My Portfolio page uses views to display summarized data. A view is a set of columns that display various data in a table. Portfolio Manager provides the ability for a user to create their own view by selecting the columns (up to seven) to display on the My Portfolio page. It also enables the user to select the number of facilities that can display on the My Portfolio page (e.g., 25, 50). There are over 70 different data columns that can be selected. Portfolio Manager includes eight standard views of your facility data:

	ENERGY STAR Recognition - displays the progress or status of submitted ENERGY STAR applications and/or Building Profiles. Note: not available in the Facility Performance table on the Facility Summary page.
	Performance: Environmental - displays the amounts of CO2 gases reduced along with baseline and actual energy intensities.
	Performance: Targets - displays current and target site energy intensities, annual energy cost, and target rating. <i>Note: not available in the Facility Performance table on the Facility Summary page.</i>
	Performance: Financial - displays totals of investments and costs in aggregate and per square foot.
	Performance: Rating/Improvement - displays baseline and current periods, baseline and current annual energy intensity, and baseline and current ratings. <i>Note: not available in the Facility Performance table on the Facility Summary page.</i>
	Performance: Water Use - displays the water use for indoor, indoor and outdoor and wastewater. Also displays total indoor and outdoor water use cost.
	Summary: Energy Use - displays total energy used and saved in aggregate and per square foot (or square meter).
	Summary: Facilities - the default view that displays each facility's adjusted percent energy reduction, rating, eligibility for the ENERGY STAR designation, and Period Ending Date. <i>Note: not available in the Facility Performance table on the Facility Summary page.</i>

Any view can be set as the default view. The default view will display automatically after logging into Portfolio Manager.

Tool 2: continued

Create a View	
Follow the steps below to create a custom view:	
1	From the My Portfolio page or the Facility Summary page, select the Create View link. The Create New View page will open.
2	Enter a name for the view.
3	If this view is to be the default view displayed on the My Portfolio page, select the box labeled Set this View as My Portfolio Default. A check will appear in the box.
4	Select each column to be included in the view by selecting an order number from the Preferred Column Order drop-down menu to the left of the facility data name. The number that is selected will represent the column order (left to right) on the My Portfolio page. Note: Columns are marked as "n/a for campuses" if the column data is not relevant for a campus; if selected, 'N/A' will display as column data in a view. Up to seven different facility data elements can be selected. No two can have the same order number. To de-select, set the order number to "blank" in the drop-down menu.
5	The Kennedy ENERGY STAR Committee requests you create two views selecting the following data fields:
	Baseline Rating
	Current Rating
	Current Energy Period Ending Date
	Annual Energy Cost
	Total Energy Cost per SF
	Cumulative Investment in Facility Upgrades
	Adjusted Energy Reduction
	Eligibility for the ENERGY STAR
	ENERGY STAR Application Status
	Energy Use Alerts
	Space Use Alerts
	Building Profile Status
	CO2 Reduced
6	Select the Save button. You will be returned to the My Portfolio page.

Delete a View:	
Follow the steps below to delete a custom view (<i>Note: Only views created by a user can be deleted</i>):	
	From the My Portfolio page or the Facility Summary page, in the View box select the view to be edited. The page will update to show data for the selected view.
	Select the Edit View. The Edit View page will open.
	Select the Delete View button to the right of the view name. The Delete View confirmation page will open.
	Select the Delete button. You will be returned to the My Portfolio page.

End of Performance Period:	
The energy usage through the end of the performance period must be entered into ENERGY STAR. The billing cycles of the utility companies will make entering the month of November's energy usage challenging with the fast pace of the USGBC submission deadlines. It is imperative that ENERGY STAR be kept up to date throughout the performance period and November's numbers be inputted as soon as it is received due to the fast paced USGBC submission deadline.	
Once the energy usage for November is input into ENERGY STAR, print a copy of the Statement of Energy Performance (make sure to include November 2009) and upload to the Kennedy Associates' SharePoint Document Site.	

Tool 3: Energy Performance Summary Tool

Applicable LEED-EB O&M Credits:	
EA Prerequisite 2	Minimum Energy Efficiency Performance
EA Credit 1	Optimize Energy Performance
EA Credit 3.2 - 3.3	Performance Measurement - System-Level Metering

Instructions:
 Compile a list of energy meters and submeters present at the building and record within the Meter Record table below. Once the meter record is complete, compile monthly meter data and list in Monthly Reading table below. It may be necessary to change the metrics according to the type of metered system (kWh, therms, etc.). Add additional Monthly Readings tables as necessary.

Basic Building Information:	
Building Name	
Address	
Responsible Party	

Meter Record:*							
Meter Number	Meter Description	Energy Type (Units)	Location	System Served	Reading Method	Reading Interval **	Meter Owner ***
1	Example Meter	Electricity (kWh)	Elec. 103	lighting	digital	15 minutes	building
2							
3							
4							
5							

* Include all energy meters (e.g., electricity, natural gas, chilled water, heating water).
 ** LEED-EB O&M requires a minimum reading interval of one week.
 *** If the building owner, tenant or management organization owns the meter, a calibration log must be kept.

Meter #1:

Monthly Readings:				
Reading	Date Range	Usage (kWh)	Cost (\$)	ENERGY STAR Score
month 1	3/24/09-4/23/09	1000	\$100.00	82
month 2				
month 3				
month 4				
month 5				
month 6				
month 7				
month 8				
month 9				
month 10				
month 11				
month 12				

Tool 3: continued

Meter #2:

Monthly Readings:				
Reading	Date Range	Usage (kWh)	Cost (\$)	ENERGY STAR Score
month 1				
month 2				
month 3				
month 4				
month 5				
month 6				
month 7				
month 8				
month 9				
month 10				
month 11				
month 12				

Meter #3:

Monthly Readings:				
Reading	Date Range	Usage (kWh)	Cost (\$)	ENERGY STAR Score
month 1				
month 2				
month 3				
month 4				
month 5				
month 6				
month 7				
month 8				
month 9				
month 10				
month 11				
month 12				

Tool 4: Energy Meter Calibration Log

Related LEED-EB O&M Credits:	
EA Prerequisite 2	Minimum Energy Efficiency Performance
EA Credit 1	Optimize Energy Performance
EA Credit 3.2 - 3.3	Performance Measurement - System-Level Metering

Instructions:
 Complete the Meter Record based on Tool 3: Energy Performance Summary Tool. Note meters owned by third parties. For meters not owned by third parties, complete the following calibration log based on the manufacturer's recommended calibration interval.

Basic Building Information:	
Building Name	
Address	
Responsible Party	

Meter Record:							
Meter Number	Meter Description	Location	Energy Uses Served	Reading Method	Meter Owner	Mfg. Recommended Calibration Interval	Notes
1	Example Meter 1	Rooftop	Chiller	manual	building	2 years	
2	Example Meter 2	NW Corner	lighting	electronic	utility	NA	
3							
4							
5							

Meter #1 Calibration Log:		
Interval	Date Required	Date Completed
Interval 1*	4/25/2009	4/27/2009
Interval 2		
Interval 3		
Interval 4		

Tool 4: continued

Meter #2 Calibration Log:		
Interval	Date Required	Date Completed
Interval 1	4/25/2009	4/27/2009
Interval 2		
Interval 3		
Interval 4		

Meter #3 Calibration Log:		
Interval	Date Required	Date Completed
Interval 1	4/25/2009	4/27/2009
Interval 2		
Interval 3		
Interval 4		

*Frequency taken from Meter Record Table above

Tool 5: Building Automation System Log

Related LEED-EB O&M Credits:	
EA Credit 3.1	Performance Measurement - Building Automation System

Instructions
 Complete the Space Heating, Space Cooling, Ventilation and Space Lighting tables below for systems monitored on the Building Automation System (BAS). The HVAC Points List should include sensors that measure: outside air temp., mixed air temp., return air temp., discharge/supply air temp., coil face discharge air temp., chilled/heating water supply temp., condenser entering water temp., wet bulb temp., relative humidity, space temp., economizer and related dampers, cooling and heating coil valves, static pressure, air and water flow rates, and terminal unit dampers and flows.

If system calibration occurred in the past year, upload the summary reports of calibration to the Kennedy Associates' SharePoint Document Site. If calibration did not occur, upload the system maintenance contract in lieu of a calibration report to verify planned maintenance. Some sensors or actuators do not require calibration during their life time, if this is the case documentation from the manufacturer is required. All supporting documentation should be uploaded to the Kennedy Associates' SharePoint Document Site.

Basic Building Information:	
Building Name	
Address	
Responsible Party	

Space Heating:						
Points List	Sensor / Actuator Name	Sensor / Actuator Type	Sensor / Actuator Mfg.	Mfg. Calibration Interval	Mfg. Replacement Interval (if applicable)	Notes
SF-1 motor	Supply Heating HW Temp	Temperature	Acme	2 years	N/A	None

Space Cooling:						
Points List	Sensor / Actuator Name	Sensor / Actuator Type	Sensor / Actuator Mfg.	Mfg. Calibration Interval	Mfg. Replacement Interval (if applicable)	Notes

Tool 5: continued

Ventilation:						
Points List	Sensor / Actuator Name	Sensor / Actuator Type	Sensor / Actuator Mfg.	Mfg. Calibration Interval	Mfg. Replacement Interval (if applicable)	Notes

Lighting System:						
Points List	Sensor / Actuator Name	Sensor / Actuator Type	Sensor / Actuator Mfg.	Mfg. Calibration Interval	Mfg. Replacement Interval (if applicable)	Notes
Hallway Controls						

Tool 6: Renewable Energy Tool

Related LEED-EB O&M Credits:	
EA Prerequisite 2	Minimum Energy Efficiency Performance
EA Credit 1	Optimize Energy Performance
EA Credit 4	Renewable Energy - On-site / Off-site
EA Credit 6	Emissions Reduction Reporting

Instructions:
 Complete the Year One Energy Sources table below with information regarding on-site renewable energy product, off-site renewable energy, purchases and annual building energy consumption. Continue to track this information ongoing each year. Renewable energy sources can include: photovoltaic, solar thermal, biofuel-based electrical, geothermal heating, geothermal electric, low-impact hydroelectric power, and wave or tidal power systems.

Notes: 1 therm = 100,000 Btu = 29.3 kWh; 1 kWh = 3.413 kBtu

Basic Building Information:	
Building Name	
Address	
Responsible Party	

Year One Energy Sources:						
	On-Site Renewable Source			Off-Site Renewable Source		
	Type	Energy Provided (kWh)	Total Percentage	Type	Energy Provided (kWh)	Total Percentage
Source 1	PV Panels	25,000	2.5%			0.0%
Source 2			0.0%	Green Power	100,000	10.0%
Source 3			0.0%			0.0%
Annual Building Energy Consumption						
Electrical (kWh)	Natural Gas (therms)	Total (kWh)				
1,000,000	2,000	1,000,068				

Year Two Energy Sources:						
	On-Site Renewable Source			Off-Site Renewable Source		
	Type	Energy Provided (kWh)	Total Percentage	Type	Energy Provided (kWh)	Total Percentage
Source 1			#DIV/0!			#DIV/0!
Source 2			#DIV/0!			#DIV/0!
Source 3			#DIV/0!			#DIV/0!
Annual Building Energy Consumption						
Electrical (kWh)	Natural Gas (therms)	Total (kWh)				
		0				

Year Three Energy Sources:						
	On-Site Renewable Source			Off-Site Renewable Source		
	Type	Energy Provided (kWh)	Total Percentage	Type	Energy Provided (kWh)	Total Percentage
Source 1			#DIV/0!			#DIV/0!
Source 2			#DIV/0!			#DIV/0!
Source 3			#DIV/0!			#DIV/0!
Annual Building Energy Consumption						
Electrical (kWh)	Natural Gas (therms)	Total (kWh)				
		0				

Tool 6: continued

Year Four Energy Sources:						
	On-Site Renewable Source			Off-Site Renewable Source		
	Type	Energy Provided (kWh)	Total Percentage	Type	Energy Provided (kWh)	Total Percentage
Source 1			#DIV/0!			#DIV/0!
Source 2			#DIV/0!			#DIV/0!
Source 3			#DIV/0!			#DIV/0!
Annual Building Energy Consumption						
Electrical (kWh)	Natural Gas (therms)	Total (kWh)				
		0				

Year Five Energy Sources:						
	On-Site Renewable Source			Off-Site Renewable Source		
	Type	Energy Provided (kWh)	Total Percentage	Type	Energy Provided (kWh)	Total Percentage
Source 1			#DIV/0!			#DIV/0!
Source 2			#DIV/0!			#DIV/0!
Source 3			#DIV/0!			#DIV/0!
Annual Building Energy Consumption						
Electrical (kWh)	Natural Gas (therms)	Total (kWh)				
		0				

Tool 7: Quality Control Plan

Instructions:

This document is intended to be completed by the **Responsible Group** as an ongoing checklist to verify credit requirements and building performance.

1. Complete each **Quality Control Task** at the required **Frequency** listed below.
2. Verify that each task is complete under **Task Completion** and note the **Task Completion Date**.
3. Upload **Supporting Documents** to the Kennedy Associates' SharePoint Document Site by the **Task Completion Date**. If there are no documents associated with a task, the documents are noted as "N/A".
4. Review entire entry for **Quality Assurance** and mark the **Date Reviewed** once complete.

Quality Control is the completion of tasks, including the implementation of strategies and development of required documentation. Quality Control tasks should be completed by the Responsible Group according to the stated frequency.

Quality Assurance is the verification that documentation has been completed on time and in a correct manner for each building. Quality Assurance does not require the actual completion of documentation, but simply the confirmation that the Responsible Group has completed the stated objectives and tasks.

Basic Building Information:

Building Name
 Address

Energy Performance Measurement:

Quality Control Task	Supporting Documents	Responsible Group	Frequency	Task Completion	Task Completion Date	Quality Assurance	Date Reviewed
Complete the Energy Performance Summary Workbook	Energy Performance Summary Tool	Property Level	Quarterly	(Y/N)		Property Management	
Complete the Energy Meter Calibration Log	Energy Meter Calibration Log	Property Level	Annually	(Y/N)		Property Management	
Energy meter calibration occurred in the past year	Meter calibration report for non-third-party meters (if applicable)	Property Level	Annually	(Y/N)		Asset Management	
Enter energy use summaries into ENERGY STAR Portfolio Manager	N/A	Property Level	Monthly	(Y/N)		Asset Management	
Explain how the space attributes and actual operational variable used to generate the ENERGY STAR rating were derived	N/A	Property Level	Quarterly	(TEXT)		Asset Management	
Describe how the metering results are used on an ongoing basis to identify energy savings	N/A	Property Level	Quarterly	(TEXT)		Asset Management	
Confirm that Energy Performance Measurement data has been input as required	N/A	Asset Level	Quarterly	(Y/N)		Portfolio Management	
Verified that performance thresholds have been met in building-scorecard	N/A	Asset Level	Annually	(Y/N)		Portfolio Management	

Tool 7: continued

Energy Performance Monitoring:

Quality Control Task	Supporting Documents	Responsible Group	Frequency	Task Completion	Task Completion Date	Quality Assurance	Date Reviewed
Verify that the building has a computer-based Building Automation System	N/A	Property Level	Annually	(Y/N)		Property Management	
Verify if the building has a BAS that monitors the following building systems: space heating, space cooling, ventilation and lighting	N/A	Property Level	Annually	(TEXT)		Property Management	
Completed the Building Automation System Log	Building Automation System Log	Property Level	Annually	(Y/N)		Asset Management	
Building staff were made aware of the BAS Preventative Maintenance for the project building	BAS Preventative Maintenance Plan	Property Level	Annually	(Y/N)		Portfolio Management	
The BAS was calibrated and a system testing was performed in the last year	Summary report of calibration and system testing performed (if applicable)	Property Level	Annually	(Y/N)		Portfolio Management	
Confirmed that Energy Performance Monitoring data has been input as required	N/A	Asset Level	Annually	(Y/N)		Portfolio Management	
Verify that performance thresholds have been met in building-level scorecard	N/A	Asset Level	Annually	(Y/N)		Portfolio Management	

Energy and Emissions Offsets:

Quality Control Task	Supporting Documents	Responsible Group	Frequency	Task Completion	Task Completion Date	Quality Assurance	Date Reviewed
Verify if the building purchases green power or RECs from an off-site provider	N/A	Property Level	Quarterly	(Y/N)		Property Management	
Complete the Renewable Energy Tool	Renewable Energy Tool	Property Level	Quarterly	(Y/N)		Property Management	
Green power or REC contract term	Copy of green power contract	Property Level	Annually	(Y/N)		Asset Management	
Confirm that Energy and Emissions Offsets data has been input as required	N/A	Asset Level	Annually	(Y/N)		Portfolio Management	
Verify that performance thresholds have been met in building-level scorecard	N/A	Asset Level	Annually	(Y/N)		Portfolio Management	

Tool 8: Glossary & Resources

Glossary:

Term	Definition
Biofuel-based systems	Power systems that run on renewable fuels derived from organic materials, such as wood by-products and agricultural waste. Examples of biofuels include untreated wood waste, agricultural crops and residues, animal waste, other organic waste, and landfill gas.
Biomass	Plant material from trees, grasses, or crops that can be converted to heat energy to produce electricity.
Building automation system (BAS)	Computer-based monitoring system to coordinate, organize, and optimize building control subsystems, including lighting, equipment scheduling, and alarm reporting.
Economizer	A device used to make building systems more energy efficient. Examples include HVAC enthalpy controls, which are based on humidity and temperature.
Emissions reduction reporting	The calculating, tracking, and documenting of the greenhouse gas emissions that result directly from energy use and other operations of a building.
ENERGY STAR rating	A measure of a building's energy performance compared with that of similar buildings, as determined by the ENERGY STAR Portfolio Manager. A score of 50 represents average building performance.
Geothermal energy	Electricity generated by converting hot water or steam from within the earth into electrical power.
Geothermal heating systems	Heating systems that use pipes to transfer heat from underground steam or hot water for heating, cooling, and hot water. The system retrieves heat during cool months and returns heat in summer months.
Greenhouse gases (GHG)	Gases that absorb and emit radiation at specific wavelengths within the spectrum of thermal infrared radiation emitted by Earth's surface, clouds, and the atmosphere itself. Increased concentrations of greenhouse gases are a root cause of global climate change.
Hydropower	Electricity produced from the downhill flow of water from rivers or lakes. Off-site renewable energy is derived from renewable energy sources and generated outside the project site perimeter; it is delivered through a private agreement with the energy-generating entity.
On-site renewable energy	Energy derived from renewable sources located within the project site perimeter.

Tool 8: continued

Photovoltaic (PV) energy	Electricity from photovoltaic cells that convert the energy in sunlight into electricity.
Renewable energy	Energy that comes from sources that are not depleted by use. Examples include energy from the sun, wind, and small (low-impact) hydropower, plus geothermal energy and wave and tidal systems. Ways to capture energy from the sun include photovoltaic, solar thermal, and bioenergy systems based on wood waste, agricultural crops or residue, animal and other organic waste, or landfill gas.
Renewable energy certificates (RECs)	Tradable commodities representing proof that a unit of electricity was generated from a renewable energy resource. RECs are sold separately from electricity itself and thus allow the purchase of green power by a user of conventionally generated electricity.
Site energy	The amount of heat and electricity consumed by a building, as reflected in utility bills.
Solar thermal systems	Systems that collect or absorb sunlight via solar collectors to heat water that is then circulated to the building's hot water tank. Solar thermal systems can be used to warm swimming pools or heat water for residential and commercial use.
Source energy	The total amount of raw fuel required to operate a building; it incorporates all transmission, delivery, and production losses for a complete assessment of a building's energy use.
Submetering	Used to determine the proportion of energy use within a building attributable to specific end uses or subsystems (e.g., the heating subsystem of an HVAC system).
Wave and tidal power systems	Systems capture energy from waves and the diurnal flux of tidal power, respectively. The captured energy is commonly used for desalination, water pumping, and electricity generation.
Wind energy	Electricity generated by wind turbines.

Resources:

Source	Website	Description
Advanced Buildings Technologies and Practices	http://www.advancedbuildings.org	This online resource, supported by Natural Resources Canada, presents energy-efficient technologies, strategies for commercial buildings, and pertinent case studies.
American Society of Heating, Refrigerating and Air-Conditioning Engineers	http://www.ashrae.org	ASHRAE advances the science of heating, ventilation, air conditioning, and refrigeration through research, standards writing, continuing education, and publications. ASHRAE has developed publications on energy use in existing buildings.
American Wind Energy Association	http://www.awea.org	This national trade association represents wind power plant developers, wind turbine manufacturers, utilities, consultants, insurers, financiers, researchers, and others involved in the wind industry.

Tool 9: continued

Direct Digital Controls Online	http://www.ddc-online.org	The DDC Online website provides information on direct digital controls and a searchable database of DDC manufacturers.
ENERGY Guide	http://www.energyguide.com	This website provides information on different power types, including green power, as well as general information on energy efficiency and tools for selecting power providers based on economic, environmental, and other criteria.
ENERGY STAR®	http://www.energystar.gov	ENERGY STAR is a government-industry partnership managed by the U.S. EPA and the U.S. DOE. The program's website offers energy management strategies, benchmarking software tools for buildings, product procurement guidelines, and lists of ENERGY STAR products and buildings.
ENERGY STAR® 2007 Professional Engineer's Guide to the ENERGY STAR® Label for Commercial Buildings	http://www.energystar.gov/ia/business/evaluate_performance/p.m_pe_guide.pdf	This guide provides information for determining the eligibility of buildings for an ENERGY STAR rating, definitions, and procedures for deriving data for use in Portfolio Manager and verifying the physical and operating characteristics of eligible buildings.

KENNEDY ASSOCIATES

REAL ESTATE COUNSEL, LP

Institutional Advisors Since 1978

1215 Fourth Avenue • 2400 Financial Center • Seattle, WA 98161
Phone: 206.623.4739 • Fax: 206.682.4769

EXTERNAL MEMORANDUM

To: MEPT and SEPAC Asset Managers and Analysts
From: ENERGY STAR Committee
Date: 9/21/09
Regarding: ENERGY STAR: Asset Management Responsibilities and Processes
CC: Preston Sargent and Bob Ratliffe

The following document provides the current list of ongoing Asset Manager and Analyst responsibilities as they relate to Kennedy monthly ENERGY STAR benchmarking program for MEPT SEPAC assets. The following information provides additional directives for standardizing the information presented in "EPA/ENERGY STAR Portfolio Manager," the on-line ENERGY STAR benchmarking tool, for each building. New information included in the memo is highlighted in **bold** for your reference.

General Duties:

- Asset Managers should continually work with their respective property management teams to improve building energy efficiency by implementing cost-effective solutions and best practices.
- Asset Managers should review the benchmarking information entered by property managers into MRI (i.e. ENERGY STAR score, expanded designation information and related comments) **PRIOR to the monthly benchmarking deadline** which falls on the last day of the following month. **This new monthly deadline became effective on September 30, 2008. Utility data within Portfolio Manager must be no older than 45 days.**
- **On a monthly basis, Asset Managers should analyze their respective portfolios, proposing the addition/removal of buildings for benchmarking based on program criteria previously distributed. It is the responsibility of the Asset Manager to contact the ENERGY STAR Committee (Christian, Kelli, Norman, Margie and Andy) with any proposed changes (additions/removals) to the benchmarking portfolio.**
 - Asset managers should use the newly created ENERGY STAR report within LINK at Reporting/Asset Reports/Building Listing (ENERGY STAR) to help facilitate this process (Exhibit A).
- Asset Managers should highlight best practices at their buildings by communicating success stories to the ENERGY STAR Committee as well as to their Directors.
- Asset Managers should track building level efforts to improve energy efficiency.
 - Property Managers should create a tracking list of all energy efficiency projects noting implementation date, expected cost, energy savings, and estimated payback.
- Currently, the ENERGY STAR/LEED designation tracking sheet (<R:\RPI\Energy Star\Energy Star Benchmarking\EStar Designations\EStar and LEED Designation Tracking.xls>) is used to maintain an updated list of all buildings holding Energy Star and LEED designations, or that are in the process of obtaining same. **The ENERGY STAR information will be incorporated into the aforementioned MRI and LINK ENERGY STAR reports which will be updated on a monthly basis by Property Managers for Asset Manager review and approval.** However, LEED related project information will continue to need to be updated within this same spreadsheet at this time.
- Asset Managers should pursue ENERGY STAR designations for benchmarked buildings as well as annual recertification, score permitting. Please note all buildings with ENERGY STAR scores of ≥ 75 , but that have not yet received the designation as "in-process."

EPA/ENERGY STAR Portfolio Manager ("Portfolio Manager") Access:

- **All Asset Managers and Analysts are required to set up a user name and password for access to Portfolio Manager, regardless of whether or not you are currently responsible for buildings that are being benchmarked.**
- **Instructions to set up access to Portfolio Manager, as discussed in the ENERGY STAR sponsored Webinar in August 2008 and provided electronically upon request, are attached in Exhibit B.**

Communicating ENERGY STAR Successes:

- Asset Managers should work with Property Managers to promote ENERGY STAR and communicate improvements in energy efficiency at the portfolio and individual building level.
 - Once an ENERGY STAR designation is received (or-renewed), a press release (**Exhibit C**) should be created to highlight the energy efficiency achievements at the asset. The press release should be reviewed and approved by the Asset Manager prior to distribution.
 - **Additionally, each Asset Manager should work with his/her respective Property Manager to create an ENERGY STAR Building Profile after receiving the designation as highlighted on www.energystar.gov. The Building Profile is an important marketing tool to promote the asset and its respective energy-related achievements on the ENERGY STAR website.**
 - **A sample Building Profile is attached as Exhibit D.**
 - **Asset and Property Managers should also review the *Ideas for Promoting ENERGY STAR* manual (Exhibit E) and technical assistance program ideas created by Ahbra Williams (Exhibit F), to help promote ENERGY STAR and energy saving activities at the property level.**

Owner/Contact Information:

As the number of ENERGY STAR designated buildings has grown, so has the variety of listed ownership entities for MEPT within ENERGY STAR. Please have your Property Managers make the following changes within EPA/ENERGY STAR Portfolio Manager to maintain consistency:

- For MEPT, ensure that the building's owner is displayed as **MEPT/Kennedy Associates**.
- For SEPAC buildings, Bob Ratliffe will contact each client to determine the appropriate owner's designation for each, which will be communicated to each SEPAC Asset Manager.
- For all benchmarked buildings, please include Kennedy's contact information as the owner's contact, noting either Mike McCormick or Jeanette Flory by MEPT region and Scott Matthews for each SEPAC building.
- Updated contact information for the respective Property Manager should also be entered into Portfolio Manager in the field provided.
- When a building qualifies for the ENERGY STAR label or is re-certified, please make sure that correct building information, ownership entity and contact information for Kennedy and the Property Manager are noted in the required Statement of Energy Performance (SEP) form.
 - The SEP is approved by the Professional Engineer and becomes the basis for information displayed in the ENERGY STAR website for labeled buildings.
 - For existing, incorrectly noted ENERGY STAR labeled buildings, Kennedy will work directly with ENERGY STAR to update the currently noted owner, property manager etc.

Updated Requirements

Benchmarking Water Usage:

- **In addition to tracking electricity related usage through the ENERGY STAR benchmarking process, Kennedy also has the ability to track water usage data through Portfolio Manager. Asset Managers should instruct Property Managers to begin inputting all required water meter data (noted as inside and outside) where possible *on a monthly basis* as part of the regular benchmarking update within Portfolio Manager. This change affects all benchmarked**

buildings and is *effective immediately*. Tracking water use to reduce potable water consumption is a key tenet of Kennedy's Responsible Property Investing initiative.

Set an ENERGY STAR Baseline Period:

- ENERGY STAR's Portfolio Manager also provides the ability to set a Baseline Period for each benchmarked building which allows Kennedy to compare the performance of the Baseline year to the current performance of the building. This allows Kennedy to more effectively quantify the results of the benchmarked portfolio over specific periods, and significantly enhances Kennedy's reporting capability to its clients.
- A Baseline Period must be a 12-month period for which your building receives an energy performance rating. Asset Managers should work with Property Managers to define the Baseline as the earliest *stabilized* 12 month period for which each benchmarked building has a rating, but no earlier than 2000. Please have the required information set and incorporated within Portfolio Manager *which became effective as of September 30, 2008*.

Set an ENERGY STAR Target Score:

- Asset Managers should also work with Property Managers to set annual energy reduction goals and Target Scores that are reasonably obtainable. Annual goals in energy reduction are meant to be in the form of a percentage change and should be realistically set based on each building's past energy performance and projected energy efficiency initiatives (operating expenses or capital) for the remainder of 2009 and budgeted for 2010 in concert with the Annual Business Plan process. The Target Score should be entered within Portfolio Manager for each building to facilitate progress tracking and continuous discussion with the Property Manager.
- Target Score guidelines are as follows. Buildings with 3Q08 ENERGY STAR scores of:
 - 65-74 should increase to a score of ≥ 75 to obtain an ENERGY STAR designation.
 - 45-64 should try to increase the building's score by 5%+
 - 30-44 should try to increase the building's score by 10%+
 - 0-29 should try to increase the building's score by 15%+

Cumulative Investment in Facility Upgrades

- ENERGY STAR's Portfolio Manager also provides the ability to enter and track data related to the total investment made in projects intended to improve energy efficiency within each benchmarked building. Tracking this data within Portfolio Manager allows Kennedy to determine capital expenditures and other costs incurred to improve energy performance on a portfolio level
- Each Asset Manager should instruct their respective Property Managers to begin inputting all costs spent on energy efficiency projects to date, as well as continue updating this data *on a monthly basis* as part of the regular benchmarking update within Portfolio Manager for all benchmarked buildings. This change was *effective as of September 30, 2008*.

Exhibit A: ENERGY STAR Link Report

Building Listing with Energy Star Report

As of July 31, 2008

Bldg #	Building Name	Type	City	State	Year Built	NRA	Prorated Value*	Energy Star Rating	Rating Qtr
0041	Buffalo Grove Office	Office	Buffalo Grove	IL	1983	69,280	\$9,600,000	79	2 2008
<p>Energy Star Notes: Energy Star usage was updated for April & May 2008 on the Energy Star website (EPA) on 7/30/2008. 2nd Quarter rating increase by 1 point from 78 to 79 rating. The properties current Energy Star rating was certified on November 5th, 2007. This building will be eligible to reapply in October 2008. Upon availability of June 2008 data, Energy Star & MEPT will be updated.</p> <p>Hamilton Partners will continue to monitor and maintain the building systems as efficiently as possible for tenant comfort. In April, of 2007 new RTU units were installed on the building, which we believed contributed reaching the Energy Star rating. In March 2008, the common areas lighting fixtures were replaced with T-8 lighting. It is expected the 2nd quarter of 2008 will reflect a higher rating. Other actions taken to run the building more efficiently are: lights are kept off in all vacant suites; Atrium lighting is left off during the daylight hours, when sunlight is sufficient for the area; timers are used for parking lot lights and atrium lighting. Building operations times are 6am to 6pm, and the building HVAC is not run on Saturdays after 1pm.</p>									
0251	Arboretum Lakes Office Park	Office	Lisle	IL	1986	136,069	\$17,391,389	90	2 2008
<p>Energy Star Notes: Energy consultant has certified the statement of performance and the application for Energy Star was submitted to the EPA for approval. Designation was awarded and the Energy Star plaques have been placed on the property. The current rating for 2008 Q-2 is "90%".</p> <p>Further Energy Initiatives for the 2nd quarter include the following; 1) engineering staff had outside service perform infrared/thermal scan of the building envelope to detect any air leakage requiring caulking repairs, the caulking work was completed in May. 2) Energy star plaques have been installed. 3) Engineering staff is optimizing start up times relating to current weather conditions to maximize efficiency.</p> <p>These figures are only for April and May 2008. June data will be input upon receipt from Com-Ed.</p>									
0252	Arboretum Lakes Office Park	Office	Lisle	IL	1986	152,634	\$19,508,611	91	2 2008
<p>Energy Star Notes: The Energy Consultant has certified the statement of performance and the building has been renewed for the second quarter of 2008. The Energy Star plaques have been installed on the property. The current rating for 2008 Q-2 is "91%".</p> <p>Further Energy Initiatives for the 2nd quarter include the following; 1) engineering staff had outside service perform infrared/thermal scan of the building envelope to detect any air leakage requiring caulking repairs, the work was completed in May 2008. 2) Energy star plaques have been installed. 3) Engineering staff is optimizing start up times relating to current weather conditions to maximize efficiency.</p> <p>These figures are only for April and May 2008. June data will be input upon receipt from Com-Ed.</p>									
1321	CABRILLO TECHNOLOGY CENTER	Office	San Diego	CA	1962	148,542	\$41,539,957	8	2 2008
<p>Energy Star Notes: Raytheon leases entire building and has several labs that run 24/7.</p>									
1322	CABRILLO TECHNOLOGY CENTER	Office	San Diego	CA	1999	92,150	\$25,769,863	27	2 2008
<p>Energy Star Notes: Raytheon leases entire building. There is a large tenant cafeteria plus lab spaces in the building.</p>									
1323	CABRILLO TECHNOLOGY CENTER	Office	San Diego	CA	1999	45,021	\$12,590,179	60	2 2008
<p>Energy Star Notes: Building is fully occupied. CCSE will be installing a photovoltaic system on the roof top by year end.</p>									
Grand Total						643,696	\$126,400,000		

*Prorated Value is a calculation based on the PSF Market Value of the entire asset, multiplied by the square footage of the building.

Exhibit B

Establish Your Personal EPA/ENERGY STAR Portfolio Manager Account

- 1.) Go to <http://www.energystar.gov/benchmark>
- 2.) In the box on right side of the screen that says "Portfolio Manager Login," click the link labeled "New User? [Register](#)."
- 3.) Fill out the form, including all fields marked as "required."
- 4.) Ignore the section marked "(Optional) Master Account Feature." **Do not** check the box marked "Display my user and organization name to Portfolio Manager users who wish to share facilities with my account."
- 5.) Click "Save Profile" at the bottom of the page.
- 6.) If your choices for username and password are accepted, then your account has been established and you will receive an e-mail confirmation. If the username and/or password are already in use, you will be asked to choose a different one before proceeding. *Please write down your login information and be sure to keep it handy!*
- 7.) Once your account is established, email your username to Norman Hawkins for Office buildings and Andy Sanborn for Industrial buildings. You will receive an email from the Kennedy Associates ENERGY STAR Team once buildings have been shared in your account and instructions for creating and managing views.
- 8.) You can access Portfolio Manager by going to <http://www.energystar.gov/benchmark>, entering your username and password in the box and clicking on the button marked "Login" in the "Portfolio Manager" box.

Managing Views

The My Portfolio page uses views to display summarized data. A view is a set of columns that display various data in a table. Portfolio Manager provides the ability for a user to create their own view by selecting the columns (up to seven) to display on the My Portfolio page. It also enables the user to select the number of facilities that can display on the My Portfolio page (e.g., 25, 50). There are over 70 different data columns that can be selected. Portfolio Manager includes eight standard views of your facility data:

- **ENERGY STAR Recognition** - displays the progress or status of submitted ENERGY STAR applications and/or Building Profiles.

NOTE: not available in the Facility Performance table on the Facility Summary page.

- **Performance: Environmental** - displays the amounts of CO2 gases reduced along with baseline and actual energy intensities.
- **Performance: Targets** - displays current and target site energy intensities, annual energy cost, and target rating.

NOTE: not available in the Facility Performance table on the Facility Summary page.

- **Performance: Financial** - displays totals of investments and costs in aggregate and per square foot.
- **Performance: Rating/Improvement** - displays baseline and current periods, baseline and current annual energy intensity, and baseline and current ratings.

NOTE: not available in the Facility Performance table on the Facility Summary page.

- **Performance: Water Use** - displays the water use for indoor, indoor and outdoor and wastewater. Also displays total indoor and outdoor water use cost.
- **Summary: Energy Use** - displays total energy used and saved in aggregate and per square foot (or square meter).
- **Summary: Facilities** - the default view that displays each facility's adjusted percent energy reduction, rating, eligibility for the ENERGY STAR designation, and Period Ending Date.

NOTE: not available in the Facility Performance table on the Facility Summary page.

Any view can be set as the default view. The default view will display automatically after logging into Portfolio Manager.

Create a View

Follow the steps below to create a custom view:

1. From the My Portfolio page or the Facility Summary page, select the Create View link. The Create New View page will open.
2. Enter a name for the view.
3. If this view is to be the default view displayed on the My Portfolio page, select the box labeled Set this View as My Portfolio Default. A check will appear in the box.
4. Select each column to be included in the view by selecting an order number from the Preferred Column Order drop-down menu to the left of the facility data name. The number that is selected will represent the column order (left to right) on the My Portfolio page.

NOTE: Columns are marked as "n/a for campuses" if the column data is not relevant for a campus; if selected, 'N/A' will display as column data in a view.

NOTE: Up to seven different facility data elements can be selected. No two can have the same order number. To de-select, set the order number to "blank" in the drop-down menu.

The Kennedy ENERGY STAR Committee requests you create two views selecting the following data fields:

- Baseline Rating
 - Current Rating
 - Current Energy Period Ending Date
 - Annual Energy Cost
 - Total Energy Cost per SF
 - Cumulative Investment in Facility Upgrades
 - Adjusted Energy Reduction
 - Eligibility for the ENERGY STAR
 - ENERGY STAR Application Status
 - Energy Use Alerts
 - Space Use Alerts
 - Building Profile Status
 - CO2 Reduced
5. Select the **Save** button. You will be returned to the My Portfolio page.

Edit a View

Follow the steps below to edit a custom view:

NOTE: Only views created by a user can be edited.

1. From the My Portfolio page or the Facility Summary page, in the View box select the view to be edited. The page will update to show data for the selected view.
2. Select the Edit View. The Edit View page will open.
3. Select each column to be included in the view by selecting an order number from the Preferred Column Order drop-down menu to the left of the facility data name. The number that is selected will represent the column order (left to right) on the My Portfolio page.
4. NOTE: Up to seven different facility data elements can be selected. No two can have the same order number. To de-select, set the order number to "blank" in the drop-down menu.
5. Use the Set this view as My Portfolio Default to update the view's status as the My Portfolio page default view (if the box is checked, the view is the default view. If the box is not checked, the view is not the default view).
6. To change the name of the view, type a new name in the View Name text box.
7. Select the **Save** button. You will be returned to the My Portfolio page.

Delete a View

Follow the steps below to delete a custom view:

NOTE: Only views created by a user can be deleted.

1. From the My Portfolio page or the Facility Summary page, in the View box select the view to be edited. The page will update to show data for the selected view.
2. Select the Edit View. The Edit View page will open.
3. Select the Delete View button to the right of the view name. The Delete View confirmation page will open.
4. Select the Delete button. You will be returned to the My Portfolio page.

Exhibit C

SAMPLE PRESS RELEASE

**[ORGANIZATION OR NAME OF BUILDING]
Earns the ENERGY STAR for Superior Energy Efficiency**

(Date, City, State) [NAME OF BUILDING/FACILITY], owned/managed by [ORGANIZATION], has earned the U.S. Environmental Protection Agency's (EPA's) prestigious ENERGY STAR, the national symbol for superior energy efficiency and environmental protection. Commercial buildings and industrial plants that rate in the top 25 percent of facilities in the nation for energy efficiency may qualify for the ENERGY STAR.

INSERT QUOTE FROM ORGANIZATION OFFICIAL (SAMPLE QUOTE BELOW)

"[ORGANIZATION] is pleased to accept EPA's ENERGY STAR in recognition of our energy efficiency efforts," said [Organizational Representative Name, Title]. "Through this achievement, we have demonstrated our commitment to environmental stewardship while also lowering our energy costs."

Commercial buildings that earn the ENERGY STAR use an average of 40 percent less energy than typical buildings and also release 35 percent less carbon dioxide into the atmosphere. [ORGANIZATION] improved our energy performance by managing energy strategically across our entire organization and by making cost-effective improvements to our building(s). [ORGANIZATION] has saved [INSERT DOLLARS OR PERCENT] in annual energy bills and prevented greenhouse gas emissions equal to the electricity use from [XXXXXX] households for a year*.

"Whether you are running a grocery store, a school, or an office building, getting the most out of your energy dollars – while reducing your carbon footprint – just makes sense," said EPA Administrator Stephen L. Johnson.

To earn the ENERGY STAR, [ORGANIZATION] took the following actions:

- INSERT GENERAL INFORMATION AND/OR INTERESTING DETAILS ABOUT TECHNOLOGIES USED, ENERGY MANAGEMENT PROGRAM, EMPLOYEE AWARENESS, ETC.

EPA's national energy performance rating system provides a 1-100 scale that helps organizations assess how efficiently their buildings use energy relative to similar buildings nationwide. A building that scores a rating of 75 or higher is eligible for the ENERGY STAR. Commercial Buildings that can earn the ENERGY STAR include offices, bank branches, financial centers, retailers, courthouses, hospitals, hotels, K-12 schools, medical offices, supermarkets, dormitories, and warehouses.

ENERGY STAR was introduced by EPA in 1992 as a voluntary, market-based partnership to reduce greenhouse gas emissions through energy efficiency. Today, the ENERGY STAR label can be found on more than 50 different kinds of products, new homes and commercial and industrial buildings. Products and buildings that have earned the ENERGY STAR designation prevent greenhouse gas emissions by meeting strict energy-efficiency specifications set by the government. In 2006, Americans, with the help of ENERGY STAR, saved about \$16 billion on their energy bills while reducing the greenhouse gas emissions equivalent to those of 27 million vehicles.

For more information about ENERGY STAR visit www.energystar.gov.

For more information about [NAME] visit [INSERT URL].

To calculate greenhouse gas emissions, please visit <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

Exhibit D

ENERGY STAR Labeled Building Profile:



Alexander Park I – 600 Alexander Park was built in 1999 and consists of 141,176 square feet of beautiful Class A office space situated within a well known Princeton, New Jersey office park. Amenities of this building include an on-site cafeteria with waterfront patio dining, scenic landscaping, and a 24 hour card access system. The building is also within walking distance to the Princeton Junction train station and local municipal bus service.

Recognizing the potential to improve Alexander Park I's energy and financial performance, Kennedy Associates Real Estate Counsel, LP ("Kennedy") directed CB Richard Ellis to proactively use the EPA's ENERGY STAR program in 2005 for the tools and resources necessary to help achieve superior energy performance. 600 Alexander Park has a current rating of "81" and officially earned the Energy Star designation in December 2007. Receiving the Energy Star designation has been considered a significant accomplishment given the fact that the building is heated using fan powered VAV boxes with electric reheat and cooled using DX cooling coils and air-cooled condensing coils.

Examples of Technologies and Practices at the 600 Alexander Park Building:

- Solar cool gray tempered insulated glass windows
- The use of 480 volt 3-Phase fan powered boxes
- Motion sensors for restroom lighting and programmable automatic air fresheners, 2003
- Energy efficient lighting systems and bulbs
- Variable frequency drives for (6) 460 volt, 40 horsepower with a max RPM of 1760 supply fans
- Variable frequency drives for (6) 460 volt, 15 horsepower with a max RPM of 1760 return air fans
- Retrofit with Touch Free restrooms, everything from automatic flushers, faucets and soap dispensers in February, 2008

Kennedy continues to request that the CB Richard Ellis (CBRE) management and maintenance teams, take proactive steps, utilizing best practices to maximize energy efficiency including:

- Periodic review and constant tracking of energy use patterns to determine and correct energy inefficiencies
- Daily engineering staff walkthroughs of vacant spaces to ensure only emergency lighting is illuminated and HVAC is appropriately programmed for vacancy
- Examination of the EMS settings in order to ensure the building automation reflects actual needs of the tenants. Through this process, it was discovered that the building's HVAC systems were being turned on for five hours each Saturday based on lease requirements, even though the majority of the tenants were not in the building over the weekend. A simple re-programming of the system and a note to the tenants making Saturdays "By Request Only" eliminated the unneeded energy consumption resulting in an immediate energy reduction
- Change start up times of HVAC units based on fifteen minute increments to stagger demand and cut back on peak usage of electricity

- Installation of a timer on the domestic hot water heater to be able to shut it down twelve hours per day or from 6pm – 6am Monday through Sunday
- A review of common area lighting schedules allowed for the elimination of “on” periods during relatively unoccupied weekend hours
- Time clocks are checked every two weeks to make sure the time is set correctly and that building systems and lighting come on and off at the right time.
- Reach out to employees and tenants in order to spread the word that energy efficiency is good for the bottom line as well as good for the environment.
- Ask for tenant cooperation to help curtail excessive demand on area power grid during high kilowatt draw summer heat waves by shutting off all but necessary lighting.
- Tenants are reminded to turn off all office equipment and computers at night and over the weekend.
- The janitorial staff is instructed to shut off lighting when any space is vacated.
- Tenants are told to “stop playing with the blinds”. Most tenants do not realize how important the window blinds and coverings are to controlling their environment. All tenants are notified to keep their blinds in place (down) and use them throughout the day to help reflect sun/heat.

Other steps Alexander Park is taking to reduce its carbon footprint:

- The building has an active recycling program for tenants to recycle paper, cardboard, glass, plastics, bulbs, batteries, etc. There are recycle bins in each tenant suite for paper, glass and plastics recycling as well as centrally located compact fluorescent and battery recycling containers. Waste Management supplies recycling services to the building. All of the paper and waste removal products are made with recycled materials.
- At Kennedy’s request, the building staff, along with its contract cleaning service, instituted green cleaning chemicals rated by the US Green Building Council for all of its regularly scheduled cleaning tasks.
- There is a bicycle rack at the building to promote cycling to work vs. generation of vehicle emissions.
- The building participates in non-chemical goose control through the use of a Border Collie service.

Exhibit E

Celebrate Your ENERGY STAR Labeled Building:

Promote Your Success with ENERGY STAR

You have been recognized by ENERGY STAR for your hard work and commitment to saving energy—now celebrate your achievement! In large and small ways, share recognition of your accomplishment with your colleagues, employees and the community:

- Display the ENERGY STAR in a prominent place at your facility site—the entranceway or the main reception area are *much* better choices than the storage room or basement!
- Issue a press release (previously noted) announcing that you have earned the prestigious ENERGY STAR and distribute it to local media (see www.energystar.gov/labeledbuildings for a sample).
- Hold an organization-wide employee meeting and present the ENERGY STAR plaque to an official of your organization. Take photos for the company newsletter, and also send a photo with caption to the local newspaper.
- Distribute certificates of recognition/appreciation/participation to organizations or individuals who contributed time and effort to earning the ENERGY STAR.
- Reserve a special parking space for your energy manager for a month in recognition of his/her achievement and publicize this among your employees.
- Make plans to announce that your facility has earned the ENERGY STAR at a scheduled meeting where press typically will be in attendance if applicable.
- Write a letter celebrating your achievement to your town councilman, Chamber of Commerce, Board of Education, congressperson or senator, or other official representatives for your organization. Encourage them to challenge other organizations like yours to earn the ENERGY STAR.
- Invite local government officials, regional EPA officials, and members of the press to tour your ENERGY STAR facility along with your top company or organization officials. Present a certificate of achievement to company officials.

Host an ENERGY STAR Event

One of the best ways to share your energy efficiency achievements is to host a recognition event with your employees and community. Recognition events may include a special employee luncheon, an energy fair, or any other type of event that brings people together to learn about energy efficiency and ENERGY STAR. Use the steps below to create your event or modify the outline to suit your organization's needs.

- Select a date and time for the event that is convenient for employees, the media, and other guests you may wish to invite.
- Contact your local elected officials and regional EPA office to schedule their attendance. It's especially important to include those who have helped support your organization's efforts to earn the ENERGY STAR, and recognizable public figures will help bring media attention to the event.
- Develop an agenda with a timeframe of 15-30 minutes for the award presentation and speakers. You may have one or more speakers. For example:

- 10:45 a.m. – Invited guests, speakers, attendees arrive
- 11:00 a.m. – Welcome, opening remarks by organization representative or event coordinator
- 11:05 a.m. – First speaker – Local elected official
- 11:10 a.m. – Second speaker – Local leader/champion of the environment
- 11:15 a.m. – Third speaker – EPA representative or other official
- 11:20 a.m. – Presentation of ENERGY STAR to organization by EPA or other official
- 11:25 a.m. – Acceptance of the ENERGY STAR and remarks by organization leader or energy manager
- 11:30 a.m. – Event concludes

You may wish to assign one person to coordinate the event and speakers, designate a communications contact to work with members of the media before and during the event, and schedule a photographer or videographer to record the event. A small reception may be nice. Share your photos, articles, and materials with ENERGY STAR and your event may be posted on www.energystar.gov as an example for other organizations.

You can customize ENERGY STAR sample communications materials or develop your own to support the event. Possible materials include:

- A press release or a press kit including the press release, information about your facility and organization, and facts about ENERGY STAR labeled facilities.
- Posters and/or banners to draw attention to the podium or stage.
- Your ENERGY STAR facility profile—how you succeeded in making your facility a top energy performer nationwide. Make sure to provide copies to attendees and to the media.

The day after the event, deliver event photos with written captions to editors at local newspapers and business publications that were not represented at your event.

For additional guidance on how to coordinate your ENERGY STAR label event or media outreach, contact Maura Beard, Strategic Communications Director, ENERGY STAR Commercial Buildings and Industrial Facilities, 202.343.9991, beard.maura@epa.gov

Exhibit F

ENERGY STAR Technical Assistance Materials:

The following ENERGY STAR promotional materials are available on the Kennedy R drive under RPI/Energy Star/Energy Star Tech Assistance. Key materials include:

1. **ENERGY STAR Video:** ENERGY STAR recommends proving showing this video to employees, tenants and even clients
2. **ENERGY STAR Challenge Brochure:** Provides information for property management teams on ways to promote Energy Star
3. **Sample ENERGY STAR Promotional Language:** Stock paragraphs for use in promoting ENERGY STAR on websites, letters, etc.
4. **ENERGY STAR Training Presentation:** Self-guided presentation intended for property managers working to improve energy performance ratings for commercial office buildings
5. **ENERGY STAR Informational Card:** Information about successes of Energy Star buildings
6. **Commercial Real Estate Pamphlet:** Overview of ENERGY STAR/commercial real estate
7. **2008 ENERGY STAR Commercial Office and Industrial Update:** Provides updated information on use of ENERGY STAR with these product types and associated news
8. **ENERGY STAR Fast Facts:** Data for use in PowerPoint presentations
9. **ENERGY STAR Brand Book:** Information on how to use the ENERGY STAR logo in promotional materials

Exhibit 7

Portfolio Totals

Portfolio	(All)
Estar_Bench	Y

Estar_Label	Data	PropertyType		
		Industrial	Office	Grand Total
N	Count of K_BLDGID	27	42	69
	Gross Asset Value	199,030,410	682,132,687	881,163,097
	Square Feet	4,331,510	3,672,686	8,004,196
Y	Count of K_BLDGID	20	45	65
	Gross Asset Value	233,700,498	1,385,508,240	1,619,208,738
	Square Feet	3,846,933	7,394,948	11,241,881
Total Count of K_BLDGID		47	87	134
Total Gross Asset Value		432,730,908	2,067,640,928	2,500,371,835
Total Square Feet		8,178,443	11,067,634	19,246,077

MEPT Totals

Portfolio	MEPT
Estar_Bench	Y

Estar_Label	Data	PropertyType		
		Industrial	Office	Grand Total
N	Count of K_BLDGID	24	30	54
	Gross Asset Value	176,380,410	517,209,746	693,590,156
	Square Feet	3,857,779	2,691,440	6,549,219
Y	Count of K_BLDGID	14	45	59
	Gross Asset Value	185,100,498	1,385,508,240	1,570,608,738
	Square Feet	3,249,539	7,394,948	10,644,487
Total Count of K_BLDGID		38	75	113
Total Gross Asset Value		361,480,908	1,902,717,987	2,264,198,894
Total Square Feet		7,107,318	10,086,388	17,193,706

MEPT Edgemoor Totals

Portfolio	MEPT
Client	MEPT Edgemoor
Estar_Bench	Y

Estar_Label	Data	PropertyType		
		Industrial	Office	Grand Total
N	Count of K_BLDGID	18	24	42
	Gross Asset Value	104,861,870	434,378,027	539,239,897
	Square Feet	1,874,436	2,247,254	4,121,690
Y	Count of K_BLDGID	14	30	44
	Gross Asset Value	185,100,498	815,628,730	1,000,729,227
	Square Feet	3,249,539	3,830,376	7,079,915
Total Count of K_BLDGID		32	54	86
Total Gross Asset Value		289,962,368	1,250,006,757	1,539,969,125
Total Square Feet		5,123,975	6,077,630	11,201,605

MEPT Legacy Totals

Portfolio	MEPT
Client	MEPT
Estar_Bench	Y

Estar_Label	Data	PropertyType		
		Industrial	Office	Grand Total
N	Count of K_BLDGID	6	6	12
	Gross Asset Value	71,518,540	82,831,719	154,350,259
	Square Feet	1,983,343	444,186	2,427,529
Y	Count of K_BLDGID		15	15
	Gross Asset Value		569,879,511	569,879,511
	Square Feet		3,564,572	3,564,572
Total Count of K_BLDGID		6	21	27
Total Gross Asset Value		71,518,540	652,711,230	724,229,769
Total Square Feet		1,983,343	4,008,758	5,992,101

Portfolio Totals

Portfolio	(All)
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Estar_Bench	Data	PropertyType				Grand Total
		Industrial	Office	Residential	Retail	
N	Count of K_BLDGID	83	31	13	1	128
	Gross Asset Value	724,242,543	914,027,301	790,833,997	69,000,000	2,498,103,841
	Square Feet	14,587,837	4,102,208	3,357,212	228,670	22,275,927
Y	Count of K_BLDGID	47	87			134
	Gross Asset Value	432,730,908	2,067,640,928			2,500,371,835
	Square Feet	8,178,443	11,067,634			19,246,077
Total Count of K_BLDGID		130	118	13	1	262
Total Gross Asset Value		1,156,973,451	2,981,668,229	790,833,997	69,000,000	4,998,475,676
Total Square Feet		22,766,280	15,169,842	3,357,212	228,670	41,522,004

MEPT Totals

* Note: 88 total office buildings as one small office building is included in the count of another in the same office park.

Portfolio	MEPT
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Estar_Bench	Data	PropertyType				Grand Total
		Industrial	Office	Residential	Retail	
N	Count of K_BLDGID	74	23	12	1	110
	Gross Asset Value	635,442,214	640,500,637	754,733,997	69,000,000	2,099,676,848
	Square Feet	12,112,009	2,559,692	3,357,212	228,670	18,257,583
Y	Count of K_BLDGID	38	75			113
	Gross Asset Value	361,480,908	1,902,717,987			2,264,198,894
	Square Feet	7,107,318	10,086,388			17,193,706
Total Count of K_BLDGID		112	98	12	1	223
Total Gross Asset Value		996,923,122	2,543,218,624	754,733,997	69,000,000	4,363,875,743
Total Square Feet		19,219,327	12,646,080	3,357,212	228,670	35,451,289

MEPT Edgemoor Totals

Portfolio	MEPT
Client	MEPT Edgemoor

Estar_Bench	Data	PropertyType				Grand Total
		Industrial	Office	Residential	Retail	
N	Count of K_BLDGID	40	10	7	1	58
	Gross Asset Value	397,370,882	287,884,893	508,786,949	69,000,000	1,263,042,724
	Square Feet	6,247,602	1,008,376	1,809,865	228,670	9,294,513
Y	Count of K_BLDGID	32	54			86
	Gross Asset Value	289,962,368	1,250,006,757			1,539,969,125
	Square Feet	5,123,975	6,077,630			11,201,605
Total Count of K_BLDGID		72	64	7	1	144
Total Gross Asset Value		687,333,250	1,537,891,650	508,786,949	69,000,000	2,803,011,849
Total Square Feet		11,371,577	7,086,006	1,809,865	228,670	20,496,118

MEPT Legacy Totals

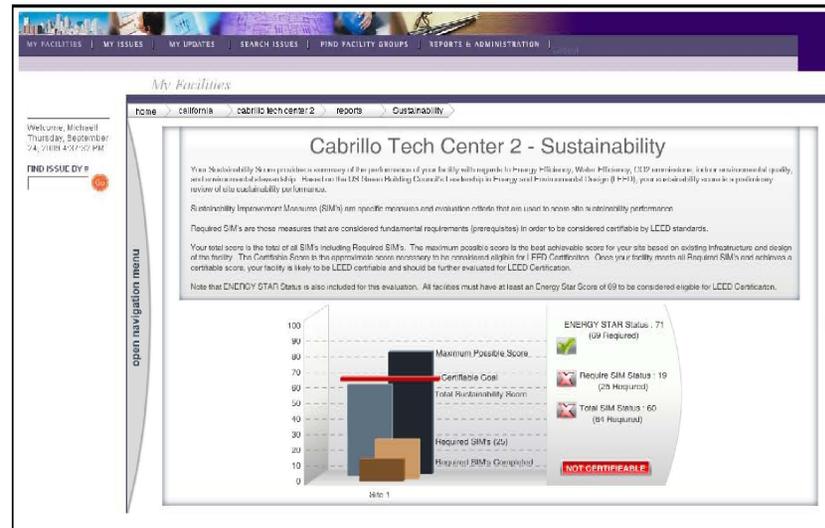
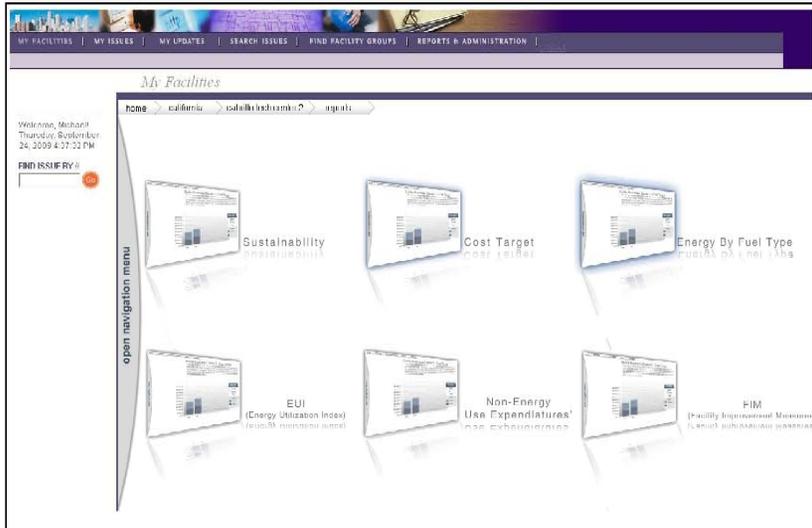
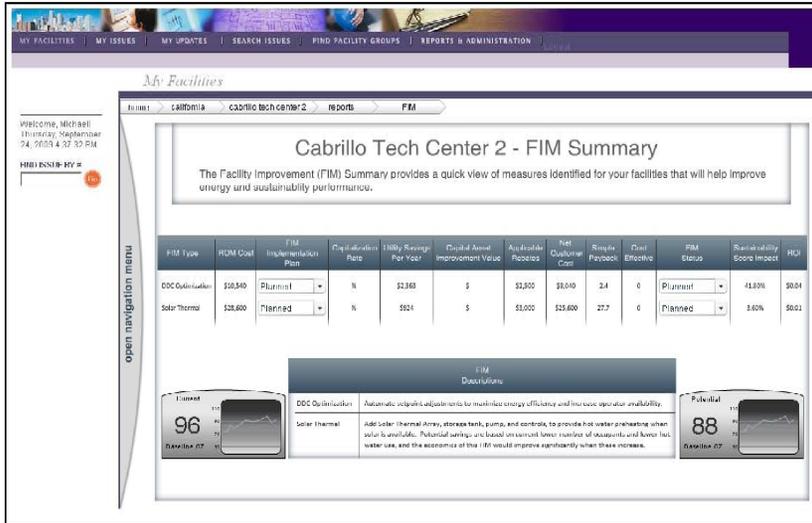
Portfolio	MEPT
Client	MEPT

Estar_Bench	Data	PropertyType			Grand Total
		Industrial	Office	Residential	
N	Count of K_BLDGID	34	13	5	52
	Gross Asset Value	238,071,332	352,615,744	245,947,048	836,634,124
	Square Feet	5,864,407	1,551,316	1,547,347	8,963,070
Y	Count of K_BLDGID	6	21		27
	Gross Asset Value	71,518,540	652,711,230		724,229,769
	Square Feet	1,983,343	4,008,758		5,992,101
Total Count of K_BLDGID		40	34	5	79
Total Gross Asset Value		309,589,872	1,005,326,974	245,947,048	#####
Total Square Feet		7,847,750	5,560,074	1,547,347	14,955,171

Building Information							LEED				ENERGY STAR				
K_BLDGID	K_PROJID	BuildingName	Adjus_Pct	Building_SF	Building_MV	Client	Portfolio	LEED_Certified	LEED_Designation	LEED_SeekingCert	LEED_Level	LEED_Program	EStar_Num	Estar_Eligible	Estar_ReasonNotBenchd
2651	265	2600 Regent Boulevard	100%	404,500	\$ 17,700,000	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
1221	122	Alderwood III - Bldg D	100%	201,550	\$ 9,831,577	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
1222	122	Alderwood III - Bldg E	100%	48,750	\$ 2,378,017	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
1223	122	Alderwood III - Bldg F	100%	68,400	\$ 3,336,541	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
1111	111	Alderwood Phase II - Bldg A	100%	45,000	\$ 2,290,634	MEPT	N	N	None	N	N	N		N	Ineligible use (greater than 10% lab
1251	125	Allendale Corporate Center	100%	114,206	\$ 16,200,000	MEPT	N	N	None	N	N	N		N	Ineligible use (greater than 10% lab
2161	216	Baldwin Park - Building A	100%	61,344	\$ 2,718,887	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2162	216	Baldwin Park - Building B	100%	45,851	\$ 2,032,207	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2163	216	Baldwin Park - Building C	100%	48,484	\$ 2,148,906	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2281	228	Century Tech. Campus - Bldg 1	100%	68,884	\$ 5,858,888	MEPT	N	N	None	N	N	N		N	N/A
2282	228	Century Tech. Campus - Bldg 2	100%	49,501	\$ 4,210,278	MEPT	N	N	None	N	N	N		N	N/A
2283	228	Century Tech. Campus - Bldg 3	100%	49,501	\$ 4,210,278	MEPT	N	N	None	N	N	N		N	N/A
2284	228	Century Tech. Campus - Bldg 4	100%	49,501	\$ 4,210,278	MEPT	N	N	None	N	N	N		N	N/A
2286	228	Century Tech. Campus - Bldg 6	100%	49,501	\$ 4,210,278	MEPT	N	N	None	N	N	N		N	N/A
2311	231	Coventry Glen	100%	253,904	\$ 26,700,000	MEPT	N	N	None	N	N	N		N	N/A
0821	82	Forest Park 17	100%	374,126	\$ 15,600,000	MEPT	N	N	None	N	N	N	1263738	N	Ineligible use (greater than 10% lab
0771	77	Forest Park 18	100%	229,225	\$ 9,800,000	MEPT	N	N	None	N	N	N		N	Occupancy issues
0851	85	Forest Park 19	100%	354,083	\$ 14,000,000	MEPT	N	N	None	N	N	N	1264108	N	
0501	50	Forest Park I	100%	25,022	\$ 1,180,768	MEPT	N	N	None	N	N	N		N	Other
0502	50	Forest Park II	100%	77,349	\$ 3,650,038	MEPT	N	N	None	N	N	N		N	Other
0503	50	Forest Park III	100%	111,260	\$ 5,250,271	MEPT	N	N	None	N	N	N		N	Ineligible use (greater than 10% lab
0504	50	Forest Park IV	100%	131,787	\$ 6,218,923	MEPT	N	N	None	N	N	N		N	Occupancy issues
2561	256	Gateway Commerce Center II	100%	479,220	\$ 11,500,000	MEPT	N	N	None	N	N	N		N	Occupancy issues
2571	257	Gateway Commerce Center III	100%	1,157,934	\$ 32,300,000	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2291	229	Gateway Distribution Center I	100%	513,474	\$ 13,100,000	MEPT	N	N	None	N	N	N		N	Occupancy issues
2681	268	Gateway Distribution Center II	100%	406,497	\$ 9,700,000	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2351	235	GSW Gateway 1	100%	212,490	\$ 6,274,360	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2631	263	Journal Square	100%	-	\$ 46,000,000	MEPT	N	N	None	N	N	N		N	N/A
0714	71	Kirkland Flex - Bldg F	100%	33,728	\$ 3,147,104	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
0718	71	Kirkland Flex - Bldg W	100%	50,511	\$ 4,713,098	MEPT	N	N	None	N	N	N		N	Ineligible use (greater than 10% lab
0641	64	Kirts Office Park	100%	14,881	\$ 333,376	MEPT	N	N	None	N	N	N		N	Other
0642	64	Kirts Office Park	100%	34,930	\$ 782,529	MEPT	N	N	None	N	N	N		N	Other
0644	64	Kirts Office Park	100%	30,000	\$ 672,083	MEPT	N	N	None	N	N	N		N	Other
0645	64	Kirts Office Park	100%	12,152	\$ 272,238	MEPT	N	N	None	N	N	N		N	Other
0646	64	Kirts Office Park	100%	31,366	\$ 702,685	MEPT	N	N	None	N	N	N		N	Other
0647	64	Kirts Office Park	100%	31,366	\$ 702,685	MEPT	N	N	None	N	N	N		N	Other
0648	64	Kirts Office Park	100%	31,366	\$ 702,685	MEPT	N	N	None	N	N	N		N	Other
1561	156	Maryland 95 Corporate Center	100%	120,904	\$ 18,300,000	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2541	254	McClurg Court Center - Towers	100%	782,320	\$ 92,759,355	MEPT	N	N	None	N	N	N		N	N/A
2402	240	Milestone Business Park - Office/Flex	100%	133,140	\$ 23,147,463	MEPT	N	N	None	N	N	N		N	Ineligible use (greater than 10% lab
2601	260	Milestone Business Park IV	100%	156,637	\$ 20,500,000	MEPT	Y	LEED - NC/CS	N		Gold	Y		N	Occupancy issues
2261	226	Patriots Plaza II	100%	321,502	#####	MEPT	Y	LEED - NC/CS	N		Gold	Y		N	In lease up/build-out
2262	226	Patriots Plaza III	100%	380,087	#####	MEPT	Y	LEED - NC/CS	N		Gold	Y		N	In lease up/build-out
1841	184	Pictoria Corporate Center	100%	252,985	\$ 22,500,000	MEPT	N	N	None	N	N	N		N	Occupancy issues
1761	176	River Run Apartments	100%	353,488	\$ 40,400,000	MEPT	N	N	None	N	N	N		N	N/A
1901	190	SKYWAY COURT BLDG A	100%	19,960	\$ 1,379,527	MEPT	N	N	None	N	N	N		N	N/A
1902	190	SKYWAY COURT BLDG B	100%	28,440	\$ 1,965,618	MEPT	N	N	None	N	N	N		N	N/A
1903	190	SKYWAY COURT BLDG C	100%	32,918	\$ 2,275,113	MEPT	N	N	None	N	N	N		N	N/A
1904	190	SKYWAY COURT BLDG D	100%	21,410	\$ 1,479,743	MEPT	N	N	None	N	N	N		N	N/A
2891	289	Southwest Commerce Center IV	100%	150,000	\$ 4,600,000	MEPT	N	N	None	N	N	N		N	Lack of tenant cooperation
2891	289	Southwest Commerce Center IV	100%	150,000	\$ 4,600,000	MEPT	N	N	None	N	N	N	1245622	N	Sublease space - lack to data
2301	230	Zenith	100%	157,635	\$ 40,087,693	MEPT	N	N	None	N	N	N		N	N/A
1112	111	Alderwood Phase II - Bldg B	100%	76,500	\$ 3,894,078	MEPT	N	N	None	N	N	N	1254374	Y	Benchmarked
1113	111	Alderwood Phase II - Bldg C	100%	192,500	\$ 9,798,823	MEPT	N	N	None	N	N	N	1257613	Y	Benchmarked
1801	180	Alexander Park II	100%	71,934	\$ 12,100,000	MEPT	N	N	None	N	N	N	1123236	Y	Benchmarked
1131	113	Forest Park 20	100%	165,403	\$ 7,600,000	MEPT	N	N	None	N	N	N	1263754	Y	Benchmarked
1571	157	GREENSPPOINT II, Bldg E	100%	26,439	\$ 2,389,011	MEPT	N	N	None	N	N	N	1185010	Y	Benchmarked
1572	157	Greenspoint II, Bldg F	100%	31,109	\$ 2,810,989	MEPT	N	N	None	N	N	N	1185017	Y	Benchmarked
2352	235	GSW Gateway 2	100%	210,840	\$ 6,225,640	MEPT	N	N	None	N	N	N	1237500	Y	Benchmarked
0643	64	Kirts Office Park	100%	32,662	\$ 731,719	MEPT	N	N	None	N	N	N	1333959	Y	Benchmarked
2051	205	Madison Operating LLC	100%	94,389	\$ 30,300,000	MEPT	N	N	None	N	N	N	1396471	Y	Benchmarked
2361	236	Pinnacle Park 1	100%	1,010,500	\$ 33,227,711	MEPT	N	N	None	N	N	N	1237505	Y	Benchmarked
2362	236	Pinnacle Park 2	100%	327,600	\$ 10,772,289	MEPT	N	N	None	N	N	N	1237507	Y	Benchmarked
1171	117	Westbrook Corporate Center	100%	187,653	\$ 34,500,000	MEPT	N	EB O&M Group II	Y		Certified	Y	1125675	Y	Benchmarked
2521	252	1900 16th St	100%	400,539	#####	MEPT Edgemoor	Y	LEED - NC/CS	N		Gold	Y		N	Occupancy issues
2641	264	35/13 Crossings	100%	180,480	\$ 13,800,000	MEPT Edgemoor	N	None	N		N	N		N	Occupancy issues
2691	269	360 State Street-Residential	100%	338,885	#####	MEPT Edgemoor	Y	LEED - ND	N		Platinum	Y		N	N/A
2491	249	801 Massachusetts Avenue	100%	206,851	\$ 88,649,919	MEPT Edgemoor	N	None	N		N	N		N	N/A
1611	161	Agave Business Center-Agave 1	100%	55,221	\$ 5,578,869	MEPT Edgemoor	N	None	N		N	N		N	Occupancy issues
0931	93	Alderwood Corporate Center	100%	88,000	\$ 3,575,492	MEPT Edgemoor	N	None	N		N	N		N	Occupancy issues
2841	284	Burlington 100	100%	106,887	\$ 13,700,000	MEPT Edgemoor	Y	LEED - NC/CS	N		Gold	Y		N	Occupancy issues
2421	242	Canyon Park Apartments	100%	236,016	\$ 29,700,000	MEPT Edgemoor	N	None	N		N	N		N	N/A

EnergyStar Export (Report: EnergyStar Quarterly Export)

Building ID	Facility Name	Building Profile Status	Current Energy Period	Period End Date	Last Modified Date	Baseline Rating (1-100)	Current Rating (1-100)	Target Rating (1-100)	Eligibility for ENERGY STAR	ENERGY STAR Application	Label	Full Year	Notes	Energy Use Alerts	Space Use Alerts	Annual Energy Cost (US Dollars (\$))	Total Energy Cost per Sq. Ft. (US Dollars)	Current Total GHG Emissions (Metric Tons)	Year(s) Labeled
1199779	1110 W. Lake Cook Road	N/A	08/31/2010	08/31/2010	01/30/2007	89	71	89	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	652.39	2007
1199978	1120 W. Lake Cook Road	N/A	08/31/2010	08/31/2010	01/30/2007	72	70	72	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	572.36	N/A
1133116	1550 International Drive - 1361	N/A	08/31/2010	08/31/2010	03/24/2006	84	58	85	0	Not Eligible: Less than one year Application - Label Sent (27-SE)	Y	N/A	N/A	N/A	N/A	36811.2	2.85	2564.20	2008
1198888	177 Rhode Island - 2061	N/A	08/31/2010	08/31/2010	03/24/2006	89	49	89	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	447443.23	2.88	1748.65	2008, 2009, 2010
1199729	195 Arlington Heights Road	N/A	08/31/2010	08/31/2010	06/16/2009	66	64	66	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	279.82	N/A
1454669	20 North Clark Street - 2621	N/A	08/31/2010	08/31/2010	06/16/2009	59	55	59	0	Not Eligible: Less than one year Application - Label Sent (26-ALN)	Y	N/A	N/A	N/A	N/A	64551.79	1.64	N/A	2008, 2009, 2010
1125352	121 Corporate Center - 981	N/A	08/31/2010	08/31/2010	06/29/2007	81	11	N/A	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	250.48	0.34	250.48	N/A
1256892	212 Corporate Center - 982	N/A	08/31/2010	08/31/2010	07/10/2007	71	69	71	75	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	47996.86	0.7	223.85	N/A
1198326	2500 Lacey Road - 2251	Reviewed and Approved	08/31/2010	08/31/2010	01/26/2007	78	72	78	77	Not Eligible: Less than one year Application - Label Sent (08-OCY)	Y	N/A	N/A	N/A	N/A	1796154.95	2.66	12243.19	2008, 2009, 2010
1121480	500 Park Boulevard - 2382	Reviewed and Approved	08/31/2010	08/31/2010	03/28/2006	80	79	79	88	ENERGY STAR Application In Progress - Pending Receipt (Y)	Y	N/A	N/A	N/A	N/A	3276.96	0.24	3276.96	2004, 2006, 2007, 2008
1253895	675 West Mainville Street - K67001	N/A	08/31/2010	08/31/2010	06/26/2007	24	2	24	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	457.49	N/A
1199751	750 Lake Cook Road	N/A	08/31/2010	08/31/2010	01/30/2007	66	85	66	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	1851.18	2008, 2009
1233204	775 West Mainville Street - K7001	N/A	08/31/2010	08/31/2010	06/28/2007	64	83	64	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	65.14	2008, 2009
1448464	777 Sixth Street NW - 2781	N/A	07/31/2010	08/31/2010	08/15/2008	N/A	75	74	N/A	Not Eligible: Less than one year Application - Label Sent (21-AM)	Y	N/A	N/A	N/A	N/A	0	0	1387.18	2008, 2009
1128234	8390 East Crescent Parkway - 88C01	N/A	08/31/2010	08/31/2010	03/15/2006	93	0	92	75	Eligible	Application - Label Sent (29-DE)	Y	N/A	N/A	N/A	220099.4	1.42	1907.28	2009
1256003	Alderwood Corporate Center - 912	N/A	08/31/2010	08/31/2010	07/10/2007	1	1	N/A	75	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	324603.35	2.67	1761.04	N/A	
1254274	Alderwood Phase II - Bldg B - 1112	N/A	08/31/2010	08/31/2010	06/28/2007	59	50	60	75	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	43164.84	0.56	233	N/A
1257613	Alderwood Phase II - Bldg C - 1113	N/A	08/31/2010	08/31/2010	07/10/2007	N/A	74	76	85	Not Eligible: Less than one year Application - Label Sent (23-FC)	Y	N/A	N/A	N/A	N/A	39668.31	2.81	1274.44	2007, 2008, 2009
1123236	Alexander Park II - 1801	N/A	08/31/2010	08/31/2010	02/22/2006	42	20	41	52	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	200134.66	4.03	914.21	N/A
1125245	Arena Corporate Center I - 1971	Reviewed and Approved	08/31/2010	08/31/2010	02/28/2006	79	75	80	0	Eligible	Application - Label Sent (20-ACV)	Y	N/A	N/A	N/A	216572.25	1.78	672.62	2007, 2008, 2009
1125246	Arena Corporate Center II - 1972	Reviewed and Approved	08/31/2010	08/31/2010	02/28/2006	88	77	89	0	Not Eligible: Less than one year Application - Label Sent (21-JU)	Y	N/A	N/A	N/A	N/A	207120.62	2.4	876.03	2007, 2008, 2009, 2010
1125249	Arena Corporate Center III - 1973	Reviewed and Approved	08/31/2010	08/31/2010	02/28/2006	99	100	99	70	Eligible	Application - Label Sent (24-DE)	Y	N/A	N/A	N/A	458486.89	3.59	1226.62	2007, 2008, 2009
1148982	Barrington Pointe - 781	N/A	08/31/2010	08/31/2010	12/08/2006	94	98	94	97	Not Eligible: Less than one year Application - Label Sent (07-AM)	Y	N/A	N/A	N/A	N/A	0	0	1928.21	2007, 2008, 2009
1125788	Bentley Block - 2851	N/A	08/31/2010	08/31/2010	06/25/2006	N/A	59	64	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	546837.5	2.49	N/A	N/A
1252119	Brown Campus 3 - K9C02	N/A	08/31/2010	08/31/2010	06/29/2007	47	37	47	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	112829.32	0.87	2461.99	N/A
1124490	Burlington 300 - 1851	N/A	07/31/2010	08/31/2010	02/27/2006	N/A	96	98	N/A	Not Eligible: Less than one year Application - Label Sent (07-AM)	Y	N/A	N/A	N/A	N/A	0	0	652.39	2006, 2007, 2008, 2010
1123665	CWV Kennedy Avenue Center D - 1614, 172A	N/A	08/31/2010	08/31/2010	05/28/2007	85	64	85	0	Eligible	No Status Available	Y	N/A	N/A	N/A	53531.91A	1.32	298.74	N/A
1123837	CWV Kennedy Avenue Center E - 1615, 172A	N/A	08/31/2010	08/31/2010	05/28/2007	85	64	85	0	Eligible	No Status Available	Y	N/A	N/A	N/A	26930.73	1.42	120.92	N/A
1120246	CWV Kennedy Avenue Corporate Center Aq	N/A	08/31/2010	08/31/2010	04/09/2007	79	69	79	0	Not Eligible: Less than one year Application - Label Sent (07-JU)	Y	N/A	N/A	N/A	N/A	150523.18	1.75	809.03	2010
1120246	CWV Kennedy Avenue Executive Center Aq	N/A	08/31/2010	08/31/2010	05/30/2007	N/A	91	90	N/A	Not Eligible: Current period end No Status Available	N/A	N/A	N/A	N/A	N/A	0	0	1186.65	N/A
1133475	CABRILLO TECHNOLOGY CENTER - 1322	N/A	08/31/2010	08/31/2010	10/30/2007	56	34	56	75	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	657988.3	4.43	1446.92	N/A
1133469	CABRILLO TECHNOLOGY CENTER - 1322	N/A	08/31/2010	08/31/2010	10/30/2007	56	34	56	75	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	209478.33	2.27	441.78	N/A
1133118	CABRILLO TECHNOLOGY CENTER - 1322	N/A	08/31/2010	08/31/2010	10/31/2007	73	71	73	75	Not Eligible: Rating must be 75% Application - In Draft (11-MAR)	Y	N/A	N/A	N/A	N/A	120795.43	2.69	254.82	N/A
1194724	Catalis Office Building 1 - C0201	N/A	07/31/2010	08/31/2010	01/16/2007	1	42	1	9	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	325.16	2004, 2006, 2007, 2008, 2009
1194725	Catalis Office Building II - C0201	N/A	08/31/2010	08/31/2010	01/16/2007	1	44	1	55	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	261278.4	3.24	552.72	N/A
1123912	Canyon Park 228 Building A - 1331	N/A	08/31/2010	08/31/2010	10/03/2007	48	26	48	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	126421.93	1.9	655.46	N/A
1124059	Canyon Park 228 Building B - 1332	N/A	08/31/2010	08/31/2010	10/03/2007	56	47	56	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	100330.02	1.43	347.63	N/A
1253883	Centerspace China II - Bldg 1 - 1752	N/A	08/31/2010	08/31/2010	06/26/2007	89	86	88	0	Eligible	Application - Label Sent (18-DE)	Y	N/A	N/A	N/A	0	0	34.12	2007, 2008, 2009
1253885	Centerspace China II - Bldg 2 - 1752	N/A	08/31/2010	08/31/2010	06/26/2007	94	91	94	0	Eligible	Application - Label Sent (25-SE)	Y	N/A	N/A	N/A	0	0	52.93	2007, 2008, 2009
1253886	Centerspace China II - Bldg 3 - 1753	N/A	08/31/2010	08/31/2010	06/26/2007	99	94	94	0	Not Eligible: Less than one year Application - Label Sent (24-JU)	Y	N/A	N/A	N/A	N/A	4580.0	0.28	71.25	2006, 2007, 2008, 2009, 2010
1253887	Centerspace China II - Bldg 4 - 1754	N/A	08/31/2010	08/31/2010	06/26/2007	92	99	91	0	Eligible	Application - Label Sent (24-JU)	Y	N/A	N/A	N/A	11560.39	0.07	83.96	2008, 2009
1253888	Centerspace China II - Bldg 5 - 1755	Reviewed and Approved	08/31/2010	08/31/2010	06/26/2007	98	91	98	0	Eligible	Application - Label Sent (22-3A)	Y	N/A	N/A	N/A	13959.12	0.03	328.6	2008, 2009
1253889	Centerspace China, Bldg C - 1311	Reviewed and Approved	08/31/2010	08/31/2010	06/26/2007	99	91	99	0	Eligible	Application - Label Sent (22-3B)	Y	N/A	N/A	N/A	13688.98	0.29	328.6	2008, 2009
1253890	Centerspace China, Bldg C - 1313	N/A	08/31/2010	08/31/2010	06/26/2007	49	75	49	60	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	271.06	N/A
1253891	Centerspace China, Bldg C - 1314	N/A	08/31/2010	08/31/2010	06/26/2007	1	1	1	8	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	0	0	595.33	N/A
1253943	Centerspace China II - 1315	N/A	08/31/2010	08/31/2010	06/26/2007	95	90	95	0	Not Eligible	Application - Label Sent (24-DE)	Y	N/A	N/A	N/A	0	0	37.41	2008, 2009
1128231	Coal Creek Corporate Center - 1432	N/A	06/30/2010	08/31/2010	03/15/2006	93	76	N/A	N/A	Not Eligible: Current period end No Status Available	N/A	N/A	N/A	N/A	N/A	0	0	3748.8	2009
1159717	Coal Creek Signature Building - 1431	N/A	08/31/2010	08/31/2010	08/21/2006	93	43	93	0	Eligible	Application - In Draft (19-OCT)	Y	N/A	N/A	N/A	164416.22	2.99	168.65	N/A
1120246	Commerce Executive Center - 1771	N/A	08/31/2010	08/31/2010	04/02/2006	55	56	56	0	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	223241.61	1.61	564.01	N/A
1130180	Corporate Pointe at West Hills - 8401	N/A	08/31/2010	08/31/2010	03/23/2006	5	4	4	12	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	120689.82	1.51	362.96	N/A
1130181	Corporate Pointe at West Hills - 8403	Reviewed and Approved	08/31/2010	08/31/2010	03/23/2006	61	54	60	56	Not Eligible: Rating must be 75% Application - Label Sent (24-JU)	Y	N/A	N/A	N/A	N/A	116440.71	2.3	324.57	2007
1129724	Corporate Pointe at West Hills - 8407	N/A	08/31/2010	08/31/2010	03/23/2006	65	87	69	65	Not Eligible: Rating must be 75% Application - Label Sent (03-NOV)	Y	N/A	N/A	N/A	N/A	208515.18	2.52	618.97	2006
1130180	Corporate Pointe at West Hills - 8411	N/A	08/31/2010	08/31/2010	04/13/2006	60	N/A	N/A	75	Not Eligible: Rating must be 75% Status Available	Y	N/A	N/A	N/A	N/A	482.46	1.1	4.46	N/A
1129943	Corporate Pointe at West Hills - 8413	N/A	08/31/2010	08/31/2010	03/23/2006	N/A	64	N/A	27	Not Eligible: Rating must be 75% Application - Label Sent (16-AM)	Y	N/A	N/A						



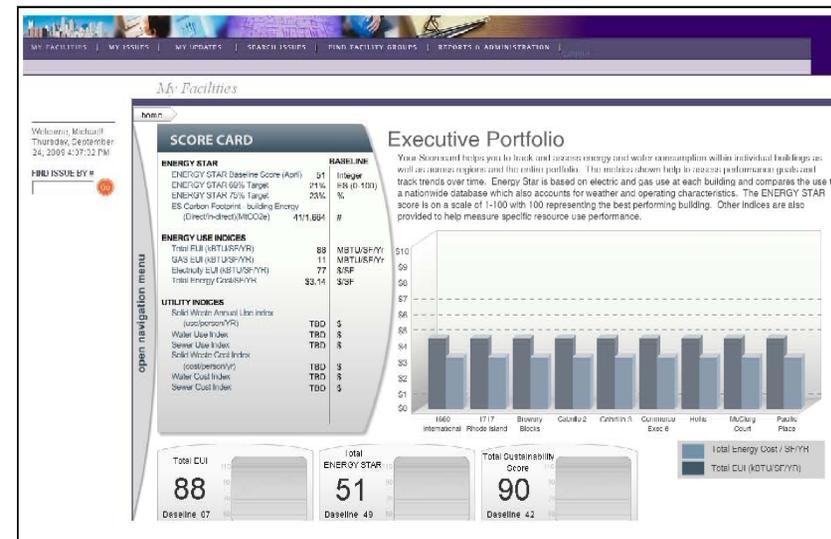
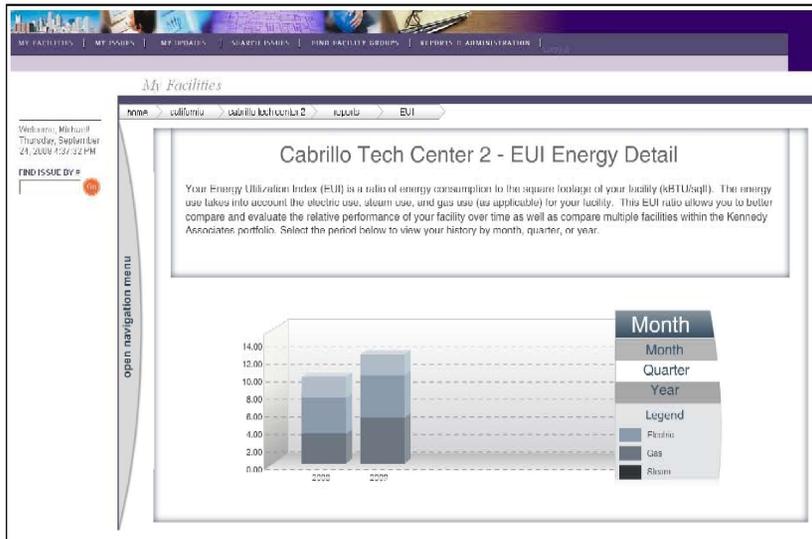
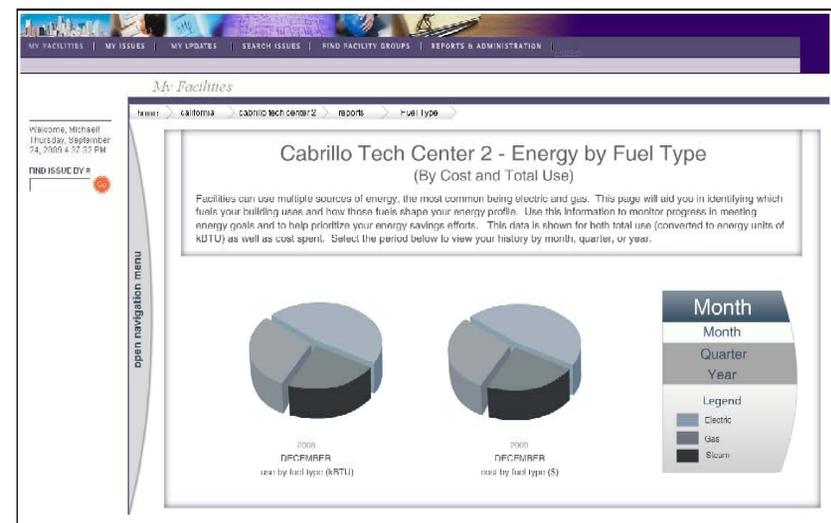
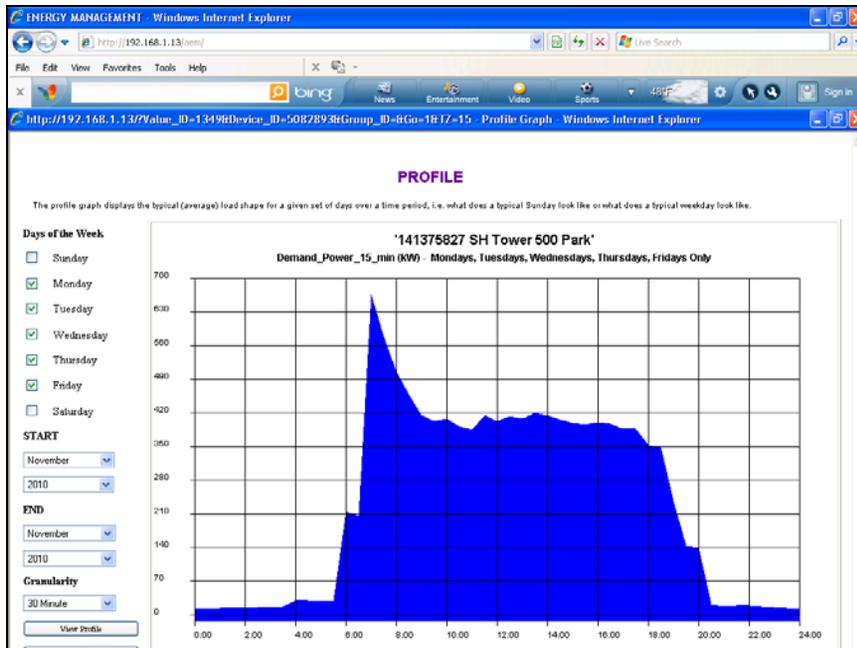
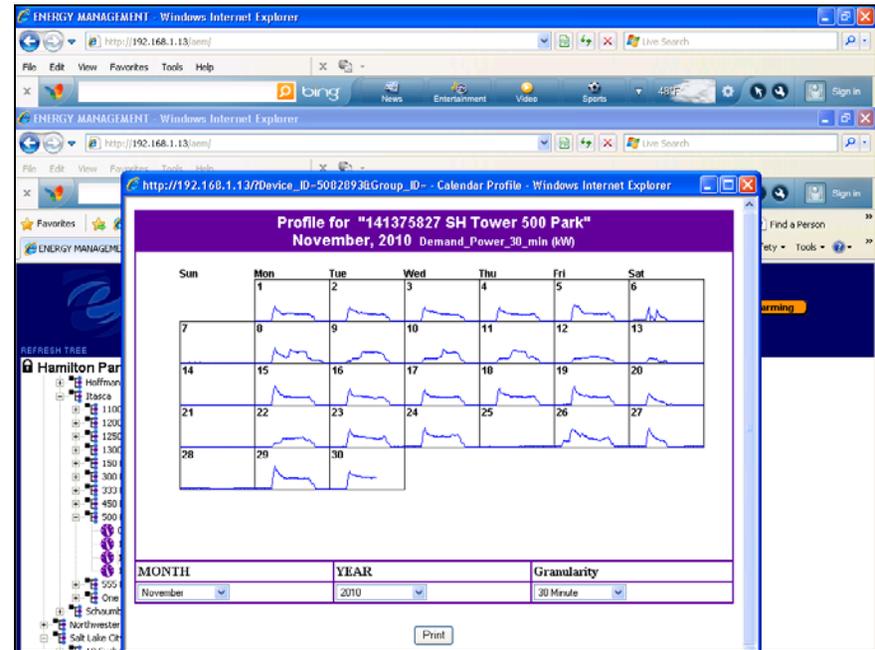
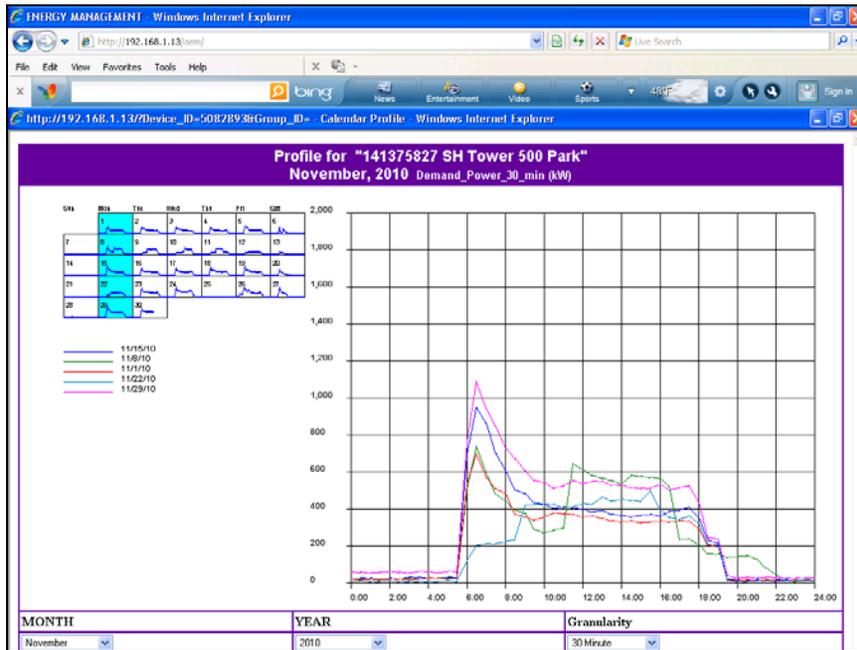


Exhibit 9



Engage Networks
Active Energy Management ©
VERSION: 6.5.1

Hamilton Partners
 - Meter Rate Storage
 - Downtown Chicago
 - East-West
 - Tascas
 - Northwestern
 - Salt Lake City
 - Virtual Meter Test

DOMAIN | GROUP | NORMAL | MANUAL | GENERATOR

ENERGY MANAGEMENT - Windows Internet Explorer

http://192.168.1.13/ame/

Engage Networks

DATA CONFIG SETUP ? Active Energy Management®

REFRESH TREE SEARCH

Hamilton Partners

- Misc Rate Storage
- Hamilton Partners
 - Downtown Chicago
 - 20 N Clark St
 - 14096499 - 20 N Clark St
 - 141284237 - 20 N Clark St
 - 141326632 - 20 N Clark St
 - 7th Floor
 - 140496526 - 20 N Clark St
 - Basement
 - 140479149 - 20 N Clark St
 - 140479154 - 20 N Clark St
 - 140496203 - 20 N Clark St
 - 141326631 - 20 N Clark St
 - 141376570 - 20 N Clark St
 - Penthouse
 - 140479157 - 20 N Clark St
 - 224 S. Michigan Ave
 - 25 LaSalle
 - 29 LaSalle
 - East-West
 - Itasca
 - Northwestern
 - Salt Lake City

Active Energy Management®

VERSION: 6.5.1

TREE ICONS NORMAL MANUAL GENERATOR

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ENERGY MANAGEMENT - Windows Internet Explorer

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Engage Networks

DATA CONFIG SETUP ? Active Energy Management®

REFRESH TREE SEARCH

Hamilton Partners

- 1 - LEED VM Data
- 1 - Bldg Load - Utility Meters
- Total Building Load
- 2 - Cooling - Mammoth
- AH1 North Mammoth - Coolin
- AH2 South Mammoth - Coolin
- 3 - Heating - Mammoth
- AH1 North Mammoth - Heatr
- AH2 South Mammoth - Heatr
- 4 - Fresh Air - Mammoth
- AH1 North Mammoth - Fresh
- AH2 South Mammoth - Fresh
- 5 - Cooling - GENERAL
- Building Cooling - GENERAL
- 6 - Heating - GENERAL
- Building Heating - GENERAL
- 7 - Light & Plug Load-Interior
- Interior Light and Plug load
- 8 - Light & Plug Load-Garage
- Garage Light and Plug Loads
- 9 - Exhaust Fans - Total
- Exhaust Fan - Total

Active Energy Management®

VERSION: 6.5.1

TREE ICONS NORMAL MANUAL GENERATOR

start Microsoft Office... ENERGY MANAGE... Engage tree 222.bmp...

ENERGY MANAGEMENT - Windows Internet Explorer

http://192.168.1.13/ame/

Engage Networks

DATA CONFIG SETUP ? Active Energy Management®

REFRESH TREE SEARCH

Hamilton Partners

- Misc Rate Storage
- Hamilton Partners
 - Downtown Chicago
 - East-West
 - Itasca
 - Northwestern
 - Salt Lake City
 - 10 Exchange - Boston Building
 - 222 South Main
 - 1 - LEED VM Data
 - 2 - Utility Meters
 - 3 - Data/Load Types
 - 4 - Base Load Groups
 - 6 - 4th Floor Tenant
 - 7 - Billing Test
 - 9 Exchange - Newhouse
 - Broadway Centre
 - 2 Virtual Meter Test

Active Energy Management®

VERSION: 6.5.1

TREE ICONS NORMAL MANUAL GENERATOR

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SYSTEM DESCRIPTIONS

Baseline System: Current DDC System installed in the Hollis Business Center

Option 1: Expand Existing DDC System Now, Replace Later

Expand the current DDC system immediately, then in 5 years, replace the whole system with upgraded DDC System. Include building static pressure control.

Option 2: Replace DDC System Now

Replace current DDC system with expanded DDC and building static pressure immediately.

ASSUMPTIONS & REFERENCES

Baseline: Current DDC System	Option 1: Expand Existing DDC System Now, Replace Later		Option 2: Replace DDC System Now	
	Utility Savings Case	Utility Savings & Lease Up Adjusted Case	Utility Savings Case	Utility Savings & Lease Up Adjusted Case

ANALYSIS ASSUMPTIONS, USER INPUT

Building Square Footage	100,000				
Lease Type	Owner Occupied				
Percent Occupied	87.5%				
Potential Lease Up (\$/sf) ^A	\$41.17				
Current Net Operating Income (\$/sf)	\$27.38				
Brokerage Fees (\$/sf) ^B	\$8.50				
Tenant Improvement Cost (\$/sf) ^{B, C}	\$25.00				
Capitalization Rate ^E	6.5%				
Revenue Inflation ^A	2.6%	2.6%	2.6%	2.6%	2.6%
Operating Expenses ^A	3.2%	3.2%	3.2%	3.2%	3.2%
Capital Expenditures ^A	2.4%	2.4%	2.4%	2.4%	2.4%
Discount Rate ^A	3.0%	3.0%	3.0%	3.0%	3.0%

PROJECT ANALYSIS ASSUMPTIONS

Utility Use & Maintenance Savings ^F		\$0.63	\$0.63	\$0.76	\$0.76
Increased Leased Space (%) ^G			88.75%		90.00%
Attribution of Revenue Increase to project ^H			2%		2%
Reduced Vacancy & Improved Retention ^I			3 Months		3 Months
Attribution of Revenue Increase to project			2%		2%
Tenant Attraction ^J			1 Month less		1 Month less
Attribution of Revenue Increase to project			2%		2%

MCKINSTRY ENGINEERING & COST INPUT

Project Cost (npv)		\$227,774	\$227,774	\$202,500	\$202,500
Now		\$90,000	\$90,000		
Replacement in 5 years		\$180,000	\$180,000		
Project Operating Cost Savings (year)		\$55,291	\$55,291	\$67,356	\$67,356
Tax Credit		\$3,500	\$3,500	\$4,200	\$4,200
Green Tag / White Tag Sale		\$10,000	\$10,000	\$12,000	\$12,000
Rebates		\$12,000	\$12,000	\$13,500	\$13,500

NOTES

- * Increases in Net Operating Income affect Building Equity Value.
- * It is assumed that potential buyers and renters of properties consider buildings as a whole and will not make a decision to buy/rent or not, solely based on one system or aspect. Therefore, only a percentage of each revenue increase calculated has been attributed to the DDC System upgrade.
- * Project Asset Value is determined by calculating the difference in the current Building Equity Value and the Building Equity Value resulting from implementing the enhancement project in Option 1 and Option 2.
- * Study includes costs and benefits associated with mechanical equipment connected to DDC System.
- A Data from CPI San Francisco
- B Estimated costs
- C Tenant Improvement estimated for one building quadrant every 6 yrs in Baseline and once every 9 yrs for Options 1 and 2 based on reduced turnover.
- D Used to evaluate the potential earnings of the capital if it were not invested into the project. Client's hurdle rate for assessing projects.
- E Market Rate, Bloomberg
- F Building operating cost reduction
- G Measure of building occupancy.
- H Assumes that renters consider many building attributes and will not decide to rent solely because of one attribute.
- I Measure of tenant turnover, satisfaction and comfort
- J Measure of green factors in attracting tenants
- K Baseline costs for failed equipment and replacement equipment are reflected in the Baseline Capital Expenditures.
- * Financial data presented on the Asset Valuation sheet represents figures as though the projects were implemented today.



INPUT ASSUMPTIONS	Baseline: Current DDC System	Option 1: Expand Existing DDC System Now, Replace Later		Option 2: Replace DDC System Now	
		Utility Savings Case	Utility Savings & Lease Up Adjusted Case	Utility Savings Case	Utility Savings & Lease Up Adjusted Case

ANALYSIS ASSUMPTIONS, USER INPUT					
Building Square Footage	88,256				
Lease Type	Owner Occupied				
Percent Occupied	87.5%				
Potential Lease Up (\$/sf) ^A	\$41.17				
Current Net Operating Income (\$/sf)	\$27.38				
Brokerage Fees (\$/sf) ^B	\$8.50				
Tenant Improvement Cost (\$/sf) ^{B, C}	\$25.00				
Capitalization Rate ^E	6.5%				

FIM ANALYSIS ASSUMPTIONS					
Utility Use & Maintenance Savings ^F		\$0.63	\$0.63	\$0.76	\$0.76
Increased Leased Space (%) ^G			1.25%		2.50%
Attribution of Revenue Increase to project ^H			2%		2%
Reduced Vacancy & Improved Retention ^I			3 Months		3 Months
Attribution of Revenue Increase to project			2%		2%
Tenant Attraction ^J			1 Month less		1 Month less
Attribution of Revenue Increase to project			2%		2%

MCKINSTRY ENGINEERING & COST INPUT					
FIM Cost (npv)		\$245,270	\$245,270	\$202,500	\$202,500
Now		\$90,000	\$90,000		
Replacement in 5 years		\$180,000	\$180,000		
FIM Operating Cost Savings (year)		\$55,291	\$55,291	\$67,356	\$67,356

ASSET VALUATION

NET OPERATING INCOME ADJUSTMENTS

Utility Use & Maintenance Adjustment	\$0.00	\$0.63	\$0.63	\$0.76	\$0.76
Increased Leased Space	\$0.00	\$0.00	\$0.01	\$0.00	\$0.01
Reduced Vacancy & Improved Retention	\$0.00	\$0.00	\$0.12	\$0.00	\$0.12
Tenant Attraction	\$0.00	\$0.00	\$0.04	\$0.00	\$0.04
Net Realized Gain (Loss) (\$/sf)	\$0.00	\$0.63	\$0.80	\$0.76	\$0.94
NOI Project Adjustment	\$0	\$48,380	\$92,504	\$58,937	\$135,172

ASSET VALUE

Project Capitalized Asset Value Adjustment	\$0	\$744,308	\$1,423,137	\$906,718	\$2,079,564
Green Tag / White Tag Sale	\$0	\$10,000	\$10,000	\$12,000	\$12,000
Net Project Asset Value	\$0	\$754,308	\$1,433,137	\$918,718	\$2,091,564

PROJECT COST

Project Cost	\$0	\$270,000	\$270,000	\$202,500	\$202,500
Rebate	\$0	(\$12,000)	(\$12,000)	(\$13,500)	(\$13,500)
Tax Credit	\$0	(\$3,500)	(\$3,500)	(\$4,200)	(\$4,200)
Net Project Costs	\$0	\$254,500	\$254,500	\$184,800	\$184,800

NET PROJECT VALUE

NET PROJECT VALUE	\$0	\$499,808	\$1,178,637	\$733,918	\$1,906,764
Simple Utility Payback (years)		4.60	4.60	2.74	2.74
NOI Yield, Marginal Yield		10%	18%	11%	26%
IRR		9%	10%	14%	16%

SUPPLEMENTAL DATA

Occupancy	87.50%	87.50%	88.75%	87.50%	90.00%
Capital Expenditures (10 yr NPV) ^A	\$1,864,883	\$712,006	\$712,006	\$485,663	\$485,663

A Data from CPI San Francisco

B Estimated costs

C Tenant Improvement estimated for one building quadrant every 6 yrs in Baseline and once every 9 yrs for Options 1 and 2 based on reduced

D Used to evaluate the potential earnings of the capital if it were not invested into the project. Client's hurdle rate for assessing projects.

E Market Rate, Bloomberg

F Building operating cost reduction

G Measure of building occupancy.

H Assumes that renters consider many building attributes and will not decide to rent solely because of one attribute.

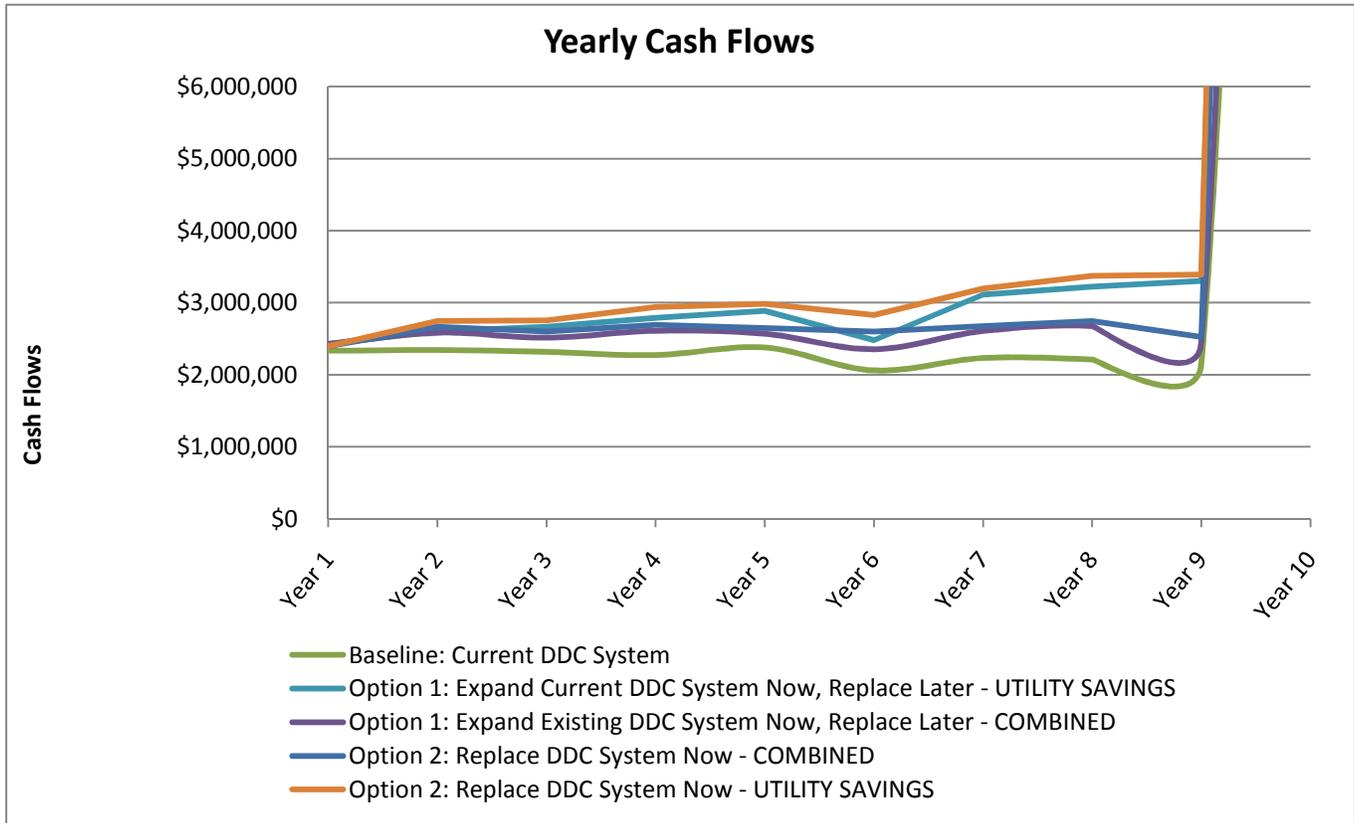
I Measure of tenant turnover, satisfaction and comfort

J Measure of green factors in attracting tenants

K Baseline costs for failed equipment and replacement equipment are reflected in the Baseline Capital Expenditures.

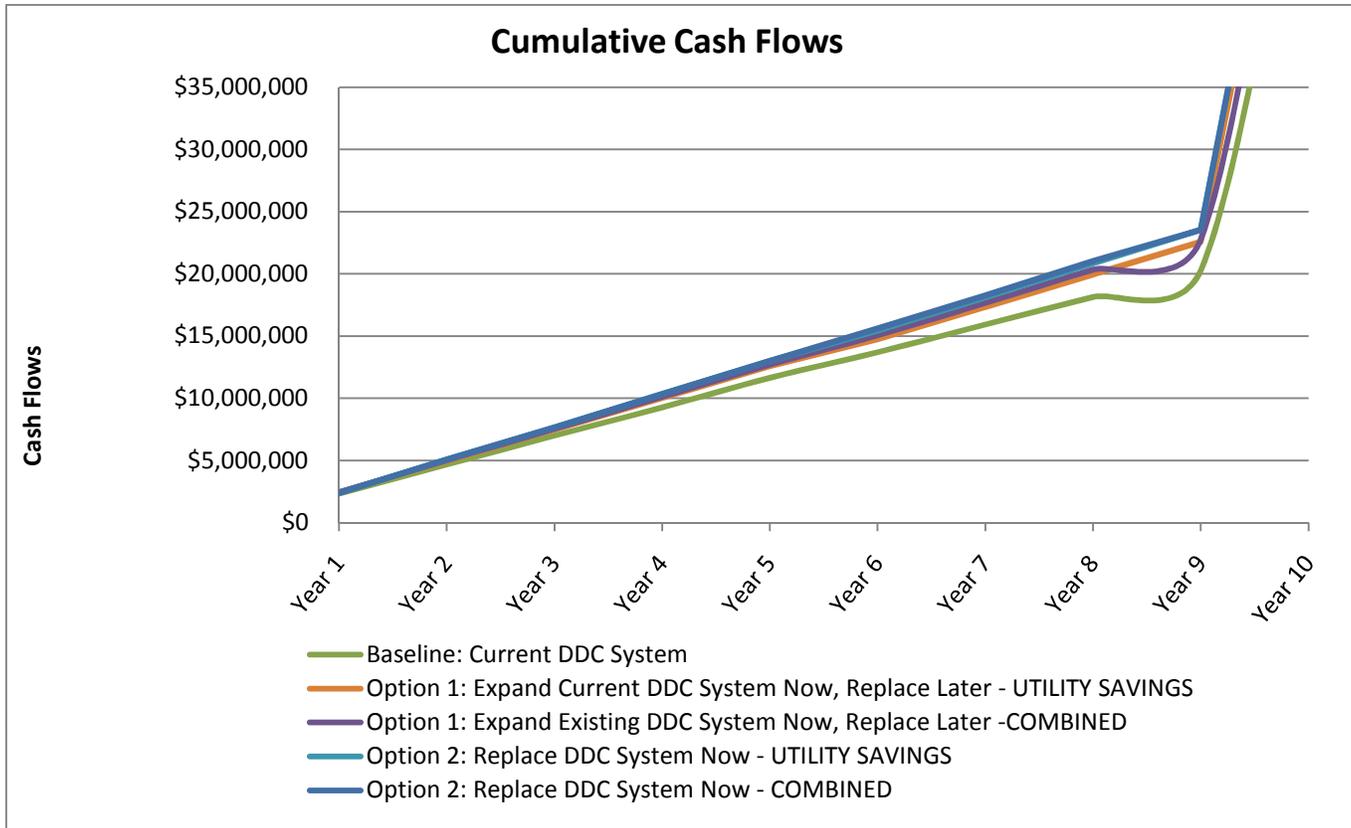
* Financial data presented on the Asset Valuation sheet represents figures as though the projects were implemented today.

CASHFLOW BREAKDOWN & DISCUSSION



Net Cash Flow (npv)	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	\$2,331,039	\$2,425,558	\$2,425,558	\$2,395,896	\$2,395,896	Net Cash Flow assuming the sale of the property occurs in year 10.
Year 2	\$2,342,282	\$2,604,045	\$2,581,638	\$2,744,593	\$2,664,653	
Year 3	\$2,316,588	\$2,665,910	\$2,512,876	\$2,756,252	\$2,598,032	
Year 4	\$2,270,368	\$2,790,443	\$2,607,297	\$2,940,171	\$2,690,673	
Year 5	\$2,375,862	\$2,888,576	\$2,566,462	\$2,982,622	\$2,650,021	
Year 6	\$2,057,526	\$2,482,117	\$2,352,166	\$2,829,639	\$2,598,086	
Year 7	\$2,230,957	\$3,112,585	\$2,606,741	\$3,195,506	\$2,676,186	
Year 8	\$2,211,046	\$3,221,828	\$2,673,705	\$3,374,064	\$2,743,422	
Year 9	\$2,155,567	\$3,300,625	\$2,451,061	\$3,391,686	\$2,522,945	
Year 10	\$37,979,344	\$56,705,204	\$43,514,092	\$58,278,149	\$44,665,348	

CASHFLOW BREAKDOWN & DISCUSSION



Cumulative Cash Flow	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	\$2,331,039	\$2,425,558	\$2,425,558	\$2,395,896	\$2,395,896	Cumulative Cash Flow highlights the decreased cash in at the end of the 10 year analysis, due to the decreasing projected revenue and the high capital expenditures related to failing equipment.
Year 2	\$4,673,320	\$4,953,757	\$5,007,196	\$5,060,549	\$5,060,549	
Year 3	\$6,989,908	\$7,466,633	\$7,520,071	\$7,658,581	\$7,658,581	
Year 4	\$9,260,276	\$10,020,283	\$10,127,368	\$10,349,254	\$10,349,254	
Year 5	\$11,636,138	\$12,586,745	\$12,693,830	\$12,999,275	\$12,999,275	
Year 6	\$13,693,663	\$14,727,841	\$15,045,996	\$15,440,146	\$15,597,361	
Year 7	\$15,924,621	\$17,334,582	\$17,652,737	\$18,116,333	\$18,273,547	
Year 8	\$18,135,666	\$19,954,223	\$20,326,442	\$20,859,755	\$21,016,970	
Year 9	\$20,291,233	\$22,559,767	\$22,777,503	\$23,537,183	\$23,539,915	
Year 10	\$58,270,577	\$66,019,584	\$66,291,594	\$68,202,532	\$68,205,263	



CASHFLOW BREAKDOWN & DISCUSSION

Revenue	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	\$3,179,544	\$3,287,263	\$3,287,263	\$3,345,145	\$3,345,145	Revenue declines in the Baseline Case as indoor environmental quality decreases due to HVAC equipment failure. Projected revenue for Options 1 and 2 increase as the DDC Systems are expanded and replaced as tenants are attracted to greener and better operated office spaces.
Year 2	\$3,289,238	\$3,400,673	\$3,400,673	\$3,460,553	\$3,460,553	
Year 3	\$3,402,717	\$3,517,996	\$3,517,996	\$3,579,942	\$3,579,942	
Year 4	\$3,520,110	\$3,639,367	\$3,639,367	\$3,703,450	\$3,703,450	
Year 5	\$3,641,554	\$3,764,925	\$3,764,925	\$3,831,219	\$3,831,219	
Year 6	\$3,729,516	\$3,894,815	\$3,894,815	\$3,963,396	\$3,963,396	
Year 7	\$3,838,699	\$4,029,186	\$4,029,186	\$4,100,133	\$4,100,133	
Year 8	\$3,950,976	\$4,168,193	\$4,168,193	\$4,241,588	\$4,241,588	
Year 9	\$4,066,431	\$4,311,996	\$4,311,996	\$4,387,923	\$4,387,923	
Year 10	\$4,185,150	\$4,460,760	\$4,460,760	\$4,539,306	\$4,539,306	

Operating Expenses	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	(\$802,505)	(\$749,004)	(\$749,004)	(\$739,049)	(\$739,049)	Operating expenses include gas and electric utility costs that are used and saved by the DDC Systems in the Baseline and Options 1 and 2.
Year 2	(\$828,583)	(\$773,383)	(\$773,383)	(\$763,117)	(\$763,117)	
Year 3	(\$855,509)	(\$798,557)	(\$798,557)	(\$787,969)	(\$787,969)	
Year 4	(\$883,310)	(\$824,550)	(\$824,550)	(\$813,632)	(\$813,632)	
Year 5	(\$912,016)	(\$851,391)	(\$851,391)	(\$840,131)	(\$840,131)	
Year 6	(\$939,772)	(\$879,106)	(\$879,106)	(\$867,494)	(\$867,494)	
Year 7	(\$969,337)	(\$907,724)	(\$907,724)	(\$895,749)	(\$895,749)	
Year 8	(\$999,828)	(\$937,275)	(\$937,275)	(\$924,926)	(\$924,926)	
Year 9	(\$1,031,273)	(\$967,789)	(\$967,789)	(\$955,054)	(\$955,054)	
Year 10	(\$1,063,704)	(\$999,297)	(\$999,297)	(\$986,164)	(\$986,164)	

Capital Expenditures	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	(\$46,000)	(\$112,700)	(\$112,700)	(\$210,200)	(\$210,200)	Capital Expenditures grow rapidly in the Baseline Case, as equipment fails and requires replacement due to over use when the current DDC System fails. Options 1 reflects the replacement and expansion of the DDC System after five years. Numbers shown at left have been combined with the emergency equipment replacement costs associated with the DDC system breakdown.
Year 2	(\$48,105)	(\$23,245)	(\$23,245)	(\$7,885)	(\$7,885)	
Year 3	(\$89,539.95)	(\$53,530)	(\$53,530)	(\$35,720)	(\$35,720)	
Year 4	(\$155,908.33)	(\$24,374)	(\$24,374)	(\$8,268)	(\$8,268)	
Year 5	(\$55,484.60)	(\$24,959)	(\$24,959)	(\$8,466)	(\$8,466)	
Year 6	(\$169,740.31)	(\$351,337)	(\$351,337)	(\$146,441)	(\$146,441)	
Year 7	(\$137,966.42)	(\$8,877)	(\$8,877)	(\$8,877)	(\$8,877)	
Year 8	(\$149,321.18)	(\$9,091)	(\$9,091)	(\$9,091)	(\$9,091)	
Year 9	(\$207,026.83)	(\$43,582)	(\$43,582)	(\$41,183)	(\$41,183)	
Year 10	(\$175,758.38)	(\$9,532)	(\$9,532)	(\$9,532)	(\$9,532)	

Additional/ Reduced Brokerage Costs	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	\$0	\$0	\$0	\$0	\$0	Baseline Case shows the increased brokerage costs once the current DDC system fails and the indoor environmental quality declines, requiring more marketing, gab, etc. Options 1 and 2 model one fewer tenant turnover, every 2 years, based on the assumption that tenant turnover will be lower in better operated buildings.
Year 2	\$0	\$0	\$55,042	\$0	\$55,042	
Year 3	\$0	\$0	\$0	\$0	\$0	
Year 4	\$0	\$0	\$58,621	\$0	\$58,621	
Year 5	\$0	\$0	\$0	\$0	\$0	
Year 6	(\$52,512)	\$0	\$62,433	\$0	\$62,433	
Year 7	(\$67,516)	\$0	\$0	\$0	\$0	
Year 8	(\$82,519)	\$0	\$66,492	\$0	\$66,492	
Year 9	(\$97,523)	\$0	\$0	\$0	\$0	
Year 10	(\$86,270)	\$0	\$70,816	\$0	\$70,816	

Tenant Improvement	Baseline	Option 1		Option 2		Notes
		UTILITY SAVINGS	COMBINED	UTILITY SAVINGS	COMBINED	
Year 1	\$0	\$0	\$0	\$0	\$0	Tenant Improvement estimated for one quadrant every 6 years in Baseline model and once every 9 years for Options 1 and 2 based on reduced tenant turnover.
Year 2	\$0	\$0	\$0	\$0	\$0	
Year 3	\$0	\$0	\$0	\$0	\$0	
Year 4	\$0	\$0	\$0	\$0	\$0	
Year 5	\$0	\$0	\$0	\$0	\$0	
Year 6	(\$182,255)	(\$182,255)	\$0	(\$182,255)	\$0	
Year 7	\$0	\$0	\$0	\$0	\$0	
Year 8	\$0	\$0	\$0	\$0	\$0	
Year 9	\$0	\$0	(\$195,695)	\$0	(\$195,695)	
Year 10	\$0	\$0	\$0	\$0	\$0	



Cost / Benefit Analysis
Sample Building
DDC System
Lease Up

ANALYSIS ASSUMPTIONS		
User Input		Current Reference
Revenue Inflation	2.60%	CPI San Francisco
Operating Expenses	3.20%	CPI San Francisco
Capital Expenditures	2.40%	CPI San Francisco
Discount Rate	3.00%	

LEASE UP

Baseline: Current DDC System	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tenant 1	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 2	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 3	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 4	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 5	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 6	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 7	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 8	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 9	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Tenant 10	\$317,954	\$328,924	\$340,272	\$352,011	\$364,155	\$372,952	\$383,870	\$395,098	\$406,643	\$418,515
Revenue	\$3,179,544	\$3,289,238	\$3,402,717	\$3,520,110	\$3,641,554	\$3,729,516	\$3,838,699	\$3,950,976	\$4,066,431	\$4,185,150

Option 1: Expand Existing DDC System Now, Replace Later

UTILITY SAVINGS CASE

Tenant 1	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 2	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 3	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 4	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 5	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 6	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 7	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 8	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 9	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 10	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Revenue	\$3,287,263	\$3,400,673	\$3,517,996	\$3,639,367	\$3,764,925	\$3,894,815	\$4,029,186	\$4,168,193	\$4,311,996	\$4,460,760

Option 1: Expand Existing DDC System Now, Replace Later

UTILITY SAVINGS & LEASE UP ADJUSTED CASE

Tenant 1	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 2	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 3	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 4	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 5	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 6	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 7	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 8	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 9	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Tenant 10	\$328,726	\$340,067	\$351,800	\$363,937	\$376,493	\$389,482	\$402,919	\$416,819	\$431,200	\$446,076
Revenue	\$3,287,263	\$3,400,673	\$3,517,996	\$3,639,367	\$3,764,925	\$3,894,815	\$4,029,186	\$4,168,193	\$4,311,996	\$4,460,760



Cost / Benefit Analysis
Sample Building
DDC System
Lease Up

ANALYSIS ASSUMPTIONS		
User Input		Current Reference
Revenue Inflation	2.60%	CPI San Francisco
Operating Expenses	3.20%	CPI San Francisco
Capital Expenditures	2.40%	CPI San Francisco
Discount Rate	3.00%	

LEASE UP

Option 2: Replace DDC System Now UTILITY SAVINGS CASE

Tenant 1	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 2	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 3	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 4	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 5	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 6	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 7	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 8	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 9	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 10	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Revenue	\$3,345,145	\$3,460,553	\$3,579,942	\$3,703,450	\$3,831,219	\$3,963,396	\$4,100,133	\$4,241,588	\$4,387,923	\$4,539,306

Option 2: Replace DDC System Now UTILITY SAVINGS & LEASE UP ADJUSTED CASE

Tenant 1	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 2	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 3	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 4	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 5	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 6	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 7	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 8	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 9	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Tenant 10	\$334,515	\$346,055	\$357,994	\$370,345	\$383,122	\$396,340	\$410,013	\$424,159	\$438,792	\$453,931
Revenue	\$3,345,145	\$3,460,553	\$3,579,942	\$3,703,450	\$3,831,219	\$3,963,396	\$4,100,133	\$4,241,588	\$4,387,923	\$4,539,306



ANALYSIS ASSUMPTIONS	
User Input	Current Reference
Operating Expenses	3.20%
Discount Rate	3.00%

DDC SYSTEM OPERATING EXPENSES

Baseline: Current DDC System

Operating Costs	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
G&A, Taxes, etc	\$158,977	\$164,462	\$170,136	\$176,006	\$182,078	\$186,476	\$191,935	\$197,549	\$203,322	\$209,257
Utility and Maintenance Costs	\$643,528	\$664,121	\$685,373	\$707,305	\$729,938	\$753,296	\$777,402	\$802,279	\$827,952	\$854,446
System 10 Year Operating NPV	\$6,732,840									

Option 1: Expand Existing DDC System Now, Replace Later

UTILITY SAVINGS CASE

UTILITY SAVINGS & LEASE UP ADJUSTED CASE

Operating Costs	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
G&A, Taxes, etc	\$164,363	\$170,034	\$175,900	\$181,968	\$188,246	\$194,741	\$201,459	\$208,410	\$215,600	\$223,038
Utility and Maintenance Costs	\$584,641	\$603,350	\$622,657	\$642,582	\$663,145	\$684,365	\$706,265	\$728,865	\$752,189	\$776,259
System 10 Year Operating NPV	\$6,297,047									

Option 2: Replace DDC System Now

UTILITY SAVINGS CASE

UTILITY SAVINGS & LEASE UP ADJUSTED CASE

Operating Costs	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
G&A, Taxes, etc	\$ 167,257	\$173,028	\$178,997	\$185,172	\$191,561	\$198,170	\$205,007	\$212,079	\$219,396	\$226,965
Utility and Maintenance Costs	\$ 571,792	\$590,089	\$608,972	\$628,459	\$648,570	\$669,324	\$690,743	\$712,846	\$735,658	\$759,199
System 10 Year Operating NPV	\$6,213,796									





ANALYSIS ASSUMPTIONS		
User Input	Current Reference	
Capital Expenditures	2.40%	CPI San Francisco
Discount Rate	6.00%	

DDC SYSTEM CAPITAL EXPENDITURE

Baseline: Current DDC System

UTILITY SAVINGS CASE AND UTILITY SAVINGS & LEASE UP ADJUSTED CASE	Current Equip Age	Frequency (yrs)	Cost	NPV	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Compressors	9													
Service		3	\$37,350	\$89,255	\$0	\$0	\$39,164	\$0	\$0	\$42,052	\$0	\$0	\$45,153	\$0
Equipment Expected Life		13.5	\$96,000	\$81,648	\$0	\$0	\$0	\$103,079	\$0	\$0	\$0	\$0	\$0	\$0
Boiler	9													
Service		1	\$2,000	\$16,231	\$2,000	\$2,048	\$2,097	\$2,147	\$2,199	\$2,252	\$2,306	\$2,361	\$2,418	\$2,476
Equipment Expected Life		30	\$28,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DDC System	9													
Service years 1-5		1	\$33,000	\$145,440	\$33,000	\$33,792	\$34,603	\$35,433	\$36,284	\$0	\$0	\$0	\$0	\$0
Service year 6 and beyond		1	\$41,000	\$152,028	\$0	\$0	\$0	\$0	\$0	\$46,162	\$47,270	\$48,404	\$49,566	\$50,756
Equipment Expected Life		5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AHUs	9													
Additional Service Required		1	\$11,000	\$131,681	\$11,000	\$12,265	\$13,675	\$15,248	\$17,002	\$18,957	\$21,137	\$23,568	\$26,278	\$29,300
Emergency Equipment Replacement		1	\$35,000	\$235,845	\$0	\$0	\$0	\$0	\$0	\$60,317	\$67,254	\$74,988	\$83,612	\$93,227
System 10 Year NPV Adjustment			\$852,127											

Option 1: Expand Existing DDC System Now, Replace Later

UTILITY SAVINGS CASE AND UTILITY SAVINGS & LEASE UP ADJUSTED CASE	Current Equip Age	Frequency (yrs)	Cost	NPV	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Compressors	9													
Service		3	\$28,350	\$67,747	\$0	\$0	\$29,727	\$0	\$0	\$31,919	\$0	\$0	\$34,273	\$0
Equipment Expected Life		15	\$96,000	\$76,197	\$0	\$0	\$0	\$0	\$0	\$108,086	\$0	\$0	\$0	\$0
Boiler	9													
Service		1	\$1,700	\$13,796	\$1,700	\$1,741	\$1,783	\$1,825	\$1,869	\$1,914	\$1,960	\$2,007	\$2,055	\$2,104
Equipment Expected Life		33	\$28,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DDC System	9													
Service years 1-5		1	\$21,000	\$92,553	\$21,000	\$21,504	\$22,020	\$22,549	\$23,090	\$0	\$0	\$0	\$0	\$0
Service year 6 and beyond		1	\$6,000	\$22,248	\$0	\$0	\$0	\$0	\$0	\$6,755	\$6,918	\$7,084	\$7,254	\$7,428
Equipment Expected Life, Expand Current System		1	\$90,000	\$84,906	\$90,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Expected Life, Year 5 Replace System		6	\$180,000	\$142,869	\$0	\$0	\$0	\$0	\$0	\$202,662	\$0	\$0	\$0	\$0
System 10 Year NPV Adjustment			\$500,315											

Option 2: Replace DDC System Now

UTILITY SAVINGS CASE AND UTILITY SAVINGS & LEASE UP ADJUSTED CASE	Current Equip Age	Frequency (yrs)	Cost	NPV	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Compressors	9													
Service		3	\$26,366	\$63,005	\$0	\$0	\$27,646	\$0	\$0	\$29,685	\$0	\$0	\$31,874	\$0
Equipment Expected Life		15	\$96,000	\$76,197	\$0	\$0	\$0	\$0	\$0	\$108,086	\$0	\$0	\$0	\$0
Boiler	9													
Service		1	\$1,700	\$13,796	\$1,700	\$1,741	\$1,783	\$1,825	\$1,869	\$1,914	\$1,960	\$2,007	\$2,055	\$2,104
Equipment Expected Life		33	\$28,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DDC System	9													
Service		1	\$6,000	\$48,692	\$6,000	\$6,144	\$6,291	\$6,442	\$6,597	\$6,755	\$6,918	\$7,084	\$7,254	\$7,428
Equipment Expected Life, Replace Current System		1	\$202,500	\$191,038	\$202,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System 10 Year NPV Adjustment			\$392,727											

Sustainability Management Program 2009



Katy Professional Office Building I Katy, TX

Presented to

KENNEDY ASSOCIATES
REAL ESTATE COUNSEL, LP

Kennedy Associates
Version Date: October 29, 2010

By



Katy Professional Office Building I

SCOPE OF THIS REPORT

This report includes the baseline data, analysis, and recommendations for the initiation of an on-going sustainability management program at Katy Professional Office Building, Katy, TX. It includes necessary information for decisions and actions on

- Capital and operational efficiency improvements to enhance energy performance and other sustainability features of the property
- ENERGY STAR Label acquisition
- Requirements for certification of the building under the US Green Buildings Council (USGBC) Leadership in Energy and Environmental Design for Existing Buildings (LEED-EB) program.

ELEMENTS OF THE REPORT

1. Sustainability Management Report

Provides asset managers and decision makers with key financial analysis for decision making, based on a 10-year capital expenditure (CapEx) plan and summary data on resource use, resource cost, and sustainability features of the property

2. 10-Year Capital Expenditure (CapEx) Plan

Provides a spreadsheet of the 10-year CapEx program described in the Sustainability Management Report outlining the implementation program to move towards improved sustainability and possible LEED certification at the property, including cash flow and ROI analysis results

3. ENERGY STAR Statement of Performance

Provides information necessary to make a decision on obtaining an ENERGY STAR Label for the property

4. Gap Analysis

Provides the property manager and facility engineer with detailed information sufficient to plan and implement a program to move towards LEED certification at the property

5. Sustainability Prescreen

Provides documentation of initial condition of the property at the start of the process

SUSTAINABILITY MANAGEMENT REPORT

SUSTAINABILITY STRATEGY RECOMMENDATIONS

KATY PROFESSIONAL OFFICE BUILDING I

KATY, TX

SITUATION OVERVIEW

Katy Professional Office Building I, 23920 Katy Freeway, Katy, TX, is a 4 year old medical office property with good sustainability performance for its type and opportunities for improvements. The property energy efficiency is poorly reflected in its ENERGY STAR ranking of 62. There are several challenges using ENERGY STAR to benchmark medical office properties, discussed in third section of this report. On-site observation shows the building to be reasonably well equipped and fairly well run, with about a 10% potential energy use reduction through improvements. Based on the ENERGY STAR rating projected with improvements, there is some chance that the property may meet minimum requirements for LEED Certification, but it is likely to be a difficult process.

RECOMMENDATIONS

Based on collected data and observations, Chelsea Group formulated the following strategic recommendations related to sustainability and energy conservation:

- Implement the financially recommended projects to optimize performance
- Pursue LEED Certification for this property cautiously with awareness of the problems related to ENERGY STAR rating procedures and other LEED requirements

NOTES ON COST AND SAVINGS ESTIMATES

The best estimates of the costs and savings for potential sustainability investments at Katy are presented in the “Sustainability Management Report” and the “10-Year Capital Expenditure Plan” of this report. These are based on an on-site visit as well as all collected data.

Appendix B, Gap Analysis, provides the preliminary and comparative analysis of sustainability options for the entire property, using the requirements of the LEED program as a standard yardstick. The Gap Analysis is not edited to reflect the findings of the on-site work, which form the basis of the recommended programs.

Cost estimates from the on-site assessment are higher than the estimates in the Gap Analysis for the recommended strategy for achieving LEED Certification, while savings estimates are about the same. While the projected results suggest an ENERGY STAR ranking that will permit LEED Certification, the ranking system may still cause difficulty in achieving the target rating.

NOTES ON BUDGETING AND IMPLEMENTATION

Budget analysts should begin their review with the Cap Ex Plan that forms the second section of this report. Explanations and values there tie back to the site assessment report that is part of the Sustainability Management Report that forms the first section. The site assessment report displaces but relies in part on the Gap Analysis and has a section that reconciles the two analyses. In all cases the most carefully considered cost and savings numbers are embedded in the Cap Ex Plan.

Sustainability program managers and LEED facilitators can use the findings section of the Gap Analysis as their guide to which LEED prerequisites and credits should be pursued at the property. The primary purpose of the Gap Analysis is to provide credit-by-credit guidance in pursuit of LEED, while the Sustainability Management Report, Cap Ex Plan and supporting site assessment serve as the budgetary and technical roadmap to support this pursuit. **DO NOT RELY ON THE GAP ANALYSIS BUDGETARY VALUES.**

The following Table provides an analysis formulated specifically for this property. It lists all line items from the Cap Ex Plan and summarizes perspectives likely to be applied in evaluating each project. Note that all items listed have a high degree of relevance from an overall sustainability perspective or they would not be listed.

TABLE OF BUDGETARY AND IMPLEMENTATION CONSIDERATIONS

Budget Line Item	Purpose or Impact	Probability of Success	Relevance or Priority		
			Asset Preservation	Cost Savings	LEED
Retrocommissioning	Energy savings	Moderate	High	High	High
Bi-level lighting in stairwells	Energy savings	High	High	Moderate	Moderate
Outdoor Air ventilation optimization	Energy savings	High	High	High	High
VFDs on chilled water pumps	Energy savings	High	High	Moderate	Moderate
Remove Return Air Damper control	Energy savings	High	High	Moderate	Moderate
VFDs on domestic water booster pumps	Energy savings	High	High	Low	Moderate
Remaining LEED Prerequisites	Basic sustainability	High	Low	Low	High
Remaining LEED Credits for Target Certification Level	Improved sustainability	Moderate	Low	Low	High
LEED-related Soft Costs*	Operational needs	Moderate	Low	Low	High
LEED-related Hard Costs	LEED process	Moderate	Low	Low	High
Remaining Potential LEED Credits	Maximized sustainability	Moderate	Low	Low	Moderate
Related Additional Soft Costs**	Operational needs	Moderate	Low	Low	Moderate
Related Additional Hard Costs	LEED process	N/A	None	None	None

Financial Summary

Characteristics of the Property (Current Year)

Date Occupied: 2006	Net Square Feet: 131,607	Occupant Count: 200	Occupancy % 85%
Annual kBTU/SqFt: 111.2	Annual Energy \$/SqFt: \$3.70	Annual CO2 lbs/SqFt: 39.3	

Financially Recommended Sustainability Program Value*

Investment	Save:	Incentives	Payback (mo):	NPV	IRR
\$147,392	\$45,825	\$0	39	\$384,027	45%

* Optimized on 10-year Net Present Value, excluding projects already in the capital budget for the property

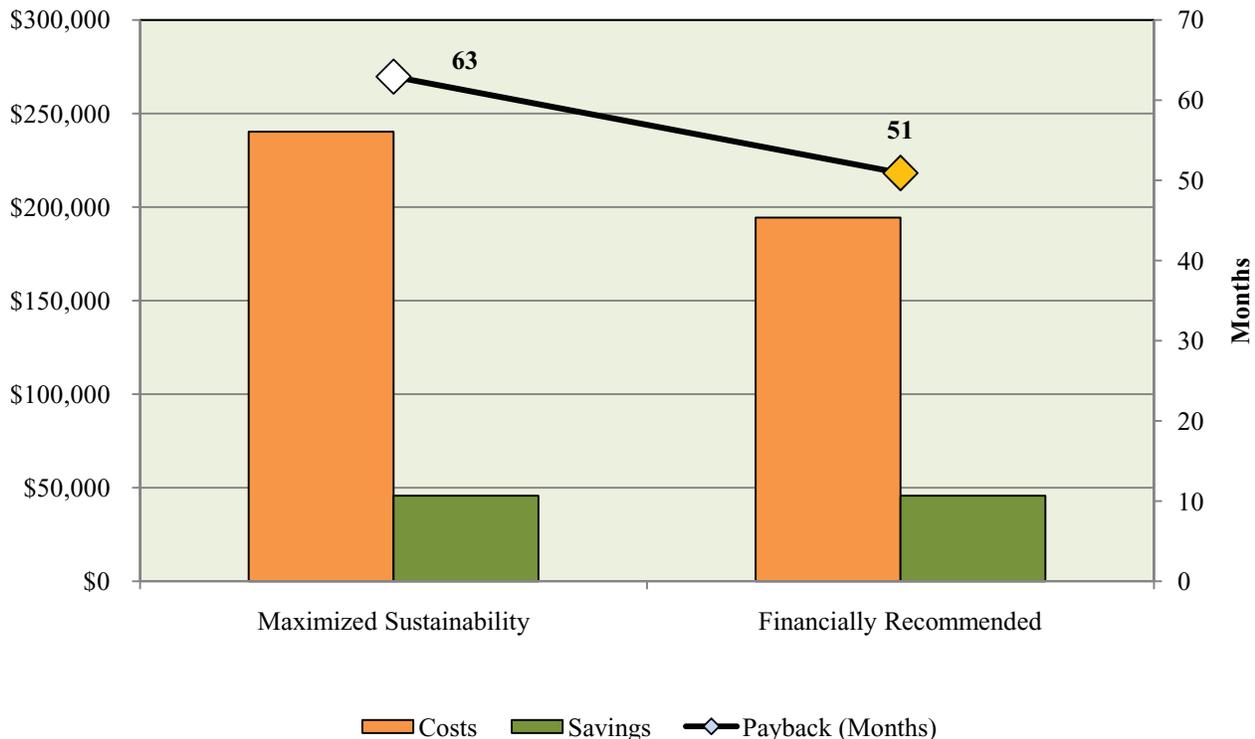
LEED Certification Program Approaches

	Maximized Sustainability†	Financially Recommended‡
Total Estimated Cost to LEED	\$240,322	\$194,351
Financially Recommended Projects	\$147,392	\$147,392
LEED Related Costs	\$46,959	\$46,959
Additional Sustainability Costs	\$45,971	\$0
Potential LEED Rating	BASIC	BASIC
Minimum Time to LEED (Mo)*	18	18
Estimated Annual Savings	\$45,825	\$45,825
Payback Total Est. Costs (Mo)	63	51

† Financially Recommended EXCLUDES previously budgeted projects; Maximized Sustainability INCLUDES previously budgeted projects shown in the CapEx Plan, plus items identified as possible in the Gap Analysis

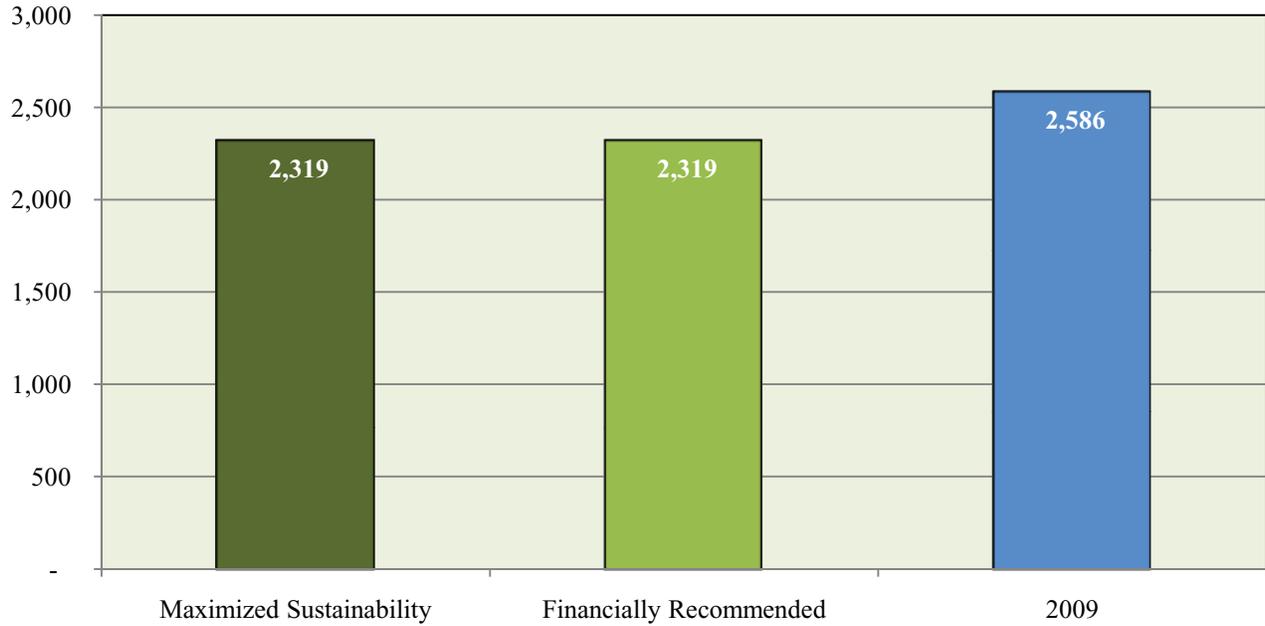
* Assumes aggressive energy conservation program that results in targeted ENERGY STAR Ratings

Payback on Total Estimated Cost to LEED

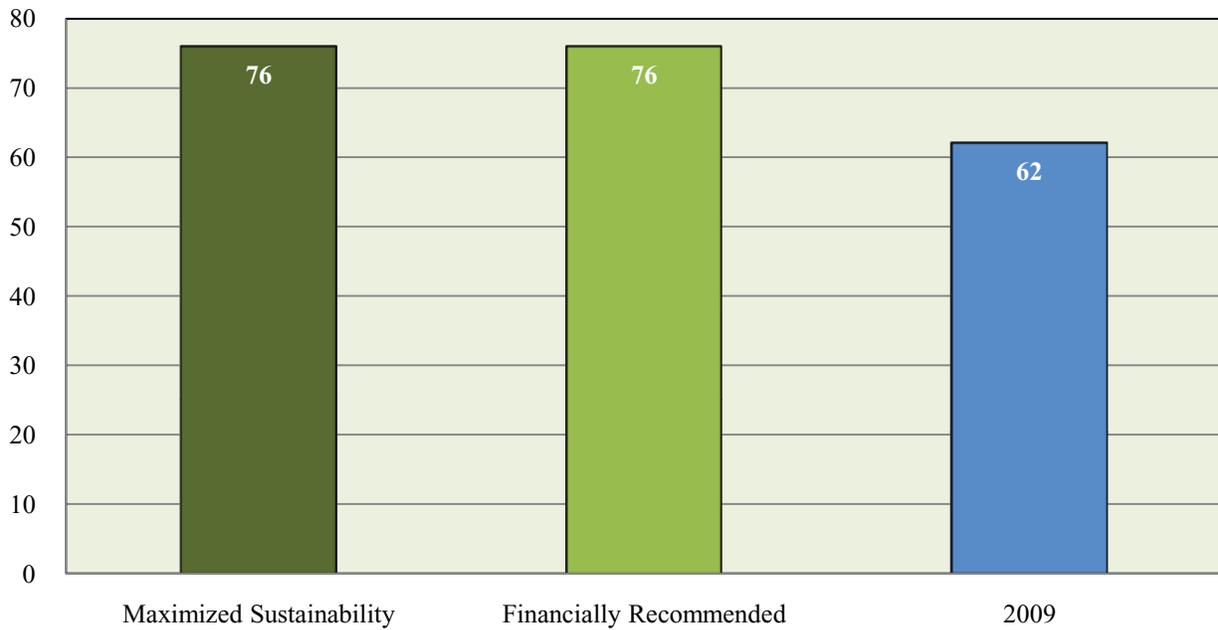


Resource and Cost Overview

Carbon Footprint (tons)

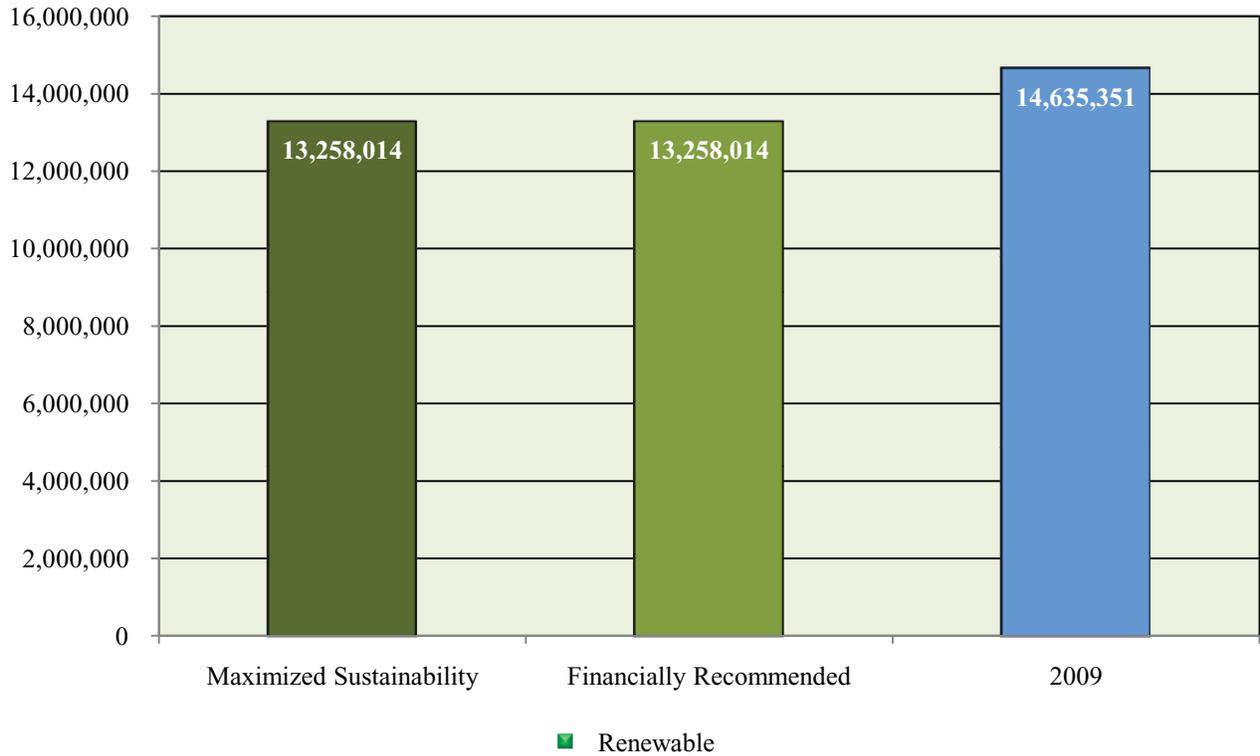


Energy Star Rating



- * Projected sustainability management results at the end of 10 years:
 - ✓ **Maximized Sustainability** values reflected here represent the likely best achievable results for this building, taking all possible actions regardless of financial return.
 - ✓ **Financially Recommended** values are based on taking those actions which together have a payback of about 3 years.

Annual Energy Use (kBTU, site)

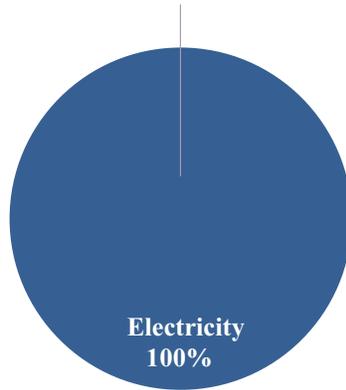


Annual Energy Cost

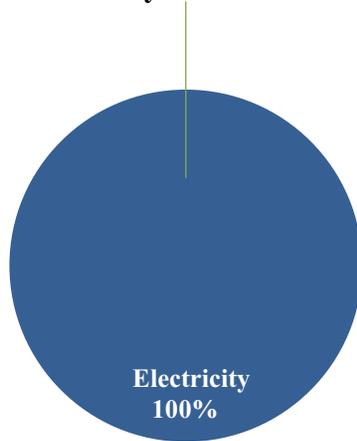


Current Year Energy Use and Cost based on an Occupancy Rate of 85%

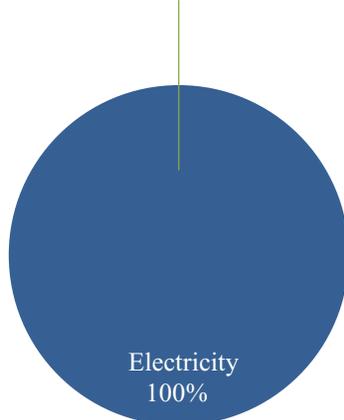
**Energy Use By Source
2009**



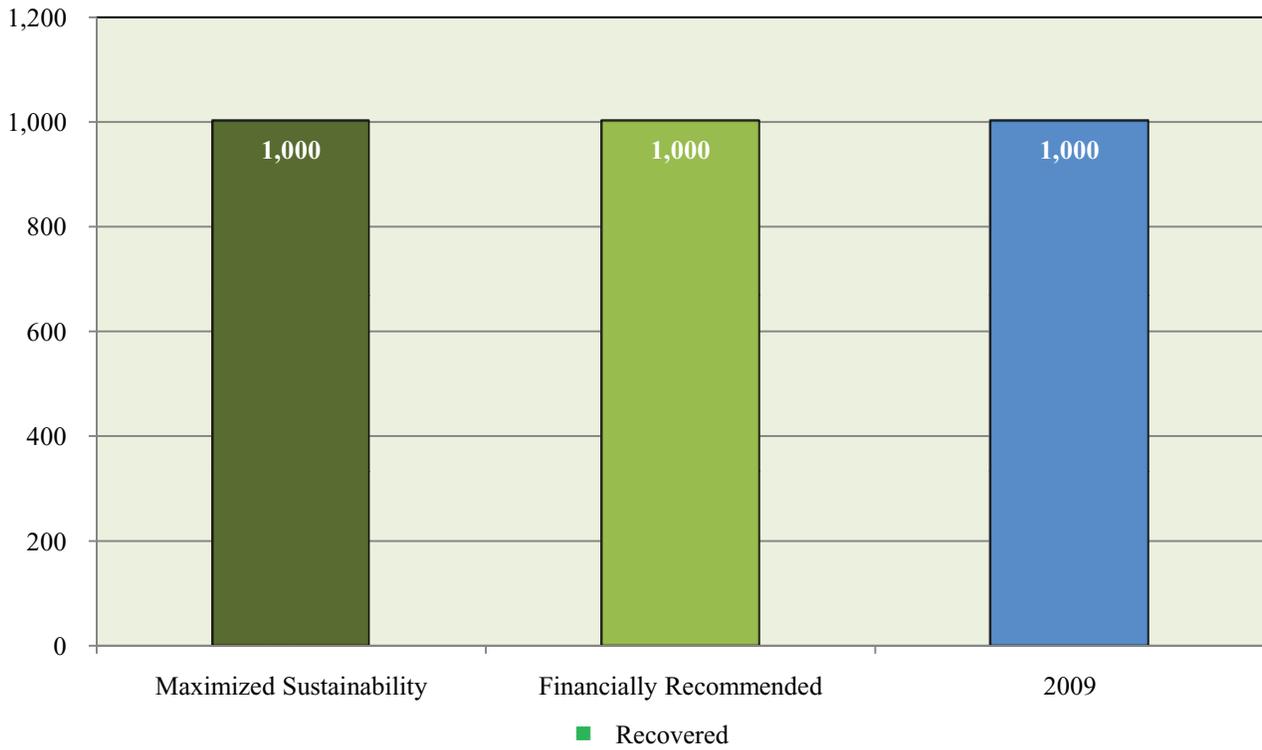
**Energy Use by Source
Financially Recommended**



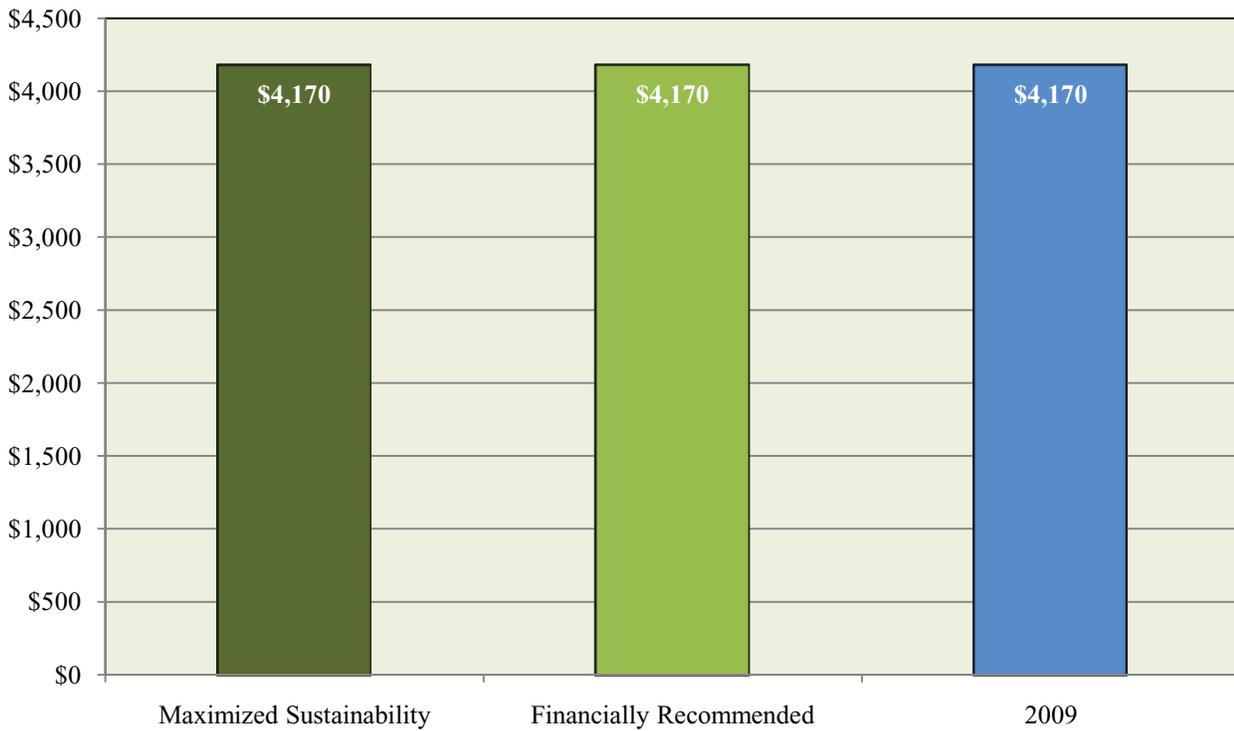
**Energy Use by Source
Maximized Sustainability**



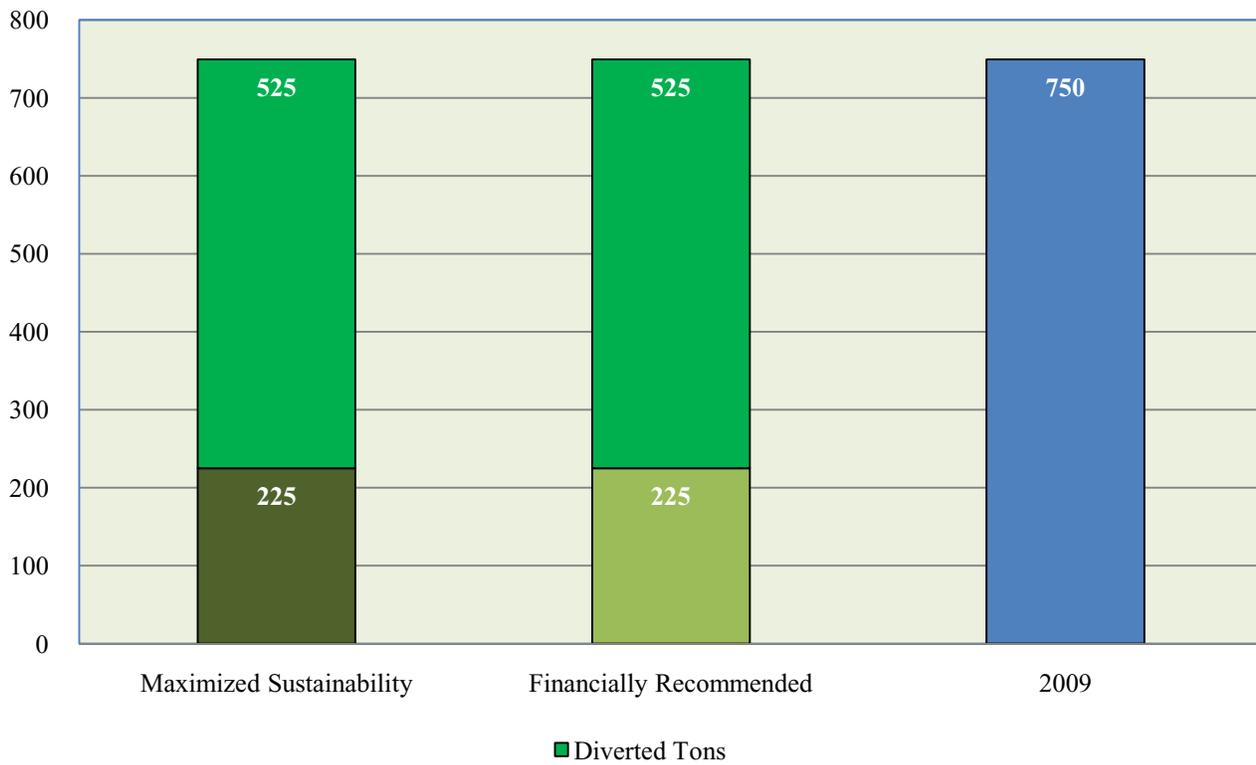
Annual Water/Sewer Use (kGAL)



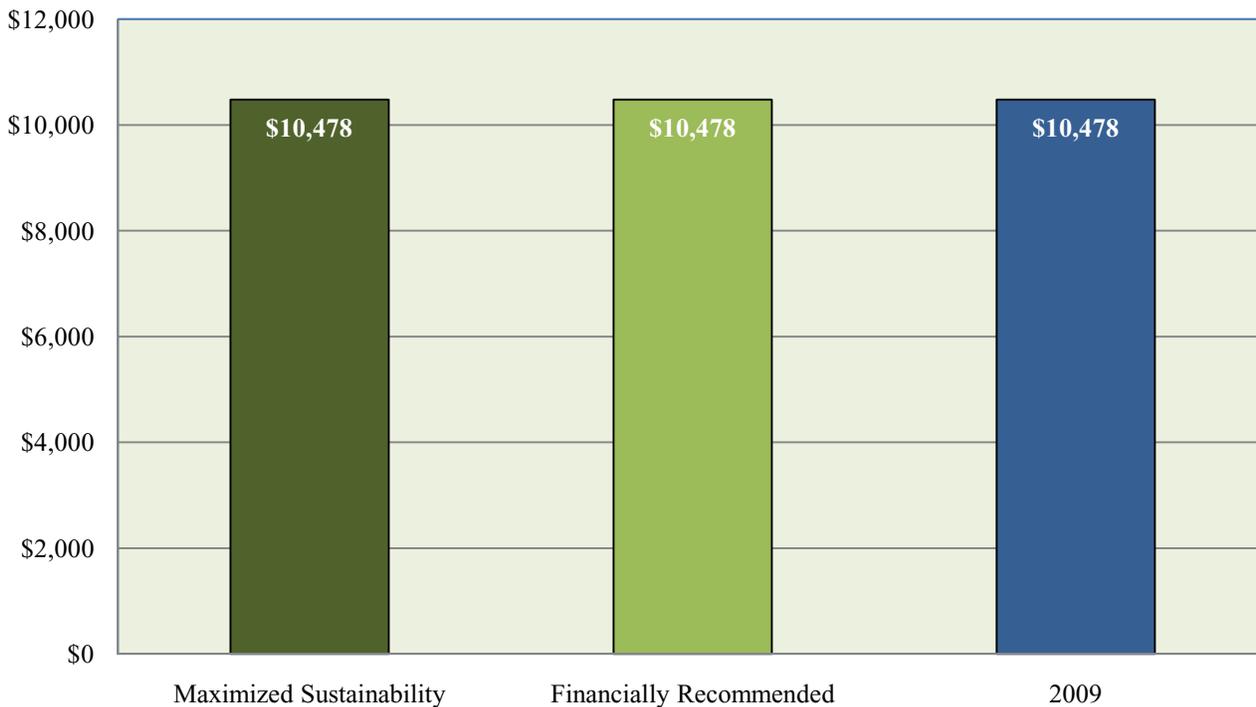
Annual Water/Sewer Costs



Annual Waste Tonnage



Annual Waste Costs



Current and Projected Sustainability Performance

	Maximized Sustainability	Financially Recommended	2009	2010	2011	2012
ENERGY STAR Rating	76	76	62			
Carbon Footprint (tons)	2,319	2,319	2,586			
Total Energy Use (kBtu, site)	13,258,014	13,258,014	14,635,351			
Purchased	13,258,014	13,258,014	14,635,351			
Renewable	0	0	0			
Water (kGAL)	1,000	1,000	1,000			
Purchased	1,000	1,000	1,000			
Recovered	0	0	0			
Waste (Tons)	750	750	750			
Landfill	225	225	750			
Diverted	525	525	0			

Sustainability Performance per Square Foot

	Maximized Sustainability	Financially Recommended	2009	2010	2011	2012
Carbon Footprint (lb)	35.2	35.2	39.3			
Total Energy Use (kBtu, site)	100.7	100.7	111.2			
Purchased	100.7	100.7	111.2			
Renewable	0.0	0.0	0.0			
Water (GAL)	7.6	7.6	7.6			
Purchased	7.6	7.6	7.6			
Recovered	0.0	0.0	0.0			
Waste (lb)	11.4	11.4	11.4			
Landfill	3.4	3.4	11.4			
Diverted	8.0	8.0	0.0			

Current and Projected Resource Costs

	Maximized Sustainability	Financially Recommended	2009	2010	2011	2012
Total Energy Costs	\$441,104	\$441,104	\$486,929			
Total Water and Sewer Costs	\$4,170	\$4,170	\$4,170			
Total Waste Costs	\$10,478	\$10,478	\$10,478			

Resource Costs per Square Foot

	Maximized Sustainability	Financially Recommended	2009	2010	2011	2012
Total Energy Costs	\$3.35	\$3.35	\$3.70			
Total Water and Sewer Costs	\$0.03	\$0.03	\$0.03			
Total Waste Costs	\$0.08	\$0.08	\$0.08			

Energy Use by Source (kBTU)

Source	Maximized Sustainability	Financially Recommended	2009	2010	2011	2012
Purchased	13,258,014	13,258,014	14,635,351			
Electricity	13,258,014	13,258,014	14,635,351			
Gas	0	0	0			
Fuel Oil	0	0	0			
Thermal						
Renewable						
Other						
On-site*	-	-	-			
Solar Thermal						
Solar Electric						
Wind						
Other						
TOTAL	13,258,014	13,258,014	14,635,351			

Current Year Energy Use based on an Occupancy Rate of 85%

Major Sustainability Features

	Current	Maximized
Envelope	<ul style="list-style-type: none"> ∨ Precast Concrete Panels ∨ Double pane tinted glass ∨ Medium colored roll roofing with tar seams 	<ul style="list-style-type: none"> ∨ None
Energy Supply and Conversion	<ul style="list-style-type: none"> ∨ Electric μ CenterPoint, some sub-meters for bill-back to tenants ∨ Gas μ None ∨ Water μ City of Sugar Land ∨ Sewer - City of Sugar Land ∨ Waste Hauling and Recycling μ Allied Waste (medical waste by tenant) 	<ul style="list-style-type: none"> ∨ None
HVAC	<ul style="list-style-type: none"> ∨ (2) 270-ton air-cooled chillers, R-134a ∨ (2) constant speed 50 hp chilled water pumps for main building ∨ (1) 190-ton air-cooled chiller for surgery (owned/maintained by tenant), R-134a ∨ (1) 50-ton air-cooled chiller for MRI (owned/maintained by tenant), R-22 ∨ (2) Large VAV air handlers with 125 hp motors in penthouse with damper in return air ∨ (1) Sleep lab DX VAV AHU ∨ (2) Surgery VAV AHUs ∨ (5) rooftop exhaust fans 	<ul style="list-style-type: none"> ∨ Retrocommissioning ∨ Install VFDs on chilled water pumps, close of bypass of 3-way cooling coil valves, add controls ∨ Optimization of ventilation air ∨ Disengage control of return air damper, open up fully
Lighting	<ul style="list-style-type: none"> ∨ Mix of lighting types in tenant spaces ∨ Local over-ride lighting switches not connected ∨ 2-lamp T8 4' fixtures in stairwell 	<ul style="list-style-type: none"> ∨ Replace stairwell lighting with Occu-Smart Fixtures ∨ Connect local over-ride switches for lighting
Energy Management	<ul style="list-style-type: none"> ∨ EMS μ JCI Metasys, full DDC throughout, HVAC and lighting control 	<ul style="list-style-type: none"> ∨ None

Sustainability Management Report

	Current	Maximized
Plumbing - Water Saving	<ul style="list-style-type: none"> ∨ Triplex domestic water booster pump set, constant speed ∨ (3) 30-gallon electric domestic water heaters ∨ Separate unbilled dom. HW heater. For surgery and water for sterilizers ∨ 1.6 gpf toilets, 1.0 gpf urinals ∨ 1.0 gpm auto-flow lavatories 	<ul style="list-style-type: none"> ∨ Install VFDs on domestic water booster pumps ∨ Install 0.5 gpm aerators on public lavatories ∨ Consider electric sub-meter to hospital domestic water heater ∨ Consider water meter for bill-back of water/sewer for sterilizers to hospital
On-Site, Renewable Energy	∨ None	∨ None
Solid Waste Management	∨ Conventional	∨ None

Benchmarking Program Summary

Chelsea Group was directed to conduct an on-site assessment of this property to observe property condition and to develop a 10-year Capital Expenditure (CapEx) plan relative to sustainability performance.

Directed By:	Kennedy Associates	Property Name	Katy Professional Office
Site Visit:	July 2, 2010	Property Address	23920 Katy Freeway, Katy, Texas
Conducted By:	Dave Munn	Property Rep:	

Sustainability Management Plan Objective

The objective of this site assessment is to benchmark the subject property and provide a plan for improved sustainability management that will result in a reduction of its carbon footprint, resource consumption, and waste production while meeting or exceeding the owner's targets for return on investment.

Benchmarking Program Description

The benchmarking and tracking for a sustainability management program comprises the following elements:

- 1 - **Sustainability Prescreen** μ Measures of conformance to LEED-EB Prerequisites and provides a Minimal Sustainability Rating
- 2 - **Energy Screen** μ Collects basic data on energy purchase, production, and use, and provides a percentile ranking using or equivalent to the US EPA ENERGY STAR ranking
- 3 - **On-line Sustainability Assessment and Gap Analysis** μ Uses an on-line guided interview to obtain detailed information on the sustainability features of the site and uses the knowledge and experience of the property manager and building engineering staff to establish both baseline and potential sustainability levels for the subject property, including estimated costs and savings related to achieving LEED Certification
- 4 - **Sustainability Management Report** μ Reports the results of an on-site Eco-Audit that tests the information gathered on-line with field observation; provides a narrative of building condition and recommended actions; provides a summary of financial and resource data for the building
- 5 - **10-Year Capital Expenditures (CapEx) Plan** μ Provides a budgetary plan for improving sustainability at the property, showing project specific cost and savings estimates based on field observation; provides return on investment analysis of the CapEx plan

Existing Building Description

Property Site Condition & General Information

5-story class A medical office building

Suburban setting, part of Memorial Hermann Hospital campus

2005 construction

131,607 square feet gross floor area

Not responsible for parking area

Includes a Surgery Center with 4 operating rooms (three are actively used while the 4th is currently used as a storage area)

Lease Hours:

6 AM to 7 PM Monday through Friday

7 AM to 1 PM Saturday

Building Envelope

Vertical Surfaces μ Precast concrete panels with batt insulation and drywall

Windows μ Double pane tinted glass

Roof μ Medium-light colored roll roofing with tar seams

Utilities & Amenities

Electricity by CenterPoint (per SEP), billing by Suez

Central electric metering

Total of 10 sub-meters (EMON/DMON) for tenant billing, 1st Floor Rehab/Imaging (4 meters), 2nd Floor Surgery (5 meters), and Suite 480 (1 meter)

Natural Gas μ None

Water by Harris County MUD #63

Sewer by Harris County MUD #63

Waste Hauling by Nexus Disposal

Any special medical waste handled by tenants

Central Cooling System

Two 270-ton air-cooled McQuay chillers

2 compressors/chiller

R-134a refrigerant

Scheduled operation

- Monday: 4 AM to 7 PM
- Tuesday-Friday: 4:30 AM to 7 PM
- Saturday: 5:30 AM to 1 PM
- Sunday: Off

16 condenser fans per chiller

Chilled water supply temperature of 42 degrees per the EMS

Cooling load profile

- At peak cooling loads, both chillers operate at between 75% and 80% of full rated capacity
- When lead chiller is loaded 30%, the lag chiller cycles on

One 190-ton air-cooled chiller for surgery (owned/maintained by tenant)

2 compressors

R-134a refrigerant

Runs 24/7

10 condenser fans

Main Chilled Water Distribution System

All main chilled water supply/return piping is at roof level or in penthouse

Two 50 hp constant speed chilled water pumps, 830 gpm at 140' head each

- Only one chilled water pump operates at a time (one standby), even with both chillers on line, alternate operation
- 3-way cooling coil control valves on two large air handling systems located in penthouse

Surgery chilled water is circulated by a 20-hp constant speed pump that operates 24/7 (owned/maintained by tenant)

Heating Systems

Only electric preheat coil on two surgery unit fan systems that rarely operate μ all other space conditioning is electric reheat on VAV boxes

Electric steam generator rated at 48 kW for Surgery Center (located in Vacuum Pump Room), 75 psi, but owned/maintained by tenant, including the associated utility cost (site glass is full)

Air Handling Systems

Two main chilled water VAV air conditioning systems with 125 hp supply fan motors located in the penthouse

AHU-1 rated at 72,180 CFM and serves the west half of the building

AHU-2 rated at 70,250 CFM and serves the east half of the building except for the second floor (Surgery)

VFDs on both centrifugal supply fans, static pressure setpoint of 2.2 inches on both AHUs prior to the HEPA filters and 1.4" after the HEPA (AHU-1 at 72 Hz, at 55 degree discharge temperatures, which appears to be reasonable part load operation)

Variable volume single duct interior, with electric reheat on perimeter

Insulated, trapped and vented condensate drains

Discharge air temperatures (DAT) maintained at 55 degrees

Two cooling coils in each unit

Fixed outdoor air for both units, and return duct has modulating damper that closes to maintain outdoor air quantities of 10,000 CFM per an airflow measuring station (at time of visit, the RA damper was open 35% on AHU-1)

Airflow measuring stations for outdoor air

Scheduled start/stop, typically starting at 6 AM till 7 PM, seldom having to run for after hours

The number of VAV boxes served by both air handler summarized as follows:

- First Floor: 35 boxes, electric reheat on perimeter only
- Second Floor: 35 boxes, electric reheat on perimeter only
- Third Floor: 38 boxes, electric reheat on perimeter only
- Fourth Floor: 33 boxes, electric reheat on perimeter only
- Fifth Floor: 31 boxes, electric reheat on all boxes
- Total: 172 boxes

Two surgery air handling systems, VAV with VFDs, and in-line return/exhaust fans on VFDs, run 24/7, owned/maintained by tenant

Readings from VFDs in the mechanical room

- Supply Fan VFD Speed: AHU 2-1: 46.8 Hz AHU 2-2: 49.2 Hz
- RE-fan VFD speed: RE 2-1: 15.0 Hz RE 2-2: 20 Hz

Separate air handling unit for MRI on first floor with its own chilled water cooling coil

Separate air handling unit for therapeutic pool area with its own chilled water cooling coil

Five rooftop exhaust fans (all run 24/7)

Therapeutic pool area

Medical gas room in Surgery Center

Large general exhaust

Surgery Center restroom exhaust

MRI exhaust

One split system unit for elevator equipment room

Energy Management System and Temperature Controls

TAC EMS, full DDC System (no temperature control air compressor)

All thermostats, VAV boxes, and entire system is DDC

Monitors and controls HVAC systems and lighting

Electrical & Lighting Systems

Grade-mounted emergency generator, 650 kW

Interior Lighting

Building Standard is 3-lamp 2'x4' T8 32-watt fixtures

Lighting is controlled through EMS (other than OR lighting which is on battery back-up μ when power turned off, they run on battery which drains them, so they are left on)

Exit signs are all LED

Mechanical penthouse μ 2-lamp T8 23 watt fixtures

Restrooms (1 set of public restrooms per floor, 10 restrooms total)

- (3) 2-lamp 32 watt T8 1'x4' recessed fixtures in each restroom
- (2) 1-lamp 26 watt PL can fixtures in each restroom
- Unoccupied over-ride switch exists, but is not functional

Elevator lobbies μ (6) 1-lamp 32-watt PL can fixtures (a little dark)

Top of Atrium (2nd floor ceiling) μ 16 PL can fixtures

2 stairwells with light fixtures on each floor and intermediate landing, 5 floors μ 9 per stairwell, 18 stairwell fixtures total

Two-lamp 4' long T8 fixtures

Run 24/7

Exterior lighting

9 can fixtures with mercury vapor lamps beneath canopy

Parking lot lighting is provided by the Hospital

Lighting Schedules

Corridors and Restrooms, all floors

- Monday μ Friday - On at 5 AM, Off at 11 PM
- Saturday μ On at 6 AM, Off at 1 PM
- Sunday μ Off all day

Penthouse Lighting

- Monday μ Friday - On at 6 AM, Off at 11 PM
- Saturday μ On at 6 AM, Off at 5 PM
- Sunday μ Off all day

Egress Lights μ On 24/7

Tenant Suites 1st Floor

- Monday μ Sunday - On at 6 AM, Off at 11 PM

Tenant Suites 2nd Floor

- On 24/7

Tenant Suites 3rd, 4th and 5th Floors

- Monday μ Friday - On 6 AM, Off at 11 PM
- Saturday μ On at 6 AM, Off at 3 PM
- Sunday μ Off all day

(10) Electrical sub-meters (EMON/DMON) in place for bill-back to tenant

(4) are for 1st Floor Rehab/Imaging

(5) are for 2nd Floor Surgery

(1) is for Suite 480

Plumbing Systems

Triplex Domestic Water Booster Pump set

(2) at 15 hp each, (1) at 0.75 hp

The two large pumps were running at time of site visit

CLA-VAL pressure regulating valves

Received quote between \$7,000 and \$8,000 for adding a VFD

1.6 gpf Kohler wall-mounted toilets with automatic Sloan flush valves

1.0 gpf Kohler wall-mounted urinals with manual Sloan flush valves (went back to manual after leak occurred in one of the urinal flush valves μ improper slope of floor did not direct leakage water to floor drain, but rather out of restroom causing extensive damage)

0.5 gpm lavatories with auto-flow sensors

Typical Public Men's Room: 2 water closets, 1 urinal and 2 lavatories

Typical Public Women's Room: 3 water closets and 2 lavatories

(1) Men's and Women's public restroom per floor

(1) Housekeeping room on 1st, 3rd, and 5th floors with 100 gallon electric domestic water heater for public restrooms, mop basin, supply register and exhaust grille

Two AO Smith electric water heaters rated at 18 kW each and water softeners for surgery area scrub sinks and kitchen sinks with (4) recirculating pumps (only 2 ever run at a time)

An approximate 9'x 12'(3'5"deep) therapeutic pool with water heater (sub-metered electrically) μ water is manually replaced on a monthly basis, but water & sewer charges are not billed back

Water delivered to the surgery center is not metered

Irrigation water is provided by the Hospital

Energy Conservation & Sustainability Measures

1 Retrocommissioning

The subject property will benefit from a retrocommissioning program, including addressing the lead/lag control of the chillers. Retrocommissioning costs and savings calculated in the Gap Analysis provide that estimation, although the savings estimate was reduced based upon the site visit observations.

The retrocommissioning scope considered here includes the central systems provided by the building

Retrocommissioning costs are estimated at \$0.225 per square feet in the Gap Analysis. For 131,607 square feet, this works out to \$29,612.

Retrocommissioning savings are estimated at just over 4% of total energy costs = \$20,119

The resulting estimated payback on retrocommissioning is 29,612 / 20,119, or 1.5 years

On-going commissioning to sustain the value of this investment is \$2,632 annually

2 Replace stairwell lighting with bi-level fixtures

Current stairwell lighting is 2-lamp T8 fixtures, and is on 24/7, or 8,760 hours per year
5 floors, 9 fixtures/floor/stairwell (at each door and intermediate landing), 2 stairwells, or approximately 18 fixtures total

Based on an installed unit cost of \$200, a total estimated cost of \$3,600 for replacement of 10 fixtures

Figure current electric consumption of fixtures as: 18 fixtures x 58 watts/fixture x 8,760 hours per year operation x 1 kW/1,000 watts, or 9,145 kWh per year

Estimate 75% savings using the bi-level, occupancy sensor fixture, or 6,859 kWh/year

The estimated annual energy savings is \$782 (6,859 x \$0.114/kWh)

Simple payback period of 4.6 years (3,600 / 782)

3 Optimization of ventilation air

Occupancy in medical office buildings is typically quite variable, whereas minimum ventilation rates are based on an assumption of fixed occupancy during all operating hours

Application of CO₂-based ventilation control offers the potential to optimize outdoor air to the specific needs of the building, reducing energy use; optimizing will require a ventilation study and commissioning of the project after installation at an estimated cost of \$0.05 per square foot, or \$6,580

Assume air conditioning costs represent roughly 30% of electrical consumption; total electrical consumption 4,289,380 kWh x 30% = 1,286,814 kWh

Assume a CO₂-based ventilation strategy could reduce air conditioning electrical consumption by 10% (case studies suggest 10% - 30%); 1,286,814 x 10% = 128,681 kWh @ \$0.114 per kWh = \$14,670

The primary cost will be installing CO₂-based ventilation sensors and controllers and programming, assume 15 sensors per floor to cover critical locations, 5 floors, plus 3 outdoor sensors, or 78 sensors total, installed and programmed for \$500 per sensor = \$39,000

Total installed cost is estimated at \$6,580 + \$39,000 = \$ 45,580

With a net total estimated cost of \$45,580 and estimated savings of \$14,670, the payback is 3.1 years

4 Variable frequency drives (VFDs) on chilled water pumps

There are two 50-hp chilled water pumps for the main building located within the penthouse that circulates water between the roof-mounted air-cooled chillers and the two large air handling systems also located within the penthouse. There are two 3-way control valves for the chilled water cooling coils. By closing off the bypass leg of the 3-way valve with the existing manual shutoff valve, the valve would effectively be converted to a 2-way valve. By adding VFDs to the chilled water pumps together with associated controls, the speed of the on-line chilled water pump could be modulated in proportion to the cooling load.

The VFDs for the two 50-hp chilled water pumps have an estimated installed cost of \$20,200 each. Add to that the sensors and control programming estimated at \$5,000 for a total estimated cost of \$45,400.

Only 1 of the 2 chilled water pumps operates at a time, and the scheduled operation is Monday, 4 AM to 7 PM Tuesday-Friday, 4:30 AM to 7 PM, and Saturday, 5:30 AM to 1 PM. This equates to 140.5 hours per week, or 7,306 hours per year.

Assuming that the online pump operates at full speed during the extreme cooling season and at 25% during the winter minimum

$50 \text{ hp} \times .8 \text{ loading} \times 0.746 \text{ kW/hp} = 29.8 \text{ kW at full load}$

Utilizing a temperature bin analysis, the savings realized would be 56,111 kWh per year (218,011 kWh w/o VFD, 161,900 kWh w/VFD)

At \$0.114/kWh, the annual savings would be \$6,397 per year

The resulting payback period would be 7.1 years (45,400 / 6,397)

5 Disengage return air damper control μ open up fully

There is currently a return air damper that is integrated into the control system originally intended to try to regulate a fixed amount of outdoor air to the air handlers as the VFD on the supply fan reduces speed. In reality, it is simply imposing a large pressure drop on the system as it modulates closed.

The estimated cost of removal of the return air damper is estimated at \$2,000 per system, or \$4,000 total for the two systems. We have estimated another \$2,500 for EMS control programming changes. The total estimated initial cost is \$6,500.

The savings are estimated as 2% of the annual fan energy consumption. We have figured a minimum fan speed of 40% (24 Hz) at the winter extreme, and a maximum of 100% at the summer extreme, and used the same temperature bin analysis as discussed in the variable speed drives for the chilled water pumps discussed above.

$$125 \text{ hp} \times .8 \text{ loading} \times 0.746 \text{ kW/hp} = 74.6 \text{ kW at full load}$$

Utilizing the temperature bin analysis to estimate the existing fan energy consumption (432,705 kWh per year per fan), 2% estimated savings results in 17,308 kWh per year, or \$1,973 per year.

The resulting payback period would be 3.3 years (6,500 / 1,973)

6 Install VFDs on domestic water booster pumps

The existing triplex domestic water pumping system consists of (2) 15-hp pumps and (1) 0.75 hp pump. At the time of the site visit, all three were running. For purposes of this evaluation, assume that the 2 large ones operate during lease hours. Assume 25% savings in the pump energy by installing VFDs on the pumps rather than using the current CLA-VAL pressure regulating valves. This measure might also be achievable through the use of a single VFD that modulates both pumps in parallel which could reduce the cost by \$7,100, but we have taken a more conservative approach in figuring this measure.

The estimated cost of two 15-hp VFDs is \$7,100 each, with an additional \$2,500 for controls. The total estimated cost is then \$16,700.

The estimated current domestic water pumping cost is based on (2) 15 hp pumps (17.9 kW) running during lease hours (3,692 hours/year), or approximately 66,101 kWh/year.

25% savings would be 16,525 kWh per year, or \$1,884 annually

The resulting payback period is estimated at 8.9 years (16,700 / 1,884)

7 Install 0.5 gpm aerators on public lavatories

The flow rate on the lavatories in the public restrooms was observed to be 1.0 gpm. There are a total 20 public lavatories. This replacement will cost less than \$1,000 and have a payback period of less than 1 year.

Remaining LEED-EB Prerequisites

The estimated LEED-EB Prerequisite cost conveyed in the Gap Analysis is \$62,379 with an associated savings of \$19,477. This produces a payback of 3.2 years.

The large component of this cost is related to Minimum Energy Efficiency Performance (EA-Pr1). The line items discussed above represent the energy conserving measures identified during the course of the walk-through, which total \$147,392 in cost with an associated annual savings of \$45,825. These findings will replace the estimate for EA-Pr1 in the cap ex budget.

The only other prerequisite having identified costs addresses outdoor air introduction (EQ-Pr1) which is included as part of the Ventilation Air Optimization measure discussed as a separate project above, so it too is not duplicated in this section.

There are no remaining prerequisites having costs associated with them, and zero dollars are shown as a line item in the Cap Ex for Remaining LEED Prerequisites.

Remaining LEED-EB Credits

The Gap Analysis recommends BASIC LEED-EB certification. Certain credits were identified with an estimated cost of \$101,834 with an annual savings of \$48,693. This includes the costs in the prerequisites above. These estimates produce a simple payback period of 2.1 years.

The commissioning and other energy efficiency projects identified above (stairwell lighting, optimization of ventilation air, variable frequency drives on the chilled water pumps and domestic water booster pumps, and return air damper removal) total \$147,392 in costs and have a total associated savings of \$45,825 for a payback of 3.2 years.

These measures exceed the costs, but correspond well to the savings as originally predicted by the gap analysis. Since these cost and savings are separately addressed above, those associated with EA-Cr1, 'Optimize Energy Performance' has been removed from this category.

For IEQ-Cr2.2, Controllability of Systems: Lighting, the Gap Analysis suggested \$1,600 in costs to achieve this credit. The site visit discovered that this credit should be achievable without that cost, so it has been deleted herein.

The only remaining credits that have not been addressed in the measures identified above include the following:

Credits		Cost to Achieve	Savings
MR-Cr6	Solid Waste Management - Waste Stream Audit	\$873	\$0
IEQ-Cr2.4	Daylight and Views	\$2,106	\$0
IEQ-Cr3.2	Green Cleaning - Custodial Effectiveness Assessment, < 3	\$2,632	\$0
Total Remaining Credits		\$5,611	\$0

Therefore the Cap Ex Plan shows a budget of \$5,611 for remaining LEED credits to achieve the targeted BASIC certification level and is related to documentation of those credits.

Previously Budgeted Items

Given that the facility is only 5 years old, no capital expense budget has yet been developed nor were any anticipated until possibly next year at the earliest. Therefore, the capital expense budget we have developed includes only items identified in this report.

Sustainability Measures Considered and Dismissed or Deferred

- 1 Connect local over-ride switches for lighting

The EMS is currently tied into the lighting systems and scheduled for on/off operation. Light switches located throughout the facility allow for local over-ride of lighting (the switch is normally in the middle position for automatic control), and all of the wiring for the local over-rides has been run, but not terminated in the existing panel housing to over-ride controllers. So, while the EMS/infrastructure allows for local over-ride, the controllers are not in place. The installation of these controllers might allow for another hour or two of lighting system shutdown. The costs/savings for this measure have not been estimated in this report as greater study would be required.

2 Bill-back of water and sewer for surgery and therapeutic pool

There are a number of items that could conceivably be billed back to tenants with the proper sub-metering. These include:

- Water/sewer for the therapeutic pool (this space is sub-metered for electricity, but not the water use)
- Water/sewer (or credit, in the case of the sewer) for service to the hospital sterilizers

Given that this is more of an accounting/relationship decision than a sustainability item, we felt it worthwhile to mention without delving into the calculations.

3 Install a grid-tied Solar PV system on the roof of the building

Installation of a 50 kW system was evaluated using PVWatts, a Solar PV output model developed by the National Renewable Energy Laboratory (NREL), and using insolation data for Houston

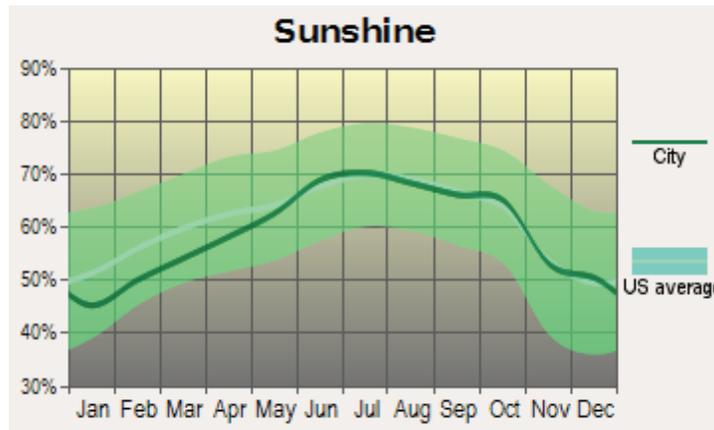
The 50kW system would produce an annual estimated 60,991 kWh of useable AC power at the property

By using this power to displace loads within the building, the building would have an estimated annual savings of about \$6,952

The typical cost for a 50 kW system is about \$7 per Watt, or an estimated installed cost of \$350,000; Federal tax credits can reduce the net installed cost by 30% to \$245,000 resulting in an estimated payback greater than 20 years

Based upon lack of economic value, the project is technically not feasible

This project was dropped from consideration



Average Monthly Insolation, Houston, TX

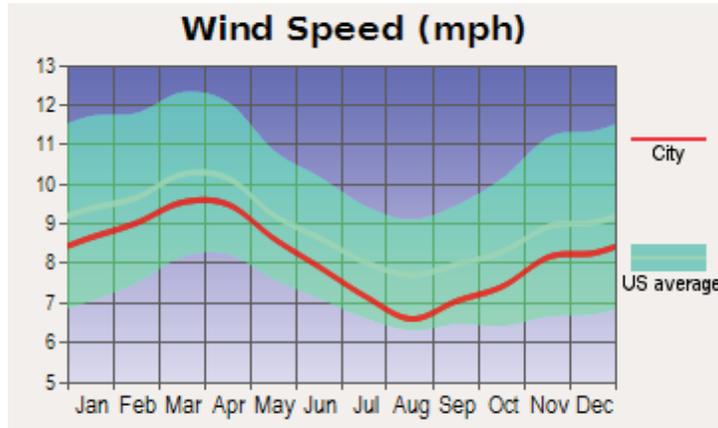
www.city-data.com

4 Install grid-tied wind generating system

The most practical wind power application for this site would be an array of vertical axis wind turbine (VAWT) systems

Wind data for Houston indicates an average wind speed of about 8 mph; wind data shows 8 months of the year have average wind speeds of 8 miles per hour or greater, with the peak average monthly wind speed at less than 10 mph

VAWT systems do not produce significant electrical power below 11 miles per hour, hence the application appears technically infeasible



Average Monthly Wind Speed, Houston, TX
www.city-data.com

Available Utility & Tax Incentives

Given that Katy Professional Office Building purchases electricity from one company and pays another for distribution, utility company rebates are not available.

Federal tax credits, however, are available for renewable energy projects

Katy Medical Plaza Photographs

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Katy Medical Plaza Photographs



PHOTO 1. Building Directory



PHOTO 2. Roof adjacent to penthouse



PHOTO 3. 1 of 2 270-ton air-cooled McQuay chillers with 2 compressors each



PHOTO 4. 2nd air-cooled chiller



PHOTO 5. (1) of (2) 72,000 CFM VAV systems (42.9 Hz)



PHOTO 6. Filter bank for VAV system

Katy Medical Plaza Photographs



PHOTO 7. 3-way cooling coil control valve



PHOTO 8. 2nd 72,000 CFM VAV air handling system in penthouse (38.4 Hz)



PHOTO 9. (2) 50-hp main ch. wtr. pumps plus (1) 20-hp Surgicenter ch. wtr pump



PHOTO 10. (1) of (3) elevator motors



PHOTO 11. Liebert condensing unit for IT room in Suite 480



PHOTO 12. Other side of roof outside of penthouse

Katy Medical Plaza Photographs



PHOTO 13. 2-lamp T8 lighting in stairwells, at each floor level



PHOTO 14. 2-lamp T8 lighting in stairwells, at each intermediate landing



PHOTO 15. Typical LED Exit sign



PHOTO 16. Exhaust fans, therapeutic pool exhaust (left), ORs (right)



PHOTO 17. Condensing unit for split system serving elevator equipment room



PHOTO 18. Large restroom exhaust (left), Medical Gas Room exhaust (right)

Katy Medical Plaza Photographs



PHOTO 19. Regulator/manifold/cylinders for Oxygen



PHOTO 20. Regulator/manifold/cylinders for Medical Air



PHOTO 21. Regulator/manifold/cylinders for Nitrogen



PHOTO 22. Regulator/manifold/cylinders for Nitrous Oxide



PHOTO 23. 48 kW 75 psi Steam Generator (full site glass) in Vacuum Pump Room



PHOTO 24. Duplex 15 hp Vacuum Pump

Katy Medical Plaza Photographs



PHOTO 25. Lavatories with 0.5 gpm aerators – auto sensor



PHOTO 26. 1.6 gpf wall-mounted Kohler water closet with Sloan auto-flush valve



PHOTO 27. 0.5 gpf (per Jose) Kohler urinal with Sloan manual-flush valve



PHOTO 28. Emergency Generator at grade



PHOTO 29. 100 hp fire pump



PHOTO 30. 175-gallon electric water heater for imaging/rehab, 18 kW

Katy Medical Plaza Photographs



PHOTO 31. Domestic water booster pump set, 2 at 15-hp, 1 at .75 hp, big ones running



PHOTO 32. (10) EMON/DMON sub-meters, 4 for Rehab/Imaging, 5 for Surgery, 1 for Suite 480



PHOTO 33. Therapeutic pool



PHOTO 34. Water softeners for Surgery



PHOTO 35. (2) Electric water heaters, 50 gallon, 18 kW each for surgery



PHOTO 36. AHU 2-1, VAV system for Surgery (46.8 Hz)

Katy Medical Plaza Photographs



PHOTO 37. AHU 2-2, VAV system for Surgery (49.2 Hz)



PHOTO 38. RE 2-1 in-line fan (15 Hz)



PHOTO 39. RE 2-2 in-line fan (20 Hz)

10-YEAR CAPITAL EXPENDITURE PLAN

NOTES ON THE CAPITAL EXPENDITURE PLAN

The Capital Expenditure (Cap Ex) Plan uses the information developed in the sustainability recommendations for the site to provide a 10-year financial horizon on the various projects shown on the first page of the Plan. Overall results are summarized in the top right corner of the third sheet of the Plan. These are the results reported in the Executive Summary of the Sustainability Management Report. An electronic copy of an Excel file containing a functional version of this Plan was delivered in conjunction with this report.

Table of Assumptions

- Current Energy Rate is the average cost per kilowatt hour for electricity over the past year
- Expected Annual Rate Increase is the anticipated inflation in energy costs
- General Inflation Rate is the anticipated inflation in other, non-energy costs
- Cost of Capital is the assumed interest rate for borrow for project implementation
- Cap Rate is used in the calculation of NPV and IRR, applied to the 10th year of savings

Financially Recommended Projects

- These projects were identified through the sustainability management program and represent a package of projects with good financial returns

Recommended LEED Related Projects

- Recommended LEED Related Projects presents costs associated with pursuing LEED certification for the property reconciling Gap Analysis findings with on-site work
 - Remaining LEED Prerequisites are any capital items not already in place or budgeted, or in the financially recommended group of projects; these are needed for any level of LEED certification
 - Remaining LEED Credits for Target Certification Level are capital items not already in place or budgeted, or in the financially recommended group of projects needed to achieve the target of basic, Silver, Gold, or Platinum set in the Gap Analysis
 - LEED-related Soft Costs represent the monetization of the time (estimated hours @ \$150/hr) that will be required from the property management and building engineering team to develop policies and documentation to achieve the targeted certification
 - LEED-related Hard Costs represent USGBC registration and application fees plus an estimate of outside consulting fees related to process facilitation

Direct Tenant Benefit Projects

- Where leasing calls for direct payment of utility bills directly by tenants, projects listed here will have savings that will be realized by tenants, not the landlord

Additional and Previously Budgeted Projects

- These estimated costs and savings show up under “maximized sustainability” options
- Previously budgeted projects listed in this section have significant sustainability components and, unless otherwise recommended in the report, should be implemented along with the financially recommended projects
- Renewable energy projects are included here, regardless of payback, as long as they are technically feasible

ENERGY CONSERVATION AND SUSTAINABILITY ROADMAP

10yr. Cost Saving
Capital Planning Spreadsheet

KENNEDY ASSOCIATES
REAL ESTATE COUNSEL, L.P.

Building Name: Katy Professional Office Building
Building Address: 23920 Katy Freeway, Katy, TX
Age of Building: 5 Yrs.



TOTAL CAPITAL	240,322	2,698	2,765	2,834	2,905	2,978	3,052	3,129	3,207	3,287
----------------------	---------	-------	-------	-------	-------	-------	-------	-------	-------	-------

C-Current Energy Rate - Annual	\$0.11
E-Expected Annual Rate Increase	2.0%
General Inflation Rate	2.5%
Cost of Capital	11.5%
Cap Rate	6.5%

Categories	Description of Cost Saving Project(s)	Project IRR	Project Cost	Project Savings	Payback in Months	Projected Rebate	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Financially Recommended Projects																
Energy	Retrocommissioning	93%	\$29,612	\$20,119	18	\$0	\$29,612	\$2,698	\$2,765	\$2,834	\$2,905	\$2,978	\$3,052	\$3,129	\$3,207	\$3,287
Energy	BI-level lighting in stairwells	22%	\$3,600	\$782	55	\$0	\$3,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy	Outdoor Air ventilation optimization	39%	\$45,580	\$14,670	37	\$0	\$45,580	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy	VFDs on chilled water pumps	9%	\$45,400	\$6,397	85	\$0	\$45,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy	Remove Return Air Damper control	38%	\$6,500	\$1,973	40	\$0	\$6,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy	VFDs on domestic water booster pumps	4%	\$16,700	\$1,884	106	\$0	\$16,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Financially Recommended Projects Subtotal		45%	\$147,392	\$45,825	39	\$0	\$147,392	\$2,698	\$2,765	\$2,834	\$2,905	\$2,978	\$3,052	\$3,129	\$3,207	\$3,287

Recommended LEED Related Projects																
Sustainability Related	Remaining LEED Prerequisites	0%	\$0	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Remaining LEED Credits for Target Certification Level	0%	\$5,611	\$0	---	\$0	\$5,611	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	LEED-related Soft Costs*	0%	\$0	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	LEED-related Hard Costs	0%	\$41,348	\$0	---	\$0	\$41,348	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recommended LEED Related Projects Subtotal		36%	\$46,959	\$0	---	\$0	\$46,959	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Direct Tenant Benefit Projects																
Sustainability Related	None identified	0%	\$0	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Tenant Benefit Projects Subtotal		0%	\$0	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Additional and Previously Budgeted Projects																
Sustainability Related	Remaining Potential LEED Credits	0%	\$45,971	\$0	---	\$0	\$45,971	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Related Additional Soft Costs**	0%	\$0	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Related Additional Hard Costs	0%	\$0	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional and Previously Budgeted Projects Subtotal		0%	\$45,971	\$0	---	\$0	\$45,971	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maximized Sustainability Totals		30%	\$240,322	\$45,825	63	\$0	\$240,322	\$2,698	\$2,765	\$2,834	\$2,905	\$2,978	\$3,052	\$3,129	\$3,207	\$3,287

* LEED Soft Costs represent estimated hours required by the property manager and staff to complete needed documentation; the total estimated hours are: 273
Estimated equivalent hourly rate: \$0

** Additional Soft Costs represent estimated property management staff hours for LEED related activities. LEED credits for maximized sustainability; the marginal hours are: 20

ENERGY CONSERVATION AND SUSTAINABILITY ROADMAP
10 Yr.
CASH FLOW / COST SAVINGS

KENNEDY ASSOCIATES
| REAL ESTATE COUNSEL, L.P. |

Building Name: Katy Professional Office Building
Building Address: 23920 Katy Freeway, Katy, TX
Age of Building: 5 Yrs.



C=Current Energy Rate	\$0.11
E=Expected Yr. Rate Inc.	2.0%
General Inflation Rate	2.5%
Cost of Capital	11.5%
Cap Rate	6.5%

Categories	Description of Cost Saving Project(s)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Financially Recommended Projects											
Energy	Retrocommissioning	\$10,060	\$20,521	\$20,932	\$21,350	\$21,777	\$22,213	\$22,657	\$23,110	\$23,573	\$24,044
Energy	Bi-level lighting in stairwells	\$391	\$798	\$814	\$830	\$846	\$863	\$881	\$898	\$916	\$935
Energy	Outdoor Air ventilation optimization	\$7,335	\$14,963	\$15,263	\$15,568	\$15,879	\$16,197	\$16,521	\$16,851	\$17,188	\$17,532
Energy	VFDs on chilled water pumps	\$3,199	\$6,525	\$6,655	\$6,789	\$6,924	\$7,063	\$7,204	\$7,348	\$7,495	\$7,645
Energy	Remove Return Air Damper control	\$987	\$2,012	\$2,053	\$2,094	\$2,136	\$2,178	\$2,222	\$2,266	\$2,312	\$2,358
Energy	VFDs on domestic water booster pumps	\$942	\$1,922	\$1,960	\$1,999	\$2,039	\$2,080	\$2,122	\$2,164	\$2,207	\$2,252
Financially Recommended Projects Subtotal		\$22,913	\$46,742	\$47,676	\$48,630	\$49,602	\$50,595	\$51,606	\$52,639	\$53,691	\$54,765
Recommended LEED Related Projects											
Sustainability Related	Remaining LEED Prerequisites	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Remaining LEED Credits for Target Certification Level	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	LEED-related Soft Costs*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	LEED-related Hard Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recommended LEED Related Projects Subtotal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Tenant Benefit Projects											
Sustainability Related	None identified	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Tenant Benefit Projects Subtotal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional and Previously Budgeted Projects											
Sustainability Related	Remaining Potential LEED Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Related Additional Soft Costs**	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Related Additional Hard Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional and Previously Budgeted Projects Subtotal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maximized Sustainability Totals		\$22,913	\$46,742	\$47,676	\$48,630	\$49,602	\$50,595	\$51,606	\$52,639	\$53,691	\$54,765

Building Name: Katy Professional Office Building
Building Address: 23920 Katy Freeway, Katy, TX
Age of Building: 5 Yrs.

C=Current Energy Rate	\$0.11
E=Expected Yr. Rate Inc.	2.0%
General Inflation Rate	2.5%
Cost of Capital	11.5%
Cap Rate	6.5%



Financially Recommended Results:
Invest \$147,392
Incentives \$0
Save \$45,825
NPV \$384,027
IRR 45%

Financial Results on All Projects:
Invest \$240,322
Incentives \$0
Save \$45,825
NPV \$300,681
IRR 30%

Financial Results for LEED Certification:
Invest \$194,351
Incentives \$0
Save \$45,825
NPV \$341,911
IRR 36%

Categories	Description of Cost Saving Project(s)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Financially Recommended Projects											
Energy	Retrocommissioning	-\$19,553	\$17,824	\$18,167	\$18,516	\$18,872	\$19,235	\$19,605	\$19,982	\$20,366	\$20,757
Energy	Bi-level lighting in stairwells	-\$3,209	\$798	\$814	\$830	\$846	\$863	\$881	\$898	\$916	\$935
Energy	Outdoor Air ventilation optimization	-\$38,245	\$14,963	\$15,263	\$15,568	\$15,879	\$16,197	\$16,521	\$16,851	\$17,188	\$17,532
Energy	VFDs on chilled water pumps	-\$42,202	\$6,525	\$6,655	\$6,789	\$6,924	\$7,063	\$7,204	\$7,348	\$7,495	\$7,645
Energy	Remove Return Air Damper control	-\$5,514	\$2,012	\$2,053	\$2,094	\$2,136	\$2,178	\$2,222	\$2,266	\$2,312	\$2,358
Energy	VFDs on domestic water booster pumps	-\$15,758	\$1,922	\$1,960	\$1,999	\$2,039	\$2,080	\$2,122	\$2,164	\$2,207	\$2,252
Financially Recommended Projects Subtotal		-\$124,480	\$44,044	\$44,911	\$45,795	\$46,697	\$47,617	\$48,554	\$49,510	\$50,484	\$51,478
Recommended LEED Related Projects											
Sustainability Related	Remaining LEED Prerequisites	-\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Remaining LEED Credits for Target Certification Level	-\$5,611	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	LEED-related Soft Costs*	-\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	LEED-related Hard Costs	-\$41,348	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recommended LEED Related Projects Subtotal		-\$46,959	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Tenant Benefit Projects											
Sustainability Related	None identified	-\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Tenant Benefit Projects Subtotal		-\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional and Previously Budgeted Projects											
Sustainability Related	Remaining Potential LEED Credits	-\$45,971	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Related Additional Soft Costs**	-\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sustainability Related	Related Additional Hard Costs	-\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional and Previously Budgeted Projects Subtotal		-\$45,971	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maximized Sustainability Totals		-\$217,410	\$44,044	\$44,911	\$45,795	\$46,697	\$47,617	\$48,554	\$49,510	\$50,484	\$51,478

APPENDIX A

ENERGY STAR STATEMENT OF PERFORMANCE

ESTIMATION OF MEDICAL OFFICE BUILDING ENERGY STAR RATING

BACKGROUND

In some instances it is not possible to obtain an Energy Star rating from the US EPA Energy Star program. This is generally because Energy Star does not provide for that type of building within their system. In the case of Medical Office Buildings, EPA has a ranking system, which has proven inconsistent and problematic in its application across this portfolio of buildings.

Evaluation of the dozen buildings in the portfolio of which this building is one, shows that the EPA “national average” varies widely. In addition, the basic formula to calculate percentile ranking based on national average also varies. Each building was therefore initially entered into ENERGY STAR following EPA recommended procedures, then subsequently in a pro forma methodology where data across the portfolio was normalized to reduce the range of variable in the EPA model.

In order to complete a sustainability assessment using the US Green Buildings Council LEED EBOM program guidance, an ENERGY STAR ranking must be obtained. This ranking is also critical in the analytical programs used by Chelsea Group in preparing this Sustainability Management Report.

Chelsea Group in this instance formulated an alternate procedure with its roots in both US EPA and USGBC guidance. The normalized “national average” site Energy Use Intensity (EUI) index from the ENERGY STAR Statement of Energy Performance (SEP) is used as the benchmark for establishing the percentile ranking, and the EPA ranking is used for the current year. The projected ranking in future years uses the basic method published by EPA and USGBC, but substitutes site for source EUI. The normalized SEP for this property follows.

PROCEDURE

The Energy Star ranking projection used in Chelsea Group’s Sustainability Management Report is based on the following formula:

$$\text{Estimated Energy Star Ranking} = 50 + ((\text{EPA Nat. Ave. Site EUI} - \text{Building Site EUI}) / \text{EPA Nat. Ave. Site EUI} \times 100)$$

Carbon footprint for the building is calculated based on carbon unit/kBtu for each fuel using US EPA estimates taken from ENERGY STAR SEP for this property.



STATEMENT OF ENERGY PERFORMANCE

Katy POB - CGL

Building ID: 2367401

For 12-month Period Ending: March 31, 2010¹

Date SEP becomes ineligible: N/A

Date SEP Generated: June 28, 2010

Facility

Katy POB - CGL
23920 Katy Freeway
Katy, TX 77494

Facility Owner

N/A

Primary Contact for this Facility

N/A

Year Built: 2005**Gross Floor Area (ft²):** 131,607**Energy Performance Rating² (1-100)** 62**Site Energy Use Summary³**

Electricity - Grid Purchase(kBtu)	14,635,351
Natural Gas - (kBtu) ⁴	0
Total Energy (kBtu)	14,635,351

Energy Intensity⁵

Site (kBtu/ft ² /yr)	111
Source (kBtu/ft ² /yr)	371

Emissions (based on site energy use)

Greenhouse Gas Emissions (MtCO ₂ e/year)	2,586
---	-------

Electric Distribution Utility

CenterPoint Energy Houston Electric, LLC

National Average Comparison

National Average Site EUI	136
National Average Source EUI	454
% Difference from National Average Source EUI	-18%
Building Type	Medical Office

Stamp of Certifying Professional

Based on the conditions observed at the time of my visit to this building, I certify that the information contained within this statement is accurate.

Meets Industry Standards⁶ for Indoor Environmental Conditions:

Ventilation for Acceptable Indoor Air Quality	N/A
Acceptable Thermal Environmental Conditions	N/A
Adequate Illumination	N/A

Certifying Professional

N/A

Notes:

- Application for the ENERGY STAR must be submitted to EPA within 4 months of the Period Ending date. Award of the ENERGY STAR is not final until approval is received from EPA.
- The EPA Energy Performance Rating is based on total source energy. A rating of 75 is the minimum to be eligible for the ENERGY STAR.
- Values represent energy consumption, annualized to a 12-month period.
- Natural Gas values in units of volume (e.g. cubic feet) are converted to kBtu with adjustments made for elevation based on Facility zip code.
- Values represent energy intensity, annualized to a 12-month period.
- Based on Meeting ASHRAE Standard 62 for ventilation for acceptable indoor air quality, ASHRAE Standard 55 for thermal comfort, and IESNA Lighting Handbook for lighting quality.

ENERGY STAR® Data Checklist for Commercial Buildings

In order for a building to qualify for the ENERGY STAR, a Professional Engineer (PE) must validate the accuracy of the data underlying the building's energy performance rating. This checklist is designed to provide an at-a-glance summary of a property's physical and operating characteristics, as well as its total energy consumption, to assist the PE in double-checking the information that the building owner or operator has entered into Portfolio Manager.

Please complete and sign this checklist and include it with the stamped, signed Statement of Energy Performance.

NOTE: You must check each box to indicate that each value is correct, OR include a note.

CRITERION	VALUE AS ENTERED IN PORTFOLIO MANAGER	VERIFICATION QUESTIONS	NOTES	
Building Name	Katy POB - CGL	Is this the official building name to be displayed in the ENERGY STAR Registry of Labeled Buildings?		<input type="checkbox"/>
Type	Medical Office	Is this an accurate description of the space in question?		<input type="checkbox"/>
Location	23920 Katy Freeway, Katy, TX 77494	Is this address accurate and complete? Correct weather normalization requires an accurate zip code.		<input type="checkbox"/>
Single Structure	Single Facility	Does this SEP represent a single structure? SEPs cannot be submitted for multiple-building campuses (with the exception of acute care or children's hospitals) nor can they be submitted as representing only a portion of a building		<input type="checkbox"/>
Medical Office (Medical Office)				
CRITERION	VALUE AS ENTERED IN PORTFOLIO MANAGER	VERIFICATION QUESTIONS	NOTES	
Gross Floor Area	131,607 Sq. Ft.	Does this square footage include all supporting functions such as kitchens and break rooms used by staff, storage areas, administrative areas, elevators, stairwells, atria, vent shafts, etc. Also note that existing atriums should only include the base floor area that it occupies. Interstitial (plenum) space between floors should not be included in the total. Finally gross floor area is not the same as leasable space. Leasable space is a subset of gross floor area.		<input type="checkbox"/>
Number of Workers	658	Is this the number of employees present during the main shift? Note this is not the total number of employees or visitors who are in a building during an entire 24 hour period. For example, if there are two daily 8 hour shifts of 100 workers each, the Workers on Main Shift value is 100.		<input type="checkbox"/>
Weekly operating hours	71 Hours	Is this the total number of hours per week that the Medical Office space is 75% occupied? This number should exclude hours when the facility is occupied only by maintenance, security, or other support personnel. For facilities with a schedule that varies during the year, "operating hours/week" refers to the total weekly hours for the schedule most often followed.		<input type="checkbox"/>
Percent Cooled	100 %	Is this the percentage of the total floor space within the facility that is served by mechanical cooling equipment?		<input type="checkbox"/>
Percent Heated	100 %	Is this the percentage of the total floor space within the facility that is served by mechanical heating equipment?		<input type="checkbox"/>

ENERGY STAR® Data Checklist for Commercial Buildings

Energy Consumption

Power Generation Plant or Distribution Utility: CenterPoint Energy Houston Electric, LLC

Fuel Type: Electricity		
Meter: Building Meter (kWh (thousand Watt-hours)) Space(s): Entire Facility Generation Method: Grid Purchase		
Start Date	End Date	Energy Use (kWh (thousand Watt-hours))
03/01/2010	03/31/2010	357,448.00
02/01/2010	02/28/2010	357,448.00
01/01/2010	01/31/2010	357,448.00
12/01/2009	12/31/2009	357,448.00
11/01/2009	11/30/2009	357,448.00
10/01/2009	10/31/2009	357,448.00
09/01/2009	09/30/2009	357,448.00
08/01/2009	08/31/2009	357,448.00
07/01/2009	07/31/2009	357,448.00
06/01/2009	06/30/2009	357,448.00
05/01/2009	05/31/2009	357,448.00
04/01/2009	04/30/2009	357,448.00
Building Meter Consumption (kWh (thousand Watt-hours))		4,289,376.00
Building Meter Consumption (kBtu (thousand Btu))		14,635,350.91
Total Electricity (Grid Purchase) Consumption (kBtu (thousand Btu))		14,635,350.91
Is this the total Electricity (Grid Purchase) consumption at this building including all Electricity meters?		<input type="checkbox"/>

Additional Fuels	
Do the fuel consumption totals shown above represent the total energy use of this building? Please confirm there are no additional fuels (district energy, generator fuel oil) used in this facility.	<input type="checkbox"/>

On-Site Solar and Wind Energy	
Do the fuel consumption totals shown above include all on-site solar and/or wind power located at your facility? Please confirm that no on-site solar or wind installations have been omitted from this list. All on-site systems must be reported.	<input type="checkbox"/>

Certifying Professional

(When applying for the ENERGY STAR, the Certifying Professional must be the same as the PE that signed and stamped the SEP.)

Name: _____ Date: _____

Signature: _____

Signature is required when applying for the ENERGY STAR.

FOR YOUR RECORDS ONLY. DO NOT SUBMIT TO EPA.

Please keep this Facility Summary for your own records; do not submit it to EPA. Only the Statement of Energy Performance (SEP), Data Checklist and Letter of Agreement need to be submitted to EPA when applying for the ENERGY STAR.

Facility
Katy POB - CGL
23920 Katy Freeway
Katy, TX 77494

Facility Owner
N/A

Primary Contact for this Facility
N/A

General Information

Katy POB - CGL	
Gross Floor Area Excluding Parking: (ft ²)	131,607
Year Built	2005
For 12-month Evaluation Period Ending Date:	March 31, 2010

Facility Space Use Summary

Medical Office	
Space Type	Medical Office
Gross Floor Area(ft ²)	131,607
Number of Workers	658
Weekly operating hours	71
Percent Cooled	100
Percent Heated	100

Energy Performance Comparison

Performance Metrics	Evaluation Periods		Comparisons		
	Current (Ending Date 03/31/2010)	Baseline (Ending Date 03/31/2010)	Rating of 75	Target	National Average
Energy Performance Rating	62	62	75	N/A	50
Energy Intensity					
Site (kBtu/ft ²)	111	111	86	N/A	136
Source (kBtu/ft ²)	371	371	288	N/A	454
Energy Cost					
\$/year	\$ 486,928.68	\$ 486,928.68	\$ 378,070.34	N/A	\$ 595,086.40
\$/ft ² /year	\$ 3.70	\$ 3.70	\$ 2.87	N/A	\$ 4.52
Greenhouse Gas Emissions					
MtCO ₂ e/year	2,586	2,586	2,008	N/A	3,160
kgCO ₂ e/ft ² /year	20	20	16	N/A	24

More than 50% of your building is defined as Medical Office. Please note that your rating accounts for all of the spaces listed. The National Average column presents energy performance data your building would have if your building had an average rating of 50.

Notes:

- o - This attribute is optional.
- d - A default value has been supplied by Portfolio Manager.

Statement of Energy Performance

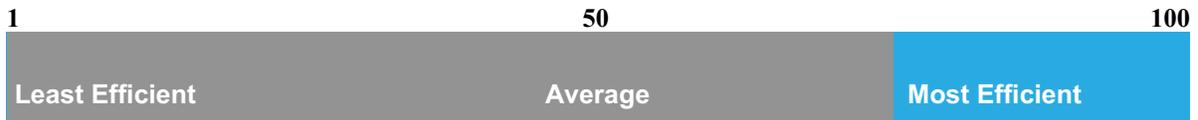
2010

Katy POB - CGL
23920 Katy Freeway
Katy, TX 77494

Portfolio Manager Building ID: 2367401

The energy use of this building has been measured and compared to other similar buildings using the Environmental Protection Agency's (EPA's) Energy Performance Scale of 1–100, with 1 being the least energy efficient and 100 the most energy efficient. For more information, visit energystar.gov/benchmark.

This building's score



This building uses 371 kBtu per square foot per year.*

*Based on source energy intensity for the 12 month period ending March 2010

Buildings with a score of 75 or higher may qualify for EPA's ENERGY STAR.

I certify that the information contained within this statement is accurate and in accordance with U.S. Environmental Protection Agency's measurement standards, found at energystar.gov

Date of certification

APPENDIX B

GAP ANALYSIS

LEED-EB O&M Gap Analysis



Katy Professional Office Building I

Presented to

KENNEDY ASSOCIATES
REAL ESTATE COUNSEL, LP

By



USGBC LEED
Checklist Assessment
for
Katy Professional Office Building I
23920 Katy Freeway, Katy, Texas

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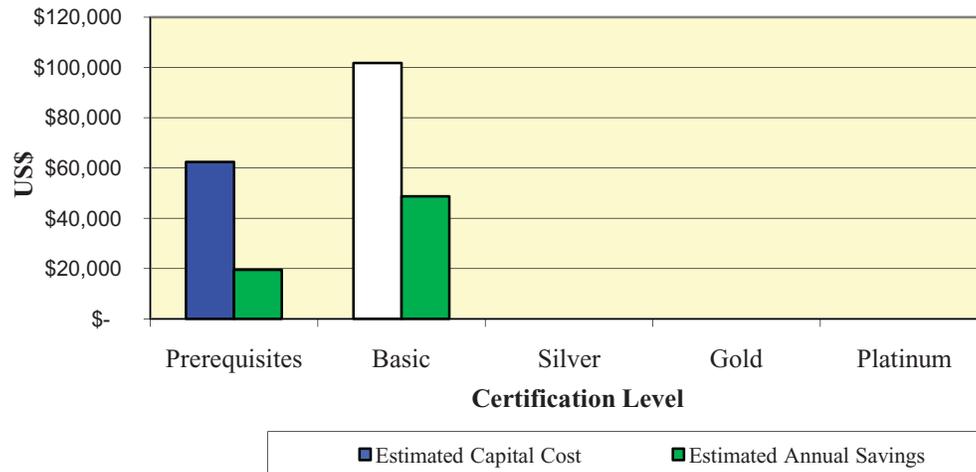
Building Statistics

Date of Construction:	2006
Total Square Feet:	131,607
Number of Occupants:	200
ENERGY STAR Rating:	62 *
Annual Energy Cost:	\$ 486,929
Annual Water Cost:	\$ 4,170 <i>Note: Excludes metering charges</i>

**ENERGY STAR rating has been adjusted based on normalized data across the Kennedy Portfolio to achieve more realistic savings projections in the Gap Analysis Model.*

Executive Summary

**Comparative Capital Costs & Savings
for LEED-EB Certification**



Estimated Total Costs and Total Savings by Certification Level*

	Prerequisites	Basic	Silver	Gold	Platinum
Total Estimated Cost to LEED	\$ 76,029	\$ 197,782	N/A	N/A	N/A
Estimated Capital Cost	\$ 62,379	\$ 101,834	N/A	N/A	N/A
LEED Related Soft Costs**	\$ 13,650	\$ 54,600	N/A	N/A	N/A
LEED Process Costs	N/A	\$ 41,348	N/A	N/A	N/A
Estimated Annual Savings	\$ 19,477	\$ 48,693	N/A	N/A	N/A
Payback on Capital	3.2	2.1	N/A	N/A	N/A

**N/A in this context indicates that the designated option is not likely feasible at this property*

***Soft Costs indicate estimated time investment required by the internal property team, valued at Approx. \$150/hour*

Chelsea Group developed this assessment of Katy Professional Office Building I at 23920 Katy Freeway, Katy, Texas on behalf of Kennedy Associates. The purpose of this assessment is to provide information for benchmarking the sustainability performance and the potential for sustainability enhancements for Katy Professional Office Building I. The benchmarking standard chosen for this effort is the US Green Building Council (USGBC) program for existing buildings (LEED-EB: Operations and Maintenance). Certification for any medical office building under the LEED EB program presents challenges because of the primary use of the building. Where possible the potential for LEED certification is identified in this report.

Based on the information available, we have identified gaps between current building operations and physical conditions and the parameters established by USGBC for certification of Katy Professional Office Building I under the LEED-EB program. Before LEED certification can be pursued, all LEED-EB prerequisites must be met. In the case of Katy Professional Office Building I, the estimated cost to achieve all prerequisites is \$62,379 with a payback of 3.2 years.

Once prerequisites are achieved, the building is analyzed for the cost and savings associated with achieving various LEED credits. Although it appears that Basic Certification may be possible for this property, based on this gap analysis and the ENERGY STAR rating, we believe that this building is unlikely to achieve any level of LEED-EB certification at this time.

This benchmarking exercise provides a method for an “apples to apples” comparison among medical office buildings in this portfolio. The results of the models used in this analysis, while consistent, may not be reliable as cost predictors, particularly as it relates to energy, when ENERGY STAR ratings are below a score of 50. Additionally, the primary requirements of patient care must always override sustainability recommendations. Where LEED certification appears impractical, strides toward sustainability are nonetheless possible and can be pursued for both environmental and financial benefits.

Next Steps & Action Items

- Evaluation and initiation of actions that are within landlord control to make the property more sustainable, as identified in this report
- Consideration of contacting tenants to inform them of sustainability enhancement opportunities they may have identified in this report.
- Enhanced record keeping and encouragement of tenants in voluntary data submittal to improve tracking of sustainability against this benchmarking process.

Findings

The summary of findings in LEED format is provided in Appendix A, LEED-EB Operations & Maintenance Registered Building Checklist. That checklist is formally part of the LEED certification process and indicates what prerequisites and credits are likely to be achieved at the subject property.

The focus of this gap analysis is on cost effective achievement of sustainable operations in the subject property. While it uses LEED-EB as its guiding standard for performance assessment, the results are presented in a manner intended to make implementation most cost effective.

This section is broken into two major groups, prerequisites and credits. All prerequisites must be met to achieve certification under the USGBC LEED-EB program. Prerequisites that remain to be achieved are divided into those that are readily achievable and those that are possibly achievable in this building, then ranked in each group by cost. Once all prerequisites have been met, consideration can be given to the number of LEED credits that can be achieved in this building.

The credits are first sorted by the ease of achieving each credit (likely, possible, unlikely). Costs and savings are assigned only to the likely and possible to achieve credits, not to those deemed unlikely. In the primary presentation of the Gap Analysis, which is based on fastest payback for sustainability investments, credits in the "likely" grouping, then the "possible" grouping are ranked based on payback, fastest to slowest. There is no ranking of "unlikely" items, none of which are assigned costs or savings. The LEED credits are then color coded in groups to reflect the number of credits required to achieve certification, silver, gold, or platinum status.

Readily Achievable Prerequisites

Based on the information available about the subject property, the following prerequisites should be readily achievable.

Prerequisites		Cost to Achieve	Savings
WE-Pr1	Minimum Indoor Plumbing Fixture and Fitting Efficiency	\$0	\$0
EA-Pr1	Energy Efficiency Best Management Practices - Planning, Documentation, and Opportunity Assessment	\$0	\$0
EA-Pr3	Fundamental Refrigerant Management - Ozone Protection	\$0	\$0
IEQ-Pr2	Environmental Tobacco Smoke (ETS) Control	\$0	\$0
IEQ-Pr3	Green Cleaning Policy	\$0	\$0

Possibly Achievable Prerequisites

Based on the information available about the subject property, the following prerequisites have not yet been addressed.

Prerequisites		Cost to Achieve	Savings
MR-Pr1	Sustainable Purchasing Policy	\$0	\$0
MR-Pr2	Solid Waste Management Policy	\$0	\$0
IEQ-Pr1	Minimum Indoor Air Quality Performance	\$3,948	\$0
EA-Pr2	Minimum Energy Efficiency Performance - ENERGY STAR Rating: 69	\$58,431	\$19,477
Total cost and savings to achieve prerequisites		\$62,379	\$19,477

Readily Achievable LEED Credits

Based on the information available about the subject property, the following credits should be readily achievable.

Credits		Cost to Achieve	Savings
SS-Cr2	Building Exterior and Hardscape Management Plan	\$0	\$0
SS-Cr3	Integrated Pest Management, Erosion Control, and Landscape Management Plan	\$0	\$0
SS-Cr8	Light Pollution Reduction	\$0	\$0
WE-Cr1.1	Water Performance Measurement - Whole building metering	\$0	\$0
WE-Cr2.1	Additional Indoor Plumbing Fixture and Fitting Efficiency - 10% Reduction	\$0	\$0
WE-Cr2.2	Additional Indoor Plumbing Fixture and Fitting Efficiency - 15% Reduction	\$0	\$0
WE-Cr2.3	Additional Indoor Plumbing Fixture and Fitting Efficiency - 20% Reduction	\$0	\$0
WE-Cr2.4	Additional Indoor Plumbing Fixture and Fitting Efficiency - 25% Reduction	\$0	\$0
EA-Cr3.1	Performance Measurement - Building Automation System	\$0	\$0
EA-Cr5	Enhanced Refrigerant Management	\$0	\$0
EA-Cr6	Emissions Reduction Reporting	\$0	\$0
MR-Cr4	Sustainable Purchasing - Reduced Mercury in Lamps, 90 pg/lum-hr	\$0	\$0
IEQ-Cr1.2	IAQ Best Management Practices: Outdoor Air Delivery Monitoring	\$0	\$0
IEQ-Cr1.4	IAQ Best Management Practices: Reduce Particulates in Air Distribution	\$0	\$0
RP-Cr1.1	Regional Priority Credit: IEQ-Cr1.4	\$0	\$0
IEQ-Cr3.4	Green Cleaning - Sustainable Cleaning Equipment	\$0	\$0
IEQ-Cr3.5	Green Cleaning - Indoor Chemical & Pollutant Source Control	\$0	\$0
IO-Cr1.1	Innovation in Operations - Provide specific title	\$0	\$0
IO-Cr2	LEED® Accredited Professional	\$0	\$0
IO-Cr3	Documenting Sustainable Building Cost Impacts	\$0	\$0

Possibly Achievable LEED Credits

Based on the information available about the subject property, the following credits can be addressed as needed to attain selected levels of certification.

Credits		Cost to Achieve	Savings
EA-Cr2.1	Existing Building Commissioning - Investigation and Analysis		
EA-Cr2.2	Existing Building Commissioning - Implementation	\$29,612	\$29,216
WE-Cr2.5	Additional Indoor Plumbing Fixture and Fitting Efficiency - 30% Reduction	\$0	\$0
MR-Cr3	Sustainable Purchasing - Facility Alterations and Additions	\$0	\$0
MR-Cr7	Solid Waste Management - Ongoing Consumables, 50% Waste Diversion	\$0	\$0
RP-Cr1.3	Regional Priority Credit: MR-Cr7	\$0	\$0
MR-Cr8	Solid Waste Management - Durable Goods	\$0	\$0
MR-Cr9	Solid Waste Management - Facility Alterations and Additions	\$0	\$0
IEQ-Cr2.1	Occupant Comfort - Occupant Survey	\$0	\$0
IEQ-Cr3.1	Green Cleaning - High Performance Cleaning Program	\$0	\$0
IEQ-Cr3.6	Green Cleaning - Indoor Integrated Pest Management	\$0	\$0
IO-Cr1.2	Innovation in Operations - Provide specific title	\$0	\$0
MR-Cr6	Solid Waste Management - Waste Stream Audit	\$873	\$0
IEQ-Cr2.2	Controllability of Systems: Lighting	\$1,600	\$0
IEQ-Cr2.4	Daylight and Views	\$2,106	\$0
EA-Cr2.3	Existing Building Commissioning - Ongoing Commissioning	\$2,632	\$0
IEQ-Cr3.2	Green Cleaning - Custodial Effectiveness Assessment, < 3	\$2,632	\$0
Total cost and savings to achieve prerequisites and Basic Certification		\$101,834	\$48,693
IEQ-Cr1.1	IAQ Best Management Practices: IAQ Management Program	\$3,200	\$0
IEQ-Cr2.3	Occupant Comfort - Thermal Comfort Monitoring	\$18,425	\$0
EA-Cr4.1	Renewable Energy: On-site 3% / Off-site 25%	\$24,346	\$0
RP-Cr1.2	Regional Priority Credit: EA-Cr4.1	\$0	\$0
Total cost and savings to achieve Maximum Sustainability		\$147,805	\$48,693

Difficult to Achieve LEED Credits

Based on the information available about the subject property, the following credits are unlikely to be achieved because they will require considerable effort, cost, or capital investment. For these items, it is the consensus of the team that these credits are not feasible at this property.

For items that may be difficult to achieve in this building, cost and savings calculations have not been developed.

Credits		Cost to Achieve	Savings
SS-Cr1	LEED Certified Design and Construction	N/A	N/A
SS-Cr4	Alternative Commuting Transportation	N/A	N/A

SS-Cr5	Site Development: Protect or Restore Open Habitat	N/A	N/A
SS-Cr6	Stormwater Quantity Control	N/A	N/A
SS-Cr7.1	Heat Island Reduction - Non-Roof	N/A	N/A
SS-Cr7.2	Heat Island Reduction - Roof	N/A	N/A
WE-Cr1.2	Water Performance Measurement - Submetering	N/A	N/A
WE-Cr3.1	Water Efficient Landscaping - Reduce Potable Water Use by 50%	N/A	N/A
WE-Cr3.2	Water Efficient Landscaping - Reduce Potable Water Use by 62.5%	N/A	N/A
WE-Cr3.3	Water Efficient Landscaping - Reduce Potable Water Use by 75%	N/A	N/A
WE-Cr3.4	Water Efficient Landscaping - Reduce Potable Water Use by 87.5%	N/A	N/A
WE-Cr3.5	Water Efficient Landscaping - Reduce Potable Water Use by 100%	N/A	N/A
WE-Cr4.1	Cooling Tower Water Management - Chemical Management	N/A	N/A
WE-Cr4.2	Cooling Tower Water Management - Non-Potable Water Source Use	N/A	N/A
EA-Cr1	Optimize Energy Efficiency Performance - ENERGY STAR Rating: 71 and over	N/A	N/A
EA-Cr3.2.1	Performance Measurement - System-Level Metering - 40% Metered	N/A	N/A
EA-Cr3.2.2	Performance Measurement - System-Level Metering - 80% Metered	N/A	N/A
EA-Cr4.2	Renewable Energy: On-site 4.5% / Off-site 37.5%	N/A	N/A
EA-Cr4.3	Renewable Energy: On-site 6% / Off-site 50%	N/A	N/A
EA-Cr4.4	Renewable Energy: On-site 7.5% / Off-site 62.5%	N/A	N/A
EA-Cr4.5	Renewable Energy: On-site 9% / Off-site 75%	N/A	N/A
EA-Cr4.6	Renewable Energy: On-site 12% / Off-site 100%	N/A	N/A
MR-Cr1	Sustainable Purchasing - Ongoing Consumables	N/A	N/A
MR-Cr2.1	Sustainable Purchasing - Durable Goods - Electric	N/A	N/A
MR-Cr2.2	Sustainable Purchasing - Durable Goods - Furniture	N/A	N/A
MR-Cr5	Sustainable Purchasing - Food	N/A	N/A
IEQ-Cr1.3	IAQ Best Management Practices: Increased Ventilation	N/A	N/A
IEQ-Cr1.5	IAQ Best Management Practices: IAQ Management for Facility Alterations and Additions	N/A	N/A
IEQ-Cr3.3	Green Cleaning - Purchase of Sustainable Cleaning Products and Materials	N/A	N/A
IO-Cr1.3	Innovation in Operations - Provide specific title	N/A	N/A
IO-Cr1.4	Innovation in Operations - Provide specific title	N/A	N/A
RP-Cr1.4	Regional Priority Credit:	N/A	N/A

LEED Certification Level Summary

	Cost to Achieve	Programmatic Payback
The likely level of investment required to achieve LEED-EB Prerequisites. These prerequisites MUST be achieved before any levels of LEED-EB certification can be acquired.	\$62,379	3.2
The likely level of investment including the prerequisites to achieve basic Certification and the programmatic payback including costs & savings of the prerequisites.	\$101,834	2.1
In this case, many of the additional credits needed to achieve Silver Certification require retrofits that are not feasible in this building.	N/A	N/A
In this case, many of the additional credits needed to achieve Gold Certification require retrofits that are not feasible in this building.	N/A	N/A
In this case, many of the additional credits needed to achieve Platinum Certification require retrofits that are not feasible in this building.	N/A	N/A

LEED Process Costs

In addition to the investment for capital and operations improvements, there are costs related to filing for and receiving certification from the US Green Building Council. Costs are estimated as follows:

	Service	Filing
Registration		\$900
Application for Certification		\$3,948
Basic	\$36,500	
Silver	\$41,500	
Gold	\$46,500	
Platinum	\$56,500	

Recommendations

Chelsea Group has reviewed the information gathered about this building and the resulting findings from the gap analysis relative to LEED-EB Operations & Maintenance (O&M). This assessment has considered the gap between existing conditions and practices and the prerequisite elements of compliance with LEED-EB. Based on this assessment, we recommend that Kennedy Associates consider pursuing sustainability measures as they prove feasible and cost effective and repeating the benchmarking process on a routine basis. Should key performance measurements improve substantially relative to LEED requirements in the future, LEED Certification can be reconsidered.

In order to optimize building sustainability performance, we recommend that Kennedy Associates plans for implementation and documentation of necessary policy changes and initiates a sustainability program and capital budgeting, as needed, to implement necessary actions at the earliest possible time.

Investigative Procedure

We used a guided, interactive interview tool to collect information for this report. The interview tool was developed to optimize collection of information specific to the LEED-EB process from property managers, building engineers, and other real estate professionals familiar with the subject property.

This report is based on the LEED-EB O&M program definition. The report describes current building status, action items, and initial cost and savings ranges for achieving LEED-EB certification. Engineering and capital cost estimates have been made on the basis of national cost estimation tools and professional judgment. Savings estimates are similarly based on typical performance results for recommended actions.

Information presented and analyzed in this report was provided to us by Elizabeth Stockstill, Tammy Diezi, and Jose Castro, who are familiar with Katy Professional Office Building I. Chelsea Group was represented by Terry Gorski, who is a LEED Accredited Professional (AP). We met in an on-line session on June 22nd, 2010 to review the information available for this assessment. Additional data was subsequently supplied by the building team.

Interaction between our LEED Accredited Professionals and the building team is accomplished during an on-line meeting. During this meeting, the building team participates in and observes the completion of the interview tool by our representative. We use a group consensus basis to determine what information is entered into the interview tool and reported in this assessment.

The building team has seen and agreed to the information used here. The extent and accuracy of the report is limited to the information provided by the team representing the building.

Programmatic Considerations

This gap analysis identifies a "best payback" strategy for achieving certification for your property under the US Green Building Council (USGBC) Leadership in Energy and Environmental Design for Existing Buildings (LEED-EB) program. Key features of this report:

- The analysis is based on information provided by building personnel with no site verification
- The assessment applies the standard of LEED-EB O&M from USGBC
- The cost model is based on national databases, case studies, and experience and has not been adjusted for local factors such as labor rates or shipping
- The savings model is based on typical percentage or unit usage reductions multiplied by the cost rates for commodities consumed by this building
- Actions are reported by level of difficulty to achieve as identified by the building personnel who participated in the assessment; cost and savings estimates are not included for those considered unlikely to be feasible at this property

Standards of Care

Our work was informed by the following standards of care in the development of this assessment:

- US Green Building Council, LEED-EB O&M Reference Guide for Green Buildings Operations & Maintenance, 2009 Edition
- Guidance provided by the US Environmental Protection Agency in their ENERGY STAR webpage

Appendix A: Checklist



LEED-EB

LEED-EB Operations & Maintenance Registered Building Checklist

Building Name: **Katy Professional Office Building I**

Building Address: **23920 Katy Freeway, Katy, Texas**

Yes	?	No			
3		23	Sustainable Sites		26
		4	SS-Cr1	LEED Certified Design and Construction	4
1			SS-Cr2	Building Exterior and Hardscape Management Plan	1
1			SS-Cr3	Integrated Pest Management, Erosion Control, and Landscape Management Plan	1
		15	SS-Cr4	Alternative Commuting Transportation	15
		1	SS-Cr5	Site Development: Protect or Restore Open Habitat	1
		1	SS-Cr6	Stormwater Quantity Control	1
		1	SS-Cr7.1	Heat Island Reduction -Non-Roof	1
		1	SS-Cr7.2	Heat Island Reduction -Roof	1
1			SS-Cr8	Light Pollution Reduction	1

Yes	?	No			
5	1	8	Water Efficiency		14
1			WE-Pr1	Minimum Indoor Plumbing Fixture and Fitting Efficiency	Required
			WE-Cr1	Water Performance Measurement	
1			WE-Cr1.1	Water Performance Measurement - Whole building metering	1
		1	WE-Cr1.2	Water Performance Measurement - Submetering	1
			WE-Cr2	Additional Indoor Plumbing Fixture and Fitting Efficiency	
1			WE-Cr2.1	Additional Indoor Plumbing Fixture and Fitting Efficiency 10% Reduction	1
1			WE-Cr2.2	Additional Indoor Plumbing Fixture and Fitting Efficiency 15% Reduction	2
1			WE-Cr2.3	Additional Indoor Plumbing Fixture and Fitting Efficiency 20% Reduction	3
1			WE-Cr2.4	Additional Indoor Plumbing Fixture and Fitting Efficiency 25% Reduction	4
	1		WE-Cr2.5	Additional Indoor Plumbing Fixture and Fitting Efficiency 30% Reduction	5
			WE-Cr3	Water Efficient Landscaping	
		1	WE-Cr3.1	Water Efficient Landscaping- Reduce Potable Water Use by 50%	1
		1	WE-Cr3.2	Water Efficient Landscaping- Reduce Potable Water Use by 62.5%	2
		1	WE-Cr3.3	Water Efficient Landscaping- Reduce Potable Water Use by 75%	3
		1	WE-Cr3.4	Water Efficient Landscaping- Reduce Potable Water Use by 87.5%	4
		1	WE-Cr3.5	Water Efficient Landscaping- Reduce Potable Water Use by 100%	5
			WE-Cr4	Cooling Tower Water Management	
		1	WE-Cr4.1	Cooling Tower Water Management- Chemical Management	1
		1	WE-Cr4.2	Cooling Tower Water Management- Non-Potable Water Source Use	1

Appendix A: Checklist

Yes	?	No			
3	7	25		Energy & Atmosphere	35
1			EA-Pr1	Energy Efficiency Best Management Practices- Planning, Documentation, and Opportunity Assessment	Required
	1		EA-Pr2	Minimum Energy Efficiency Performance - ENERGY STAR Rating: 69	Required
1			EA-Pr3	Fundamental Refrigerant Management- Ozone Protection	Required
		18	EA-Cr1	Optimize Energy Efficiency Performance - ENERGY STAR Rating: 71 and over	18
	2		EA-Cr2.1	Existing Building Commissioning - Investigation and Analysis	2
	2		EA-Cr2.2	Existing Building Commissioning - Implementation	2
	2		EA-Cr2.3	Existing Building Commissioning - Ongoing Commissioning	2
1			EA-Cr3.1	Performance Measurement - Building Automation System	1
			EA-Cr3.2	Performance Measurement - System-Level Metering	
		1	EA-Cr3.2.1	Performance Measurement- System-Level Metering - 40% Metered	1
		1	EA-Cr3.2.2	Performance Measurement- System-Level Metering - 80% Metered	1
			EA-Cr4	On-site and Off-site Renewable Energy	
	1		EA-Cr4.1	Renewable Energy: On-site 3% / Off-site 25%	1
		1	EA-Cr4.2	Renewable Energy: On-site 4.5% / Off-site 37.5%	2
		1	EA-Cr4.3	Renewable Energy: On-site 6% / Off-site 50%	3
		1	EA-Cr4.4	Renewable Energy: On-site 7.5% / Off-site 62.5%	4
		1	EA-Cr4.5	Renewable Energy: On-site 9% / Off-site 75%	5
		1	EA-Cr4.6	Renewable Energy: On-site 12% / Off-site 100%	6
1			EA-Cr5	Enhanced Refrigerant Management	1
1			EA-Cr6	Emissions Reduction Reporting	1

Yes	?	No			
1	5	4		Materials & Resources	10
	1		MR-Pr1	Sustainable Purchasing Policy	Required
	1		MR-Pr2	Solid Waste Management Policy	Required
		1	MR-Cr1	Sustainable Purchasing- Ongoing Consumables	1
			MR-Cr2	Sustainable Purchasing - Durable Goods	
		1	MR-Cr2.1	Sustainable Purchasing- Durable Goods - Electric	1
		1	MR-Cr2.2	Sustainable Purchasing- Durable Goods - Furniture	1
	1		MR-Cr3	Sustainable Purchasing- Facility Alterations and Additions	1
1			MR-Cr4	Sustainable Purchasing- Reduced Mercury in Lamps, 90 pg/lum-hr	1
		1	MR-Cr5	Sustainable Purchasing - Food	1
	1		MR-Cr6	Solid Waste Management - Waste Stream Audit	1
	1		MR-Cr7	Solid Waste Management - Ongoing Consumables, 50% Waste Diversion	1
	1		MR-Cr8	Solid Waste Management - Durable Goods	1
	1		MR-Cr9	Solid Waste Management - Facility Alterations and Additions	1

Appendix A: Checklist

Yes	?	No			
4	8	3	Indoor Environmental Quality		15
	1		IEQ-Pr1	Minimum Indoor Air Quality Performance	Required
1			IEQ-Pr2	Environmental Tobacco Smoke (ETS) Control	Required
1			IEQ-Pr3	Green Cleaning Policy	Required
	1		IEQ-Cr1.1	IAQ Best Management Practices: IAQ Management Program	1
1			IEQ-Cr1.2	IAQ Best Management Practices: Outdoor Air Delivery Monitoring	1
		1	IEQ-Cr1.3	IAQ Best Management Practices: Increased Ventilation	1
1			IEQ-Cr1.4	IAQ Best Management Practices: Reduce Particulates in Air Distribution	1
		1	IEQ-Cr1.5	IAQ Best Management Practices: IAQ Management for Facility Alterations and Additions	1
	1		IEQ-Cr2.1	Occupant Comfort - Occupant Survey	1
	1		IEQ-Cr2.2	Controllability of Systems: Lighting	1
	1		IEQ-Cr2.3	Occupant Comfort - Thermal Comfort Monitoring	1
	1		IEQ-Cr2.4	Daylight and Views	1
	1		IEQ-Cr3.1	Green Cleaning - High Performance Cleaning Program	1
	1		IEQ-Cr3.2	Green Cleaning - Custodial Effectiveness Assessment, < 3	1
		1	IEQ-Cr3.3	Green Cleaning - Purchase of Sustainable Cleaning Products and Materials	1
1			IEQ-Cr3.4	Green Cleaning - Sustainable Cleaning Equipment	1
1			IEQ-Cr3.5	Green Cleaning - Indoor Chemical & Pollutant Source Control	1
	1		IEQ-Cr3.6	Green Cleaning - Indoor Integrated Pest Management	1

Yes	?	No			
3	1	2	Innovation in Operations		6
			IO-Cr1	Innovation in Operations	
1			IO-Cr1.1	Innovation in Operations- Provide specific title	1
	1		IO-Cr1.2	Innovation in Operations- Provide specific title	1
		1	IO-Cr1.3	Innovation in Operations- Provide specific title	1
		1	IO-Cr1.4	Innovation in Operations- Provide specific title	1
1			IO-Cr2	LEED® Accredited Professional	1
1			IO-Cr3	Documenting Sustainable Building Cost Impacts	1

Yes	?	No	Zip Code:			
1	2	1	77494	Regional Priority		4
1			RP-Cr1.1	Regional Priority Credit: IEQ-Cr1.4		1
	1		RP-Cr1.2	Regional Priority Credit: EA-Cr4.1		1
	1		RP-Cr1.3	Regional Priority Credit: MR-Cr7		1
		1	RP-Cr1.4	Regional Priority Credit:		1
<u>LEED Regional Credit Web Link</u>						

Yes	?	No			
20	24	66	Project Totals (pre-certification estimates)		110

Certified: 40-49 points, Silver: 50-59 points, Gold: 60-79 points, Platinum: 80+ points

Appendix B: Review of Requirements and Intent

Sustainable Sites

SS-Cr1 LEED Certified Design and Construction

Intent: Reward environmentally-sensitive building design, thereby enabling high performance building operations to be achieved more easily.

Requirements: Show that building has previously been LEED-NC certified, OR has been certified LEED-CS and at least 75% of the floor area has been certified LEED-CI.

Comments: Building has not been previously certified.

Credits: SS-Cr1 4 points **No**

SS-Cr2 Building Exterior and Hardscape Management Plan

Intent: Encourage environmentally-sensitive building exterior and hardscape management practices that provide a clean, well-maintained and safe building exterior, while supporting high performance building operation.

Requirements: You get one point for having an environmentally sensitive, low impact building exterior and hardscape management plan that uses best management practices to reduce the use of harmful chemicals, energy & water waste, pollution & chemical runoff (i.e., gasoline, oil, antifreeze, salts) compared with standard practices. The plan must address all of the following optional elements that occur on the building and grounds, as applicable:

- Maintenance equipment - parking lot sweepers, mowers, pressure washers. For example, use only as necessary or replace with electric or low-decibel, or hand rakes. Use mulching mowers.
- Snow & ice removal - For example, don't use calcium chloride or sodium chloride; use magnesium chloride, potassium acetate or potassium chloride.
- Cleaning of building exterior, sidewalks, pavement and hardscape - For example, use biodegradable, low-impact cleaning products whenever possible.
- Paints and sealants on building exterior - For example, use low-VOC products.

Comments: Sits on ground lease. Only responsible for vertical surfaces of building. Takes care of dumpster area. Exterior has not had to be cleaned yet since only 6 years old. Would need to develop plan.

Credits: SS-Cr2 1 point **Likely**

Appendix B: Review of Requirements and Intent

SS-Cr3 Integrated Pest Management, Erosion Control, and Landscape Management Plan

Intent: Preserve ecological integrity, enhance natural diversity, and protect wildlife while supporting high performance building operations and integration into surrounding landscapes.

Requirements: You get one point for having an environmentally sensitive management plan for the site's natural components. The plan must employ best management practices that reduce harmful chemical use, energy and water waste, air pollution, solid waste and/or chemical runoff, (e.g. gasoline, oil, antifreeze, salts) compared with standard practices. The plan must address all of the following operational elements:

- Outdoor integrated pest management to manage outdoor pests (plants, fungi, insects, animals) in a way that protects human health and the surrounding environment and that improves economic returns through the most effective, least-risk option. IPM uses least-toxic chemical pesticides, minimum use of chemicals, is used in targeted locations for targeted species, and requires routine inspection and monitoring. The plan must address all of the IPM requirements in EQ-Cr3.9 Green Cleaning: Indoor Integrated Pest Management and be integrated with any indoor IPM plan for the building, as appropriate.
- Erosion and sedimentation control for ongoing landscape operation (where applicable) and future construction activity. Must address both site soil and potential construction materials. Include measures that prevent erosion and sedimentation, prevent air pollution from dust or particulate matter and restore eroded areas.

The plan must also address ongoing landscape operations (if applicable) and future construction activity.

- Divert landscape waste from the waste stream via mulching, composting or other low-impact means.
- Minimize artificial chemical fertilizer use by using locally adapted plants that need no fertilizer, less polluting alternatives to artificial chemicals, or other low-impact maintenance.

Comments:	Would need to develop plan.		
Credits:	SS-Cr3	1 point	Likely

Appendix B: Review of Requirements and Intent

SS-Cr4 Alternative Commuting Transportation

Intent: Reduce pollution and land development impacts from automobile use for commuting trips.

Requirements: Reduce the number of commuting round trips made by regular building occupants using single-occupant, conventionally-powered and fueled vehicles by using alternative transportation including telecommuting, compressed work weeks, mass transit, walking, biking, carpools, fuel efficient, low-emitting or alternative-fuel vehicles, etc. (Low-emitting and fuel-efficient vehicles are defined as vehicles that are classified as zero-emission vehicles by the California Air Resources Board or that have achieved a minimum green score of 40 on the American Council for an Energy Efficient Economy annual vehicle-rating guide.) Consider installing bike racks & changing facilities, preferred parking, access to mass transit, employee incentives, and discounted public transportation passes.

Performance calculations are made relative to a baseline case that assumes all regular occupants commute alone in conventional automobiles. The calculations must account for seasonal variations in the use of alternative commuting methods and, where possible, indicate the distribution of commuting trips using each type of alternative transportation. Document either through participation in a local or regional commute reduction program or through an occupant commute survey. (Survey occupants entering building on a periodic basis (daily for one typical work week minimum).

You get up to 15 points for percentages of reductions in conventional commuting trips during the performance period according to the following schedule:

Exemplary Performance: Projects may earn an Innovation in Operations credit by demonstrating a minimum 95% reduction in conventional commuting trips equivalent to an average vehicle ridership (as defined by SCAQMD) of 20.

Comments:

Not able to pursue this credit due to location, no public transportation, no biking possible.

Credits:

SS-Cr4 15 points possible	10% Reduction	3 points	No	▼
	13.75% Reduction	4 points	No	▼
	17.50% Reduction	5 points	No	▼
	21.25% Reduction	6 points	No	▼
	25.00% Reduction	7 points	No	▼
	31.25% Reduction	8 points	No	▼
	37.50% Reduction	9 points	No	▼
	43.75% Reduction	10 points	No	▼
	50.00% Reduction	11 points	No	▼
	56.25% Reduction	12 points	No	▼
	62.50% Reduction	13 points	No	▼
	68.75% Reduction	14 points	No	▼
	75.00% Reduction	15 points	No	▼

0 0 15

Appendix B: Review of Requirements and Intent

SS-Cr5 Site Development: Protect or Restore Open Habitat

Intent: Conserve existing natural site areas and restore damaged areas to provide habitat and promote biodiversity.

Requirements: You get one point for having native or adapted vegetation covering a minimum of 25% of the site area, excluding building footprint, or 5% of the total site area (including building footprint), whichever is greater.

- Native plants are indigenous to a locality; adapted plants are cultivars of native plants that are adapted to the local climate and not considered invasive or noxious weeds.
- Improving and/or maintaining off-site areas counts. Every 2 sq. ft. off-site is counted as 1 sq. ft. on-site. Contract with owner of off-site area.
- Besides vegetation, other appropriate features include water bodies, exposed rock, and bare ground that are part of the historic natural landscape in the region and provide habitat value.
- For urban projects with few landscaping opportunities, consider installing a vegetated roof. Roofs that lack diversity of habitat-providing species types and plant sizes do not meet the intent of this credit.

Exemplary Performance: Projects may earn an Innovation in Operations credit by having on-site or adapted vegetation covering a minimum of 50% of the site area (excluding the building footprint) or 10% of the total site area (including the building footprint), whichever is greater. For off-site habitat protection or restoration, double the required areas.

Comments:

Regional Priority Credit Available - Does not manage any land

Credits:

SS-Cr5	Est. Cap. Cost=>	\$	-	1 point	No
	If listed as		Capital costs (re-planting with wildflower seed) estimated at		
	"Possible"		\$4,000 per acre.		

SS-Cr6 Stormwater Quantity Control

Intent: Limit disruption of natural water hydrology by reducing impervious cover, increasing on-site filtration, reducing or eliminating pollution from stormwater runoff and eliminating contaminants.

Requirements: You get 1 point for having a stormwater management plan that infiltrates, collects and reuses, or evapotranspires runoff from 15% of the rainfall falling on the whole project site for an average weather year and for the two-year, 24-hour design storm.

Implement an annual inspection program to confirm continued performance and maintain documentation of inspection, identify areas of erosion, maintenance needs and repairs. Perform all routine required maintenance, necessary repairs or stabilization within 60 days of inspection.

Consider collecting and reusing stormwater for non-potable uses such as landscape irrigation, toilet and urinal flushing, and custodial uses. Use alternative surfaces such as vegetated roofs, pervious pavement or grid pavers, rain gardens, retention ponds, and vegetated swales.

Exemplary Performance: Projects may earn an Innovation in Operations credit by demonstrating that the stormwater management plan is capable of reducing stormwater runoff by 30% or more.

Comments:

Regional Priority Credit Available - No land, only possible method would be to collect rainwater on roof but not able to use for irrigation, maybe for power washing quarterly?

Credits:

SS-Cr6				1 point	No
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Appendix B: Review of Requirements and Intent

SS-Cr7.1 Heat Island Reduction - Non-Roof

Intent: Reduce heat islands (temperature differences between developed and undeveloped areas) to minimize impact on microclimate and human and wildlife habitat.

Requirements: You get one point for meeting at least one of the following two options:

Put in an "X" in either Option 1 or Option 2 or both if "Likely" or "Possible".	X
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Option 1 - Use any combination of the following strategies for 50% of the non-roof site hardscape (including roads, sidewalks, courtyards and parking lots):	
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- Provide shade from existing tree canopy or within 5 yrs. of landscape installation; landscaping (trees) must already be in place at the time of certification application. (Shade calculated June 21, noon solar time.) Employ vegetated trellises, large shrubs or other structures supporting vegetation.
- Provide shade from structures covered by solar panels that produce energy used to offset some non-renewable resource use.
- Provide shade from architectural devices or structures that have a Solar Reflectance Index (SRI) of at least 29. Implement a maintenance program that ensures these surfaces are cleaned at least every 2 years to maintain good reflectance.
- Have hardscape materials with an SRI of at least 29. Implement a maintenance program that ensures these surfaces are cleaned at least every 2 years to maintain good reflectance.
- Have an open grid pavement system (at least 50% pervious).

Option 2 - Place a minimum of 50% of parking spaces under cover (underground, under deck, under roof, under building)	
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- Any roof used to shade or cover parking must have an SRI of at least 29, be a green vegetated roof, or be covered by solar panels that produce energy used to offset some non-renewable resource use. Implement maintenance program to ensure all SRI surfaces are cleaned every 2 years to maintain good reflectance.
- Top level of multi-level parking structure is included in total parking spaces calculation, but is not considered a roof and not required to be an SRI surface.

Note: Zero-lot-line projects with no parking and no non-roof hardscapes are not eligible to achieve this credit. Most zero-lot-line projects, though, at least have sidewalks that may qualify under Option 1: High-SRI value hardscapes.

Exemplary Performance: Projects may earn an Innovation in Operations credit by demonstrating that either (1) at least 95% of non-roof impervious surfaces have been constructed with SRI-compliant materials and/or open-grid paving or will be shaded within 5 years; or (2) at least 95% of the on-site parking spaces have been located under cover.

Comments: Regional Priority Credit Available - Does not control sidewalks or any hardscape. Parking owned by hospital, all surface exposed lot.

Credits: SS-Cr7.1 1 Point No

Appendix B: Review of Requirements and Intent

SS-Cr7.2 Heat Island Reduction - Roof

Intent: Reduce heat islands (temperature differences between developed and undeveloped areas) to minimize impact on microclimate and human and wildlife habitat.

Requirements: You get one point for meeting at least one of the following three options:

USE ONLY ONE "X" FOR THE FOLLOWING OPTIONS IF RETROFIT IS NECESSARY. IF ALREADY EXISTING, DO NOT PUT IN "X".	X
Option 1A - Install new SRI compliant roof	
Option 1B - Apply SRI compliant coating	

- Use roofing materials having a Solar Reflectance Index (SRI) equal to or greater than the following values for a minimum of 75% of the roof surface: Low-sloped roof < or = to 2:12 with SRI of 78 or Steep-sloped roof > or = to 2:12 with SRI 29.
- If more than 75% of the roof surface is covered with the SRI material, the SRI value may be lower than the required value if the resulting area-weighted equivalent SRI performance is at least as high as having the required value on 75% of the surface.
- Implement a maintenance program that ensures all SRI surfaces are cleaned at least every two years to maintain good reflectance.
- See Reference Guide for reflectance measuring methods and calculations.

Option 2	
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- Install/maintain a green (vegetated) roof for at least 50% of roof area.

Option 3	
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- Combination of high-reflective and vegetated meeting following criteria: $(\text{Area of SRI Roof} / 0.75) + (\text{Area of vegetated roof} / 0.5) \geq \text{Total Roof Area}$.

Exemplary Performance: Projects may earn an Innovation in Operations credit by demonstrating that 95% of the project's roof area (excluding any mechanical equipment, photovoltaic panels, and skylights) consists of a vegetated roof system.

Comments: Not reflective, bitumen roof. Is new, building is only 6 years old, not due to be replaced anytime soon.

Credits: SS-Cr7.2 1 point No

Appendix B: Review of Requirements and Intent

SS-Cr8 Light Pollution Reduction

Intent: Eliminate light trespass from the building and site, improve night sky access and reduce development impact on nocturnal environments.

Requirements: You get one point for meeting the interior lighting control requirement **and** 1 of 3 exterior lighting control options:

	Y/N
Interior Lighting	Y

- All non-emergency built-in luminaires with direct line of sight to any openings in the building envelope must be automatically controlled to turn off during all after-hours periods. (Plug fixtures are exempt.) Control light pollution from interior fixtures with either or both of two strategies: eliminating direct line of sight, and installing automatic controls. Fixtures with no direct line of sight to the exterior are exempt from the automatic control requirement. All other non-emergency, built-in fixtures must be equipped with control systems.
- The total duration of all programmed after-hours periods annually must equal or exceed 2,190 hours per year (50% of annual nighttime hours).
- Manual override capability may be provided for occasional after-hours use.
- Implement program to ensure lighting control system is being properly used to adjust lighting levels during all after-hours periods.

Exterior Lighting

Option 1	N
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- If the project is LEED-NC certified, document project achieved LEED-NC SS-Cr8.

Option 2	Y
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- Partially or fully shield all fixtures 50 watts and over so that they do not directly emit light to the night sky. (Partially-shielded means fixtures are shielded so that the lower edge of the shield is at or below the centerline of the light source so that light emission above the horizontal plane is minimized. Fully-shielded means fixtures are shielded or constructed so that light rays emitted are projected below the horizontal plane passing through the lowest point on the fixture from which light is emitted.)

Option 3	M
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- Measure the night illumination levels at regularly spaced points around the property perimeter taking measurements once with the building's exterior and site lights on and once with them off.
- The illumination level measured with the lights on must not be more than 20% above the level measured with the lights off. This requirement must be met for each measurement point; averaging of all points is prohibited.

Comments: Only egress lighting is on after hours. All other lights automatically shut off from 12 am during week til 5 am. And shut off from 3 pm on sat til 5 am on Mon. All lighting controlled by BAS. Exterior lights only shine downward.

Credits:	SS-Cr8	1 point	Likely
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Likely means the interior lighting controls are already in place.

Appendix B: Review of Requirements and Intent

Water Efficiency

WE-Pr1 Minimum Indoor Plumbing Fixture and Fitting Efficiency

Intent: Reduce indoor fixture and fitting water use within buildings to reduce the burdens on potable water supply and wastewater systems.

Requirements: Reduce potable water usage to a level equal to or below the LEED-EB baseline, calculated assuming 100% of plumbing fixtures & fittings meet Uniform Plumbing Code 2006 or International Plumbing Code 2006 requirements. Include water closets, urinals, shower heads, faucets, faucet replacement aerators and metering faucets.

Baseline usage is set depending on year of substantial completion of building's plumbing system, which is defined as either initial building construction or the last plumbing renovation that included 100% retrofit of all plumbing fixtures and fittings.

Set baseline as follows:

- For a plumbing system substantially completed in 1993 or later throughout the building, the baseline is 120% of the water usage that would result if all fixtures met the codes cited above.
- For a plumbing system substantially completed before 1993 throughout the building, the baseline is 160% of the water usage that would result if all fixtures met the codes cited above.

Develop and implement policy requiring economic assessment of conversion to high-performance plumbing fixtures and fittings as part of any future indoor plumbing renovation.

The assessment must account for potential water supply and disposal cost savings and maintenance cost savings.

Comments: Fixtures not only meet, but exceed minimum requirements.

Prerequisite Met WE-Pr1 **Likely**

Use "Possible" for ANY calculator changes.

Appendix B: Review of Requirements and Intent

WE-Cr1 Water Performance Measurement

Intent: Measure building and subsystem water performance over time to understand consumption patterns and identify opportunities for additional water savings.

Requirements: You get one point for whole building metering and two points for having submetering in addition to the whole building metering.

Option 1. Whole Building Metering (1 point)

- Have in place a permanently installed water meter(s) that measure the total potable water use for the entire building and associated grounds. Meter data must be recorded on a regular basis and compiled into monthly and annual summaries. Metering gray or reclaimed water supplied to the building is encouraged.

Y

Option 2. Submetering in Addition to Whole Building Metering (2 points)

Have in place permanently installed metering for any one of the following water subsystems (one point for any action implemented and maintained in addition to whole building metering):

- Irrigation - meter water systems serving at least 80% of the irrigated landscape area on the grounds. Percentage of irrigated landscape area served shall be calculated as the total metered irrigated landscape area divided by total irrigated landscape area. All landscaping areas fully covered with xeriscaping or native vegetation that requires no routine irrigation shall be excluded from the calculation entirely.
- Indoor Plumbing Fixtures and Fittings - meter water systems serving at least 80% of the indoor plumbing fixtures and fittings described in WE-Pr1. This can be done either directly or by deducting all other measured water use from the measured total water consumption of the building and grounds.
- Cooling Towers - meter replacement water use of all cooling towers serving the facility.
- Domestic Hot Water - meter water use of at least 80% of the installed domestic hot water heating capacity (including both tanks and demand-style heaters).
- Other Process Water - meter at least 80% of expected daily water consumption for process-type end uses, such as humidification systems, dishwashers, clothes washers, pools and other systems using process water.

N

N

N

N

N

Meters must measure potable water use at a minimum, but applicants may also meter gray or reclaimed water as applicable to meet the requirements of this credit. Metering must be continuous and data-logged to allow for an analysis of time trends. The project must compile monthly and annual summaries of results for each subsystem metered.

Exemplary Performance: Projects may earn an Innovation in Operations credit by complying with WE-Cr1 Option 1 and providing documentation meeting the requirements of Option 2 for two or more water subsystems.

Comments: No other meters besides main water meter.

WE-Cr1.1	Whole-building	1 point	Likely	▼
WE-Cr1.2	Plus sub-metering	2 points	No	▼

Appendix B: Review of Requirements and Intent

WE-Cr2 Additional Indoor Plumbing Fixture and Fitting Efficiency

Intent: Maximize indoor plumbing fixture and fitting potable water efficiency within buildings to reduce the burden on municipal water supply and wastewater systems.

Requirements: You get up to 5 points for a reduction in indoor plumbing fixture and fitting water use from the LEED-EB baseline established in WE-Pr1 according to the following schedule below.

Reduce potable water use using measures such as specifying water-conserving fixtures that exceed the Uniform Plumbing Codes 2006 or International Plumbing Codes 2006 in combination with ultra-high efficiency, dry fixtures, dual-flush fixtures, automatic controls, or by using rainwater.

Exemplary Performance: Projects may earn an Innovation in Operations credit by achieving a potable water savings of 35% or greater.

Comments: Without any additional measures already at almost a 30% reduction.

Credits:	WE-Cr2.1	10% Reduction	1 point	Likely	▼
	WE-Cr2.2	15% Reduction	2 points	Likely	▼
	WE-Cr2.3	20% Reduction	3 points	Likely	▼
	WE-Cr2.4	25% Reduction	4 points	Likely	▼
	WE-Cr2.5	30% Reduction	5 points	Possible	▼

WE-Cr3 Water Efficient Landscaping

Intent: To limit or eliminate the use of potable water or other natural surface/subsurface resources available on or near the project site for landscape irrigation.

Requirements: You get up to 5 points for a reduction over conventional means of irrigation according to the following schedule below. If the building does not have separate irrigation water metering, the reduction achievements can be demonstrated through calculations.

For buildings without vegetation, points can be earned by reducing the use of potable water for watering any roof and/or courtyard garden space or outdoor planters, provided that the planters and/or garden space cover at least 5% of the building site area (including building footprint, hardscape area, parking footprint, etc). If the planters and/or garden space cover less than 5% of the building site area, the project is ineligible for this credit.

Possible methods: Specify water-efficient, climate-tolerant native or adaptive plants. Use micro-irrigation, moisture sensors, or weather data-based controllers. Irrigate with captured rainwater, gray water, municipally-reclaimed water or on-site treated wastewater. Do not use an irrigation system. In arid climates, use xeriscaping principles.

Three options are available to demonstrate compliance: 1. Calculate baseline water use by determining water use that would result from using irrigation system typical for the region (work with landscape architect) and compare with actual use. 2. Calculate water use by determining landscape area and sorting into major vegetation types and then determine evapotranspiration rate for region and species type. 3. Use independent performance and ranking tools from local, regional, state or national sources to demonstrate reductions.

Appendix B: Review of Requirements and Intent

Note: **If there is no permanent irrigation system** the site still needs to include vegetated or other ecologically appropriate features that cover at least 5% of the total building site area or, if there are no grounds, must have adequate amounts of planters/gardens to be eligible for this credit. Only temporary or hand-watering may occur on an as-needed basis and only during periods of drought or for the establishment of new plantings.

Comments:	Does not have or control any landscaping or hardscapes			
Credits:	WE-Cr3.1	50% Reduction	1 point	No
	WE-Cr3.2	62.5% Reduction	2 points	No
	WE-Cr3.3	75% Reduction	3 points	No
	WE-Cr3.4	87.5% Reduction	4 points	No
	WE-Cr3.5	100% Reduction	5 points	No

WE-Cr4 Cooling Tower Water Management

Intent: Reduce potable water consumption for cooling tower equipment through effective water management and/or use of non-potable make-up water.

Requirements: You get one point for chemical management and/or one point for using non-potable make-up water.

Chemical Management - 1 point	
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- Develop & implement a water management plan for the cooling tower that addresses appropriate chemical treatment and bleed-off, biological control and staff training as it relates to cooling tower maintenance. Improve water efficiency by installing and/or maintaining a conductivity meter and automatic controls to adjust the bleed rate and maintain proper concentration at all times. Develop a biocide treatment program to avoid biological contamination and the risk of Legionella in the building.

Non-potable Water Source - 1 point	
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- Use make-up water that consists of at least 50% non-potable water, such as: harvested rain or stormwater, air conditioner condensate, swimming pool filter backwash water, cooling tower blowdown, pass-through (once-through) cooling water, recycled and treated wastewater for toilet/urinal flushing, foundation drain water, municipally reclaimed water, any other water source that is not from a well, river or lake. Ensure that the water meets the cooling tower manufacturer's guidelines for water purity and adjust chemical treatment program accordingly.

Exemplary Performance: Projects may earn an Innovation in Operations credit by demonstrating that a minimum of 95% of cooling tower makeup water comes from nonpotable sources.

Comments:	No cooling towers, so ineligible to earn this credit			
Credits:	WE-Cr4.1	Chemical management	1 point	No
	WE-Cr4.2	Non-potable make-up water	1 point	No

Energy & Atmosphere

EA-Pr1 Energy Efficiency Best Management Practices - Planning, Documentation, and Opportunity Assessment

Intent: Promote continuity of information to ensure that energy-efficient operating strategies are maintained and provide a foundation for training and system analysis.

Requirements: Document the current sequence of operations for the building and develop a Building Operating Plan that provides details on how the building is to be operated and maintained. It shall include, at a minimum:

- Occupancy schedule
- Equipment run time schedule
- Design set points for all HVAC equipment
- Design lighting levels throughout the building
- Identify any changes in schedules or set points for different seasons, different days of the week, and different times of the day
- Validate that the plan has been met during the performance period

Develop a Systems Narrative that provides a brief description of the mechanical and electrical systems and equipment in the building. Include all the systems used to meet the operating conditions stated in the plan including HVAC, lighting and building controls systems.

Create a narrative of the preventative maintenance plan for equipment described in the Systems Narrative and document the preventative maintenance schedule during the performance period.

Conduct an energy audit that meets the requirements of ASHRAE Level 1 - Walk-Through Assessment which consists of assessing a building’s energy cost and efficiency by analyzing energy bills and conducting a brief survey of the building, identifying and providing a savings and cost analysis of low-cost/no-cost measures, and providing a listing of potential capital improvements that merit further consideration, along with an initial judgment of potential costs and savings.

Comments: Would need to develop Building Operating Plan, systems narrative, and preventative maintenance plan. Chelsea Group site visit will meet requirements of ASHRAE audit.

Prerequisite Met EA-Pr1 Likely ▼

Appendix B: Review of Requirements and Intent

EA-Pr2 Minimum Energy Efficiency Performance - ENERGY STAR Rating: 69

Intent: Establish the minimum level of operating energy efficiency performance relative to typical buildings of similar type to reduce environmental impacts associated with excessive energy use.

Requirements: Choose one of the following:

Case 1. Projects Eligible for ENERGY STAR Rating	X
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For buildings eligible to receive an EPA rating using ENERGY STAR's Portfolio Manager tool, achieve an energy performance rating of at least 69. If the building is eligible for a rating using Portfolio Manager, this method must be used.

Have energy meters that measure all energy use throughout the performance period. Each building's energy performance must be based on actual metered energy consumption. A full 12 months of continuously metered energy data is required.

Case 2. Projects Not Eligible for ENERGY STAR Rating - 1 of 2 Options:	
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For buildings not eligible to receive an energy performance rating using Portfolio Manager, comply with 1 of the following 2 options:

Option 1. Demonstrate energy efficiency at least 19% better than the average for typical buildings of similar type by benchmarking against national average source energy data provided in the Portfolio Manager tool as an alternative to energy performance ratings. Follow the detailed instructions in the Reference Guide.

Option 2. Use the alternative method described in the Reference Guide and have energy meters that measure all energy use throughout the performance period of each building to be certified. Each building's energy performance must be based on actual metered energy consumption for both the LEED project building(s) and all comparable buildings used for the benchmark. A full 12 months of continuous measured energy is required. Use Portfolio Manager to benchmark the project even if it is not eligible for an EPA rating.

Comments: At 43, has quite a way to go to get to minimum 69

Prerequisite Met	EA-Pr2	62	Possible
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Appendix B: Review of Requirements and Intent

EA-Pr3 Fundamental Refrigerant Management - Ozone Protection

Intent: Reduce stratospheric ozone depletion.

Requirements: Zero use of CFC-based refrigerants (R-11 & R-12) in HVAC&R base building systems unless a third party audit shows that system replacement or conversion is not economically feasible or the building demonstrates that a phase out plan for CFC-based refrigerants is in place.

- Replacement of a chiller is considered to be not economically feasible if the simple payback of the replacement is greater than 10 years. (Divide the cost of implementing the replacement by the annual cost avoidance for energy that results from the replacement and any difference in maintenance costs.)
- If CFC-based refrigerants are maintained in the building, reduce annual leakage to 5% or less using EPA Clean Air Act, Title VI, Rule 608 procedures governing refrigerant management and reporting and reduce the total leakage over the remaining life of the unit to less than 30% of its refrigerant charge.
- Small HVAC&R units (containing less than 0.5 lbs. of refrigerant) and other equipment, such as standard refrigerators, small water coolers, and any other cooling equipment that contains less than 0.5 lbs. of refrigerant, are not considered part of the "base building" system and are exempt.

Comments:

Does not use R-11 or R-12

Prerequisite Met

EA-Pr3

134a

Likely



Appendix B: Review of Requirements and Intent

EA-Cr1

Optimize Energy Efficiency Performance - ENERGY STAR Rating: 71 and over

Intent: Achieve an increased level of energy efficiency performance relative to typical buildings of similar type to reduce environmental impacts associated with excessive energy use.

Requirements: Choose one of the following options to achieve up to 18 points for an ENERGY STAR score according to the following schedule:

Case 1. Projects Eligible for an ENERGY STAR Rating

- For building types addressed by ENERGY STAR Portfolio Manager Tool, achieve an EPA energy performance rating of at least 71. This option must be used if the building is eligible for a rating using Portfolio Manager.
- Have energy meters that measure all energy use throughout the performance period. Energy performance must be based on actual metered energy consumption. A full 12 months of continuous measured energy data is required.

ENERGY STAR Rating	LEED-EB Points	Y/N
71	1	N
73	2	N
74	3	N
75	4	N
76	5	N
77	6	N
78	7	N
79	8	N
80	9	N
81	10	N
82	11	N
83	12	N
85	13	N
87	14	N
89	15	N
91	16	N
93	17	N
95+	18	N

Appendix B: Review of Requirements and Intent

Case 2. Projects Not Eligible for ENERGY STAR Rating - 1 of 2 Options:

For buildings not eligible to receive an energy performance rating using Portfolio Manager, comply with 1 of the following 2 options:

Option 1. Demonstrate energy efficiency at least 21% better than the average for typical buildings of similar type by benchmarking against national average source energy data provided in the Portfolio Manager tool as an alternative to energy performance ratings. Follow the detailed instructions in the Reference Guide.

Option 2. Use the alternative method described in the Reference Guide and have energy meters that measure all energy use throughout the performance period of each building to be certified. Each building's energy performance must be based on actual metered energy consumption for both the LEED project building(s) and all comparable buildings used for the benchmark. A full 12 months of continuous measured energy is required. Use Portfolio Manager to benchmark the project even if it is not eligible for an EPA rating.

Percentile level above the national median for buildings not eligible for ENERGY STAR	LEED-EB: O&M Points	Y/N
21%	1	
23%	2	
24%	3	
25%	4	
26%	5	
27%	6	
28%	7	
29%	8	
30%	9	
31%	10	
32%	11	
33%	12	
35%	13	
37%	14	
39%	15	
41%	16	
43%	17	
45%	18	

Appendix B: Review of Requirements and Intent

Exemplary Performance: Projects may earn an Innovation in Operations credit when the next increment higher for Case 1 is an ENERGY STAR rating of 97 or higher or for Case 2 the building is in the 47th percentile above the national median.

Comments:

Credits:

EA-Cr1	1 point	No	▼
	2 points	No	▼
	3 points	No	▼
	4 points	No	▼
	5 points	No	▼
	6 points	No	▼
	7 points	No	▼
	8 points	No	▼
	9 points	No	▼
	10 points	No	▼
	11 points	No	▼
	12 points	No	▼
	13 points	No	▼
	14 points	No	▼
	15 points	No	▼
	16 points	No	▼
	17 points	No	▼
	18 points	No	▼

0 0 18

Appendix B: Review of Requirements and Intent

EA-Cr2.1 Existing Building Commissioning - Investigation and Analysis

Intent: Through a systematic process, develop an understanding of the operation of the building's major energy using systems, options for optimizing the building's energy performance and a plan to achieve energy savings.

Requirements: You get two points for conducting just one of the following options:

Option 1 - Commissioning Process	M
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- Develop a retrocommissioning, recommissioning or ongoing commissioning plan for the building's major energy-using systems
- Conduct the investigation and analysis phase
- Document the breakdown of energy use in the building
- List the operating problems that affect occupants' comfort and energy use, and develop potential operational changes that will solve them
- List the identified capital improvements that will provide cost-effective energy savings and document the cost benefit analysis associated with each

Option 2 - ASHRAE Level II Energy Audit	M
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- Conduct an energy audit that meets the requirements of ASHRAE, Level II - Energy Survey and Analysis which includes the following:
- Document the breakdown of energy use in the building
- Perform a savings and cost analysis of all practical measures that meet the owner's constraints and economic criteria, along with a discussion of any effect on operation and maintenance procedures
- List the identified capital improvements that will provide cost-effective energy savings and document the cost benefit analysis associated with each

Comments: May conduct retrocommissioning depending on costs and savings

Credits: EA-Cr2.1 2 Points Possible

EA-Cr2.2 Existing Building Commissioning - Implementation

Intent: Implement minor improvements and identify planned capital projects to ensure that the facility's major energy using systems are repaired, operated, and maintained effectively to optimize the buildings' energy performance.

Requirements: You get two points for doing all of the following:

- Implement no- or low-cost operational improvements and create a capital plan for major retrofits or upgrades
- Provide training for ongoing facility management staff that builds awareness and skills in a broad range of sustainable building operations topics. This could include energy efficiency and building, equipment and systems operation and maintenance
- Demonstrate the observed and/or anticipated financial costs and benefits of measures that have been implemented
- Update the Building Operating Plan as necessary to reflect any changes in the occupancy schedule, equipment run time schedule, design set points, and lighting levels

Comments: May conduct retrocommissioning depending on costs and savings

Credits: EA-Cr2.2 2 Points Possible

Appendix B: Review of Requirements and Intent

EA-Cr2.3 Existing Building Commissioning - Ongoing Commissioning

Intent: Use commissioning to address changes in facility occupancy, usage, maintenance and repair. Make periodic adjustments and reviews of building operating systems and procedures essential for optimal energy efficiency and service provision.

Requirements: You get two points for doing all of the following:

- Implement an ongoing commissioning program that includes elements of planning, system testing, performance verification, corrective action response, ongoing measurement and documentation to proactively address operating problems.
- Create a written plan that summarizes the overall commissioning cycle for the building by equipment or building system group. The ongoing commissioning cycle must not exceed 24 months. This plan must include a building equipment list, performance measurement frequency for each equipment item and steps to respond to deviation from expected performance parameters.
- Complete at least half of the scope of work in the first commissioning cycle (as directed by the percent of the plan's total budget year) prior to the date of LEED-EB certification application. Only work completed within two years prior to application may be included to show progress in the ongoing commissioning cycle.
- Update the Building Operating Plan and/or Systems Narrative as necessary to reflect any changes in the occupancy schedule, equipment run time schedule, design set points, lighting levels, or system specifications.

Comments:

Credits: EA-Cr2.3 2 Points Possible

EA-Cr3.1 Performance Measurement - Building Automation System

Intent: Provide information to support the ongoing accountability and optimization of building energy performance and identify opportunities for additional energy-saving investments.

Requirements: You get one point for having in place a computer-based Building Automation System (BAS) that monitors and controls major building systems, including at a minimum, HVAC and lighting. (Note: Separate automated systems may be used for lighting such as occupancy sensors or time clocks.)

Must also have a preventative maintenance program in place that ensures BAS components are tested and repaired or replaced according to the manufacturer's recommended intervals.

Demonstrate that the BAS is being used to inform decisions regarding changes in building operations and energy saving investments.

Comments:

Credits: EA-Cr3.1 1 point Likely

Appendix B: Review of Requirements and Intent

EA-Cr3.2 Performance Measurement - System-Level Metering

Intent: Provide accurate energy use information to support energy management and identify opportunities for additional energy-saving improvements.

Requirements: Develop a breakdown report of energy use in the building, either through EA Cr2.1 & 2.2 (commissioning or an energy audit) or by using energy bills, spot metering or other metering to determine the energy consumption of major mechanical systems and other end use applications (i.e. how much is used for lighting, air conditioning, chillers, air handlers, etc). This analysis of major use categories must have been conducted within two years prior to LEED-EB certification application.

You get one point for employing system-level metering covering at least 40%, or two points for 80%, of the total expected annual energy consumption of the building, based on the energy use breakdown. Permanent metering and recording are required. All types of submetering are permitted.

- EA-Cr3.2 - 40% Metering Coverage: Demonstrate that system-level metering is in place covering at least 40% of the total expected annual energy consumption of the building. Further, at least one of the largest two energy use categories from the breakdown report (such as lighting) must be covered to at least an 80% extent (i.e., if energy use in the largest two categories is each 100 BTU/yr, at least 80 BTU/yr in one of them must be metered).
- EA-Cr3.3 - 80% Metering Coverage: Demonstrate that system-level metering is in place covering at least 80% of the total expected annual energy consumption of the building. Further, at least one of the largest two energy use categories from the breakdown report (such as lighting) must be covered to at least an 80% extent.

Metering must be continuous and data logged to allow for an analysis of time trends. Must compile monthly and annual summaries of results for each system covered.

Note: Meters must be calibrated within the manufacturer's recommended interval if the building owner, management organization or tenant owns the meter. Meters owned by third parties (e.g. utilities or governments) are exempt.

Comments: Only able to meter chillers.

Credits:	EA-Cr3.2.1	40% Coverage	1 Point	No	▼
	EA-Cr3.2.2	80% Coverage	1 Point	No	▼

Appendix B: Review of Requirements and Intent

EA-Cr4 On-site and Off-site Renewable Energy

Intent: Encourage and recognize increasing levels of on-site and off-site renewable energy in order to reduce environmental impacts associated with fossil fuel energy use.

Requirements: You get 1 to 6 points for using renewable energy, either on- or off-site. Off-site sources are defined by the Center for Resource Solutions (CRS) Green-e products certification requirements or equivalent. Green power may be bought from a Green-e certified power marketer, a Green-e accredited utility program, or through Green-e certified Tradable Renewable Energy certificates, or equivalent. Need proof of contract to purchase RECs for a minimum of two years and a commitment to purchase RECs on an ongoing basis beyond that.

Eligible on-site systems include photovoltaic, wind, solar, biofuel (untreated wood waste, agricultural crops or waste, animal waste, landfill gas), geothermal, low-impact hydroelectric, wave and tidal. Ineligible on-site systems include architectural features, passive solar strategies, daylighting strategies, and geexchange systems (ground-source heat pumps).

To purchase renewable energy or tradable renewable energy certificates, research and select a provider in the area that guarantees that a portion of its delivered electric power is derived from net nonpolluting renewable technologies. Grid power that qualifies for this credit originates from solar, wind, geothermal, biomass or low-impact hydro sources.

Exemplary Performance: Projects may earn an Innovation in Operations credit by meeting the next threshold of credit achievement. This could mean 13.5% on-site renewable energy, or the equivalent calculated combination of on-site and off-site renewable energy, provided the percentage sum of off-site and on-site renewable energy is 100% or less.

Comments: Current provider: Suez is broker. (Has heard Reliant is providing 20% wind power, maybe Suez is too, will need to look into.)
Regional Priority Credit Available - EA-Cr4.1 (3% on-site/25% off-site)

Credits:	EA-Cr4.1	On-site 3% / Off-site 25%	1 point	Possible	▼
	EA-Cr4.2	On-site 4.5% / Off-site 37.5%	2 points	No	▼
	EA-Cr4.3	On-site 6% / Off-site 50%	3 points	No	▼
	EA-Cr4.4	On-site 7.5% / Off-site 62.5%	4 points	No	▼
	EA-Cr4.5	On-site 9% / Off-site 75%	5 points	No	▼
	EA-Cr4.6	On-site 12% / Off-site 100%	6 points	No	▼

Appendix B: Review of Requirements and Intent

EA-Cr5 Enhanced Refrigerant Management

Intent: Reduce ozone depletion and support early compliance with the Montreal Protocol while minimizing direct contributions to global warming.

Requirements: You get 1 point for either:

Option 1	N
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- Do not use refrigerants in base building HVAC&R systems.

Option 2	Y
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- Select refrigerants (HFC-134A) and HVAC&R equipment that minimize or eliminate the emission of compounds that contribute to ozone depletion and global warming. See Reference Guide for formula that the base building HVAC&R equipment must comply with, which sets a maximum threshold for the combined contributions to ozone depletion and global warming potential. (Note: Unlikely that anything other than 134A will meet this requirement.)
- Do not operate or install fire suppression systems that contain ozone-depleting substances (CFCs, HCFC, or halons).

Note: Small HVAC&R units (containing less than 0.5 lbs. of refrigerant) and other equipment, such as standard refrigerators, small water coolers, or any other cooling equipment that contains less than 0.5 lbs. of refrigerant, are not considered part of the "base building" system and are exempt. This cannot be achieved if ANY R-11 or R-12 exists. Nor will it be achieved with ONLY R-22. It will work for R-134a, R-123, and small percentages of total tonnage using R-22.

Comments:	Uses 134a, so will likely be able to meet requirements of this calculation		
Credits:	EA-Cr5	1 point	Likely

EA-Cr6 Emissions Reduction Reporting

Intent: Document emission reduction benefits of building efficiency measures.

Requirements: You get one point for tracking, recording and reporting emission reductions. Identify building performance parameters that reduce conventional energy use and emissions, quantify those reductions, and report them to a formal tracking program:

- Track and record emission reductions delivered by energy efficiency, renewable energy and other building emissions reduction measures, including reductions from the purchase of renewable energy credit purchases.
- Report emission reductions using a third-party voluntary reporting/certification program (including EPA Climate Leaders, ENERGY STAR, or WRI (World Resources Institute)/WBCSD (World Business Council for Sustainable Development) protocols).

Comments:	Would be willing to continue doing through ENERGY STAR		
Credits:	EA-Cr6	1 point	Likely

Appendix B: Review of Requirements and Intent

Materials & Resources

MR-Pr1 Sustainable Purchasing Policy

Intent: Reduce the environmental impacts of materials acquired for use in the operations, maintenance and upgrades of buildings.

Requirements: Have in place an Environmentally Preferable Purchasing (EPP) policy that includes, at a minimum, product purchasing policies for the building and site addressing the requirements of MR-Cr1: Sustainable Purchasing - Ongoing Consumables.

Additionally, extend the EPP policy to include product purchasing policies for the building and site addressing the requirements of at least **one** of the credits listed below:

- MR-Cr2 - Sustainable Purchasing - Durable Goods
- MR-Cr3 - Sustainable Purchasing - Facility Alterations & Additions
- MR-Cr4 - Toxic Materials Source reduction - Reduced Mercury in Light Bulbs

Policy must adhere to the LEED-EB: O&M policy model and specifically address the goal, scope and performance metric for the respective credit.

Note: At a minimum, this policy must cover those product purchases that are within the building and site management's control.

This prerequisite requires only policies, not ongoing actual sustainable performance.

Comments: Would need to develop policy specific to this building. Has corporate policy on light bulbs, maybe other items as well, would need to check into corporate policy.

Prerequisite Met **MR-Pr1** **Possible** ▼

MR-Pr2 Solid Waste Management Policy

Intent: Facilitate the reduction of waste generated by building occupants that is hauled to and disposed of in landfills or incineration facilities.

Requirements: Have in place a Solid Waste Management Policy for the building and site addressing the requirements of **all** of the waste management credits listed below, as well as recycling of all mercury-containing light bulbs.

- MR-Cr7 - Solid Waste Management - Ongoing Consumables
- MR-Cr8 - Solid Waste Management - Durable Goods
- MR-Cr9 - Solid Waste Management - Facility Alterations and Additions

Note: At a minimum, this policy must cover the waste streams that are within the building and site management's control.

Policy must adhere to the LEED-EB: O&M policy model.

Comments: No recycling policy currently, would need to develop and implement policy.

Prerequisite Met **MR-Pr2** **Possible** ▼

Appendix B: Review of Requirements and Intent

MR-Cr1 Sustainable Purchasing - Ongoing Consumables

Intent: To reduce the environmental and air quality impacts of the materials acquired for use in the operations and maintenance of buildings.

Requirements: You get one point for maintaining a sustainable purchasing program that achieves sustainable purchases of at least 60%, covering materials with a low cost per unit that are regularly used and replaced through the course of business. These materials include, at a minimum, paper, notebooks, envelopes, toner cartridges, binders, batteries and desk accessories. (Only 10% of the total floor area may be excluded if the operations of those spaces are under separate management.)

Sustainable purchases are those that meet one or more of the following criteria:

- Contains at least 10% post-consumer or 20% post industrial material
- Contains at least 50% rapidly-renewable materials
- Contains at least 50% materials harvested and processed or extracted and processed within 500 miles of the project
- Contains at least 50% Forest Stewardship Council (FSC) certified paper products
- Rechargeable batteries

Each purchase can get credit for each criterion met, so can count multiple times. (i.e. a \$100 purchase that contains both 10% postconsumer recycled content and 50% of content harvested with 500 miles counts twice in the calculation, for a total of \$200 of sustainable purchasing.) Ongoing consumables must be purchased during the Performance Period in order to earn points in this credit.

Exemplary Performance: Projects may earn an Innovation in Operations credit by achieving sustainable purchases of 95% or more of total purchases over the performance period.

Comments:

Purchases dictated by hospital. Would need to talk to tenants though unlikely to cooperate given current communication and participation levels.
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Credits:	MR-Cr1	60% tot purchases	1 point	No	▼
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Appendix B: Review of Requirements and Intent

MR-Cr2 Sustainable Purchasing - Durable Goods

Intent: Reduce the environmental and air quality impacts of the materials acquired for use in the operations and maintenance of buildings.

Requirements: Maintain a sustainable purchasing program covering higher cost items and infrequently-replaced durable goods that may require capital program outlays to purchase, for the entire building. (Only 10% of the total floor area may be excluded if the operations of those spaces are under separate management.) You can get one point for each of the following options:

Electric-Powered Equipment - MR-Cr2.1	N
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One point for achieving sustainable purchases of at least **40% of electric-powered equipment** (by cost) over the performance period. Includes: office equipment (computers, monitors, copiers, printers, scanners, fax machines); appliances (refrigerators, dishwashers, water coolers); external power adapters; televisions and other audio-visual equipment. Sustainable purchases are those that meet one of the following criteria:

- ENERGY STAR labeled (for product categories with developed specifications).
- The equipment (either battery or corded) replaces conventional gas-powered equipment. Examples: maintenance equipment and vehicles, landscaping equipment and cleaning equipment.

Furniture - MR-Cr2.2	N
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One point for achieving sustainable purchases of at least **40% of total furniture purchases** (by cost) over the performance period. Sustainable purchases are those that meet one or more of the following criteria:

- Contains at least 10% post-consumer or 20% post industrial material.
- Contains at least 70% salvaged material from off-site or outside the organization.
- Contains at least 70% salvaged material from on-site through an internal organization materials & equipment reuse program.
- Contains at least 50% rapidly-renewable materials.
- Contains at least 50% Forest Stewardship Council (FSC) certified wood.
- Contains at least 50% materials harvested and processed or extracted and processed within 500 miles of the project.

Each purchase can get credit for each criterion met, so can count multiple times. Example: A \$100 purchase that contains both 10% postconsumer recycled content and 50% of content harvested within 500 miles of the project counts twice in the calculation, for a total of \$200 of sustainable purchasing.

Durable goods must be purchased during the performance period to earn points in this credit.

Note: This credit is eligible for exemplary performance if the project team uses Electronic Product Environmental Assessment Tools (EPEAT)-rated desktop computers, monitors and notebooks.

Exemplary Performance: Projects may earn an additional point by meeting 1 of the following requirements: For Option 1, earn 1 additional credit by increasing sustainable purchases of electrical equipment to 80% of total electronics purchases. For Option 2, earn an additional point by increasing sustainable purchases of furniture to 80% of total furniture purchases.

Comments:

Unlikely to achieve tracking given general tenant participation history

Credits:

MR-Cr2.1	Electric powered equipment	1 point	No	▼
MR-Cr2.2	Furniture	1 point	No	▼

Appendix B: Review of Requirements and Intent

MR-Cr3 Sustainable Purchasing - Facility Alterations and Additions

Intent: To reduce the environmental and air quality impacts of the materials acquired for use in the upgrade of buildings.

Requirements: Maintain a sustainable purchasing program covering materials for renovations, demolitions, refits, and new construction additions. You get one point for achieving sustainable purchases of 50% of total purchases (by cost) over the performance period, for the entire building. (Only 10% of the total floor area may be excluded if the operations of those spaces are under separate management.)

Applies only to base building elements permanently or semi-permanently attached to the building itself. Includes building components and structures (wall studs, insulation, doors, windows); panels; attached finishings (drywall, trim ceiling panels); carpet and other flooring material, adhesives; sealants; paints and coatings. Excludes furniture, fixtures & equipment, mechanical, electrical, and plumbing components, and elevators.

Sustainable purchases are those that meet one or more of the following criteria:

- Contains at least 10% post-consumer or 20% post industrial material
- Contains at least 70% salvaged material from off-site or outside the organization
- Contains at least 70% salvaged from on-site through an internal organization materials & equipment reuse program
- Contains at least 50% rapidly-renewable materials
- Contains at least 50% Forest Stewardship Council (FSC) certified wood
- Contains at least 50% materials harvested and processed or extracted and processed within 500 miles of the project
- Adhesives and sealants that have a VOC content less than the current VOC content limits of South Coast Air Quality Management District (SCAQMD) Rule #1168, or sealants used as fillers, must meet or exceed the requirements of the Bay Area Air Quality Management District Regulation 8, Rule 51
- Paints and coatings that have VOC emissions not exceeding the VOC and chemical component limits of Green Seal's Standard GS-11 requirements
- Non-carpet finished flooring that is FloorScore-certified, which will comprise, at a minimum, of 25% of the finished floor area
- Carpet that meets the requirements of the CRI Green Label Plus Carpet Testing Program
- Carpet cushion that meets the requirements of the CRI Green Label Testing Program
- Composite panels and agrifiber products that contain no added urea-formaldehyde resins. Composite wood and agrifiber products are defined as: particleboard, medium density fiberboard (MDF), plywood, oriented strand board (OSB), wheatboard, strawboard, panel substrates and door cores.

Each purchase can get credit for each criterion met, so can count multiple times. Materials for alterations or additions must be purchased during the Performance Period in order to earn points in this credit.

Exemplary Performance: Projects may earn an additional point if sustainable purchases for materials in facility alterations and additions account for 95% of total purchases.

Comments: May be able to achieve, since the Project Mgmt Dept controls build-outs. Corporate level is involved in implementing green measures already.

Credit: MR-Cr3 1 point Possible ▼

Appendix B: Review of Requirements and Intent

MR-Cr4 Sustainable Purchasing - Reduced Mercury in Lamps, 90 pg/lum-hr

Intent: Establish and maintain a toxic material source reduction program to reduce the amount of mercury brought onto the building site through purchases of lamps.

Requirements: You get one point for having a lighting purchasing plan that specifies maximum levels of mercury permitted in mercury-containing lamps purchased for the entire building and associated grounds. (Only 10% of the total floor area may be excluded if the operations of those spaces are under separate management.) The plan must require that at least 90% of all purchased mercury-containing lamps (as measured by number of lamps) meet mercury content targets of 90 picograms per lumen-hour. (Use Reference Guide template calculator.)

This information should be obtained from MSDSs or other public literature from the manufacturer, or by directly contacting the manufacturer/vendor and requesting a written statement reporting mercury content values.

Plan must include indoor and outdoor fixtures, hardwired and portable. Lamps containing no mercury count only if they have energy efficiency at least as good as their mercury-containing counterparts.

Exception: Screw-based, integral compact fluorescent lamps (CFLs) may be excluded from both the plan and the performance calculation if they comply with the voluntary industry guidelines for maximum mercury content published by the National Electrical Manufacturers Association (NEMA). Screw-based CFLs that do not comply with NEMA must be included in the purchasing plan and performance calculations.

Note: Does not require that each purchased lamp comply with the mercury limit; only the overall average of purchased lamps must comply. Only lamps purchased during the Performance Period earn points for this credit, not those already installed in the building.

Exemplary Performance: Projects may earn an additional point if 90% of lamps have an average mercury content of 70 picograms per lumen-hour or less.

Comments: Likely already meets requirements, will need documentation to confirm mercury levels.

Credit:

MR-Cr4	90 Picograms	1 point	Likely	▼
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Appendix B: Review of Requirements and Intent

MR-Cr5 Sustainable Purchasing - Food

Intent: Reduce the environmental and transportation impacts associated with food production and distribution.

Requirements: You get one point for achieving sustainable purchases of at least 25%, by cost, of total combined food and beverage purchases during the Performance Period, for the entire building. (Only 10% of the total floor area may be excluded if the operations of those spaces are under separate management.)

Sustainable purchases are those that meet at least one of the following criteria:

- USDA Certified Organic
- Food Alliance Certified
- Rainforest Alliance Certified
- Protected Harvest Certified
- Fair Trade Certified
- Maine Stewardship Council's Blue Eco-Label
- Produced within a 100-mile radius of the site

Each purchase can get credit for each criterion met, so can count multiple times. Purchases must be made during the Performance Period in order to earn points for this credit.

Consider using catering companies that purchase locally grown and/or organic food.

Exemplary Performance: Projects may earn an additional point if food and beverage purchases account for 50% or more of the total cost.

Comments: Not able to pursue this credit, drug companies provide food for tenant offices regularly, usually very unhealthy and likely not eco-friendly.

Credit: MR-Cr5 1 point **No**

MR-Cr6 Solid Waste Management - Waste Stream Audit

Intent: Facilitate the reduction of ongoing waste and toxins generated by building occupants and building operations that are hauled to and disposed of in landfills or incineration facilities.

Requirements: You get one point for having a waste stream audit conducted of the building's entire ongoing consumables (not durable goods or construction waste for building alterations or additions).

Use the audit's results to establish a baseline that identifies the types of waste making up the waste stream and amounts of each type by weight or volume. Identify opportunities for increased recycling and waste diversion. The audit must be conducted during the Performance Period.

Availability of local waste auditors varies by region. Third-party nonprofit or educational organizations (for example, schools seeking to raise awareness of students) may be able to provide help at low cost. If there are no third-party auditors, in-house waste audits might be necessary.

Comments: Has never had a waste-stream audit conducted. May be willing to do based on cost, and possibility of finding new waste hauler that may conduct these.

Credit: MR-Cr6 1 point **Possible**

Appendix B: Review of Requirements and Intent

MR-Cr7 Solid Waste Management - Ongoing Consumables, 50% Waste Diversion

Intent: Facilitate the reduction of waste generated from the use of ongoing consumable products by building occupants and building operation that are hauled to and disposed of in landfills or incineration facilities.

Requirements: You get one point for reusing/recycling/composting 50% of the ongoing consumables waste stream (by weight or volume). Materials include, but are not limited to: paper, toner cartridges, glass, plastics, cardboard and old corrugated cardboard, metals and food waste.

Also must have a battery recycling program (which implements the policy adopted in Prerequisite MR-Pr2) with a target of diverting at least 80% of the discarded batteries from the trash and verification of actual performance at least annually. Must include all portable dry-cell types of batteries, including single-use and/or rechargeable used in radios, phones, cameras, computers, and other devices or equipment.

Exemplary Performance: Projects may earn an additional point by documenting a 95% diversion of the ongoing consumables waste stream.

Comments: Regional Priority Credit Available - May need to find new waste hauler that sorts off-site. No recycling program currently, limited space to hold recycling container, has one area for waste dumpster in outdoor enclosure, no room for more containers. Would probably need to build another enclosure for recyclables or sort off-site.

Prerequisite Met	MR-Cr7	50% recycled	1 point	Possible
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MR-Cr8 Solid Waste Management - Durable Goods

Intent: Facilitate the reduction of waste and toxins generated from the use of durable goods by building occupants and building operation that are hauled to and disposed of in landfills or incineration facilities.

Requirements: You get one point for reusing/recycling 75% of the durable goods waste stream, (by weight, volume, or replacement value) during the Performance Period, for the entire building.

Must maintain a waste reduction, reuse and recycling program for durable goods that are replaced infrequently such as: office equipment (computers, monitors, copiers, scanners, fax); appliances (refrigerators, dishwashers, water coolers); external power adapters, televisions and audio-visual equipment. Must perform quality assurance measures to confirm that durable goods are being separated from ongoing consumables in waste stream.

Durable goods waste stream = durable goods leaving the building project site that have fully depreciated and reached the end of their useful lives for normal business operations. Durable goods that remain useful and functional and are just moved to another floor or building do NOT qualify. Leased durable goods that are returned to the owner at the end of their useful lives DO qualify.

Comments: Not allowed to throw electronics and appliances into dumpsters currently. But unknown how tenants currently dispose of these items. Would need to develop and implement a formal program.

Credit	MR-Cr8		1 point	Possible
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Appendix B: Review of Requirements and Intent

MR-Cr9 Solid Waste Management - Facility Alterations and Additions

Intent: Divert construction and demolition debris from disposal to landfills and incineration facilities. Redirect recyclable recovered resources back to the manufacturing process. Redirect reusable materials to appropriate sites.

Requirements: You get one point for diverting at least 70% of waste, by volume, generated by facility alterations and additions from disposal to landfills and incineration facilities. Applies only to base building elements permanently or semi-permanently attached to the building itself that enter the waste stream during facility renovations, demolitions, refits and new construction additions. (No multi-tenant exemption.)

Examples include: building components and structures (wall studs, insulation, doors, windows); panels, attached finishings (drywall, trim, ceiling panels); carpet and other flooring material; adhesives; sealants; paints and coatings. Excludes: furniture, fixtures and equipment, mechanical, electrical and plumbing components, elevators.

Implement by identifying licensed haulers of recyclable materials and markets for salvaged materials. Document the cost for recycling, salvaging, and reusing materials. Make source reduction on the job site part of the plan to reduce solid waste. Salvage or recycle lighting fixture pans when retrofitting.

Exemplary Performance: Projects may earn an additional point by diverting 95% or more of waste generated by facility alterations and additions from disposal to landfills and incineration facilities.

Comments:

The GC currently arranges for dumpster. Will need to talk to Project Mgmt Dept and find out what the policy actually is and enforce.
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Credit

MR-Cr9	1 point	Possible
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Appendix B: Review of Requirements and Intent

Indoor Environmental Quality

IEQ-Pr1 Minimum Indoor Air Quality Performance

Intent: Establish minimum indoor air quality (IAQ) performance to enhance indoor air quality in buildings, thus contributing to the health and well-being of the occupants.

Requirements: Meet one of the following two options:

	Y/N
Case 1	Y

Supply outdoor air ventilation to at least meet ASHRAE Standard 62.1-2007 Ventilation Rate Procedure (with errata but without addenda) under all normal operating conditions by modifying or maintaining each outside air intake, supply air fan and/or ventilation distribution system. (For an office, the minimum ASHRAE OA is 5 CFM/person PLUS 0.06 CFM/SF).

Case 2	N
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If meeting ASHRAE 62.1-2007 is not feasible due to physical constraints of the existing system configuration, modify or maintain the system to supply at least 10 CFM of outdoor air per person under all normal operating conditions. Demonstrate through design documentation, measurements or other evidence that the current system cannot provide the flow rates required by ASHRAE 62.1-2007 under any operating condition even when functioning properly.

Note: Each air-handling unit in the building must comply with one of the above requirements. If some can meet ASHRAE 62.1-2007 and others cannot, those that can must do so. Buildings that cannot provide at least 10 CFM/person at each air-handling unit under all normal operating conditions cannot earn this prerequisite.

Additionally, meet **all** the requirements below:

- Show compliance with either Option A or B through measurements taken at the air handling unit. For variable air volume systems, the dampers, fan speeds, etc. must be set during the test to the worst-case system conditions (minimum outside air flow) expected during normal ventilation operations. Each air-handler must be measured; sampling of air-handlers is prohibited.
- Implement & maintain an HVAC System Maintenance Program to ensure the proper operations and maintenance of HVAC components as they relate to outdoor air introduction and exhaust.
- Test and maintain the operation of all building exhaust systems, including bathroom, shower, kitchen and parking exhaust systems.

Naturally ventilated buildings shall comply with ASHRAE 62.1-2007, paragraph 5.1 (with errata but without addenda).

Note: Project teams wishing to use addenda approved by ASHRAE for the purposes of this prerequisite may do so at the project team's discretion. Addenda must be applied consistently across all LEED credits.

Comments:	Would need VRP conducted but most likely meets requirements.	
Prerequisite Met	IEQ-Pr1 "Likely" means that VRP is done.	Possible

Appendix B: Review of Requirements and Intent

IEQ-Pr2 Environmental Tobacco Smoke (ETS) Control

Intent: Prevent or minimize exposure of building occupants, indoor surfaces and systems to Environmental Tobacco Smoke (ETS).

Requirements: Meet one of the following two options:

Case 1. Non-Residential Projects - (Option 1)	Y/N Y
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- Prohibit smoking in the building.
- Smoking must be prohibited within 25 feet from building entries, outdoor air intakes and operable windows.

Case 1. Non-Residential Projects - (Option 2)	N
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- Prohibit smoking except in designated smoking areas under negative pressure.
- Smoking must be prohibited within 25 feet from building entrances, outdoor air intakes and operable windows.
- Design indoor designated smoking rooms to effectively contain, capture and remove ETS from the building. Smoking rooms must exhaust directly to the outdoors away from OA intakes and entrances, with no ETS-containing air recirculation, and be enclosed with deck to deck impermeable partitions.
- Maintain an average of at least 5 PA (0.02 inches water gauge) negative pressurization in smoking room (250 Pascals = 1" water gauge) and with a minimum of 1 Pa (0.004 inches water gauge) when the door(s) to the smoking room are closed.
- Verify performance of differential pressures by conducting 15 minutes of measurement (minimum one measurement every 10 seconds) with the doors to the smoking room closed. Conduct the testing with each space configured for worst case conditions.

Case 2 - Residential and Hospitality Projects	N
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- Reduce air leakage between smoking and nonsmoking areas.
- Prohibit smoking in all common areas of building.
- Smoking must be prohibited within 25 feet away from building entrances, outdoor air intakes and operable windows opening to common areas.
- Minimize uncontrolled pathways for ETS transfer between individual residential units by sealing penetrations in each unit's walls, ceilings and floors and by sealing adjacent vertical chases. In addition, weather-strip all doors in the residential units leading to common hallways to minimize air leakage.
- Demonstrate acceptable sealing of residential units in two ways: 1) by a blower door test conducted in accordance with ASTM-779-03 Standard Test Method for Determining Air Leakage by Fan Pressurization and 2) by use of the sampling methodology found in Chapter 7 of the California Residential Alternative Calculation Method Approval Manual. Residential units must demonstrate less than 1.25 sq inches of leakage area per 100 sq ft of enclosure area (i.e. sum of all wall, ceiling and floor areas).

Comments: Prerequisite Met	Smoke-free campus IEQ-Pr2	Likely
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Appendix B: Review of Requirements and Intent

IEQ-Pr3	Green Cleaning Policy
Intent:	Reduce exposure of building occupants and maintenance personnel to potentially hazardous chemical, biological and particle contaminants, which adversely impact air quality, human health, building finishes, building systems and the environment.
Requirements:	<p>Have in place a green cleaning policy addressing all of the following:</p> <ul style="list-style-type: none"> • Purchase sustainable cleaning and hard floor and carpet care products meeting the sustainability criteria outlined in EQ Cr 3.3 (Green Cleaning: Purchase of Sustainable Products & Materials). • Purchase cleaning equipment meeting the sustainability criteria outlined in EQ Cr 3.4. (Green Cleaning: Sustainable Cleaning Equipment). • Establishment of Standard Operating Procedures (SOPs) addressing how an effective cleaning and hard floor and carpet maintenance system will be consistently utilized, managed and audited. Address how to protect vulnerable building occupants. • Strategies for promoting and improving hand hygiene, including both hand washing and the use of alcohol-based waterless hand sanitizers. • Guidelines addressing safe handling and storage of cleaning chemicals used in the building, including a plan for managing hazardous spills or mishandling incidents. • Requirements for staffing and training maintenance personnel appropriate to the needs of the building. Address training of personnel in the hazards of use, disposal and recycling of cleaning chemicals, dispensing equipment and packaging. • Provision for collecting occupant feedback and continuous improvement to evaluate new technologies, procedures and processes. <p>Policy must adhere to the LEED-EB: O&M policy model and, at a minimum, must cover the cleaning materials that are within the building and site management's control.</p>
Comments:	Mgmt controls all cleaning except in surgical center. Maintains green cleaning practices.
Prerequisite Met	<p>IEQ-Pr3 Likely</p>

Appendix B: Review of Requirements and Intent

IEQ-Cr1.1 IAQ Best Management Practices: IAQ Management Program

Intent: Enhance IAQ performance by optimizing practices to prevent the development of indoor air quality problems in buildings correcting indoor air quality problems when they occur and maintaining the well-being of the occupants.

Requirements: You get one point for developing and implementing on an ongoing basis an IAQ management program based on the EPA resource "Indoor Air Quality Building Education and Assessment Model (I-BEAM) from EPA website. Identify potential IAQ problems and implement a program to prevent these problems from occurring to maintain a high level of IAQ.

Assign an individual to act as IAQ manager. During the Performance Period, conduct an IAQ audit of the building and grounds. Record basic conditions of occupied spaces, mechanical systems, and exterior. Identify and fix problems associated with poor IAQ. No-cost problems must be remedied promptly; for all other issues, establish a plan. Make periodic inspections to identify any new problems. Establish protocols to manage all significant pollutant sources (i.e. remodeling, painting, pest control, shipping & receiving). If applicable, include a plan for preventing moisture accumulation and mold in the building. Establish a procedure for receiving and responding to occupants' IAQ complaints.

Comments:

Would need to develop policy and have IAQ audit conducted

Credits:

IEQ-Cr1.1	1 point	Possible
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IEQ-Cr1.2 IAQ Best Management Practices: Outdoor Air Delivery Monitoring

Intent: Provide capacity for ventilation system monitoring to help sustain occupants' comfort and well-being.

Requirements: You get one point for installing permanent, continuous monitoring systems that provide feedback on ventilation system performance showing that minimum ventilation rates are maintained.

Case 1. For ALL mechanical ventilation systems:	Y
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- 1 Install an outdoor airflow measurement device capable of measuring (and, if necessary) controlling the minimum outdoor air flow rate at all expected system operating conditions within 15% of the design minimum outdoor air rate. Monitoring must be performed for at least 80% of the building's total outdoor air intake flow serving occupied spaces.
- 2 The outdoor airflow measurement device must take measurements at the system level between the outdoor air intake and the air distribution system (i.e. at the air handling unit). May use Pitot tubes, Venturi meters, rotating vane anemometers, mass air flow sensors, or be measured from a mass balance calculation if both supply airflow and return/mixed airflow are directly measured with monitoring devices.
- 3 The outdoor airflow measurement device shall be monitored by the control system capable of and configured to trend outdoor airflow on no more than 15 minute intervals for a period of no less than 6 months.
- 4 Control system must generate an alarm visible or audible to system operator if minimum outdoor airflow rate falls below 15% of design minimum rate.
- 5 Calibrate measurement devices to within manufacturer's recommended interval.

Appendix B: Review of Requirements and Intent

Case 2. For mechanical ventilation systems that predominately serve densely occupied spaces (> 25 people per 1,000 SF, or 40 SF per person):	N
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- 1 Provide a CO2 sensor or sampling location for each densely occupied space and compare with OA CO2 concentrations. Each sampling location must be between 3 ft and 6 ft above the floor.
- 2 Test and calibrate CO2 sensors to have an accuracy of no less than 75 ppm (5% of reading, whichever is greater). Sensors must be tested and calibrated at least once every 5 years or per manufacturer's recommendations, whichever is shorter.
- 3 Monitor CO2 sensors by a system configured to trend CO2 concentrations on no longer than 30 minute intervals.
- 4 System must generate an alarm visible to a system operator, and if desired, to building occupants, if the CO2 concentration in any zone rises more than 15% above that corresponding to the minimum outdoor air rate required by ASHRAE 62.
- 5 CO2 sensors may be used for DCV provided that the control strategy complies with ASHRAE 62, including maintaining the area-based component of the design ventilation rate.

Note: Rooms smaller than 150 sq. ft. are exempt from these requirements.

Case 3. For natural ventilation systems, provide the following:	N
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- 1 CO2 sensors located in the breathing zone of every densely populated room and every natural ventilation zone.
- 2 CO2 sensors must provide an audible or visible alarm to the occupants in the space and to the system operator if CO2 conditions are greater than 530 ppm above outdoor CO2 levels or 1,000 ppm absolute. The alarm signal must indicate that ventilation adjustments (i.e., opening of windows) are required in the affected space.
- 3 Permanently open areas must meet the requirements of ASHRAE 62.1-2007, section 5.1.
- 4 Calibrate measurement devices to within manufacturer's recommended interval.

Comments:

BAS already currently configured to provide required feedback.

Credits:

IEQ-Cr1.2

1 point

Likely



Appendix B: Review of Requirements and Intent

IEQ-Cr1.3 IAQ Best Management Practices: Increased Ventilation

Intent: Provide additional outdoor air ventilation to improve indoor air quality for improved occupant comfort, well-being and productivity.

Requirements: You get one point for meeting one of the following two options:

Case 1. For Mechanically Ventilated Spaces	Y/N N
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- Increase the outdoor air ventilation to all occupied spaces at least 30% above the minimum required by ASHRAE 62.1-2007. (For an office, the minimum ASHRAE OA is 5 CFM/person PLUS 0.06 CFM/SF).

Note: Ensure that the additional ventilation rate does not adversely affect building humidity control during all expected operating conditions.

Case 2. For Naturally Ventilated Spaces	N
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- Design natural ventilation for spaces to meet the recommendations set forth in the "Good Practice Guide 237: Natural Ventilation in Non-Domestic Buildings" (1998). Determine that natural ventilation is an effective strategy for the project by following the flow diagram in Figure 2.8 of the CIBSE Applications Manual 10:2005, "Natural ventilation in non-domestic buildings."
AND EITHER

- Option 1: Use diagrams and calculations to show that the design of the natural ventilation systems meets the recommendations set forth in the CIBSE Applications Manual 10: Natural Ventilation in non-domestic buildings."
OR

- Option 2: Use a macroscopic, multi-zone, analytic model to predict that room-by-room airflows will effectively naturally ventilate at least 90% of occupied spaces.

Comments: Not economically practical for this hot/humid Texas region.

Credits: IEQ-Cr1.3 1 point **No**

IEQ-Cr1.4 IAQ Best Management Practices: Reduce Particulates in Air Distribution

Intent: Reduce exposure of building occupants and maintenance personnel to potentially hazardous particle contaminants, which adversely impact air quality, health, building systems and the environment.

Requirements: You get one point for having greater than or equal to MERV 13 (minimum efficiency reporting value) filters in place for all outside air intakes and inside air recirculation returns over the performance period.

Have a regular maintenance and replacement program in place for these filters according to the manufacturer's recommended interval.

Comments: Regional Priority Credit Available - Uses MERV 13 already. No separate outside air handler, same for both outside air intakes and inside air recirculation returns.

Credits: IEQ-Cr1.4 1 point **Likely**

Appendix B: Review of Requirements and Intent

IEQ-Cr1.5 IAQ Best Management Practices: IAQ Management for Facility Alterations and Additions

Intent: To prevent indoor air quality problems resulting from any construction/renovation projects in order to help sustain the comfort and well-being of construction workers and building occupants.

Requirements: You get one point for developing and implementing an IAQ Management Plan for construction/occupancy phases.

During construction, meet or exceed SMACNA IAQ Guidelines For Occupied Buildings Under Construction, 2nd ed 2007. Specify containment control strategies, enforce proper housekeeping, coordinate schedules, sequence application of building materials so that significant sources of emissions (e.g. composite woods, adhesives, paints, etc.) dissipate most emissions prior to introduction of absorbent products (e.g. carpet, acoustic tiles, upholstered furniture, etc.) or protect with vapor barriers.

If building undergoes a tenant improvement, develop & implement an IAQ Management Plan for the preoccupancy phases as follows:

- Perform a flush-out procedure: After construction ends and all interior finishes have been installed, install new filtration media and flush-out the affected space. Flush-out must be done by supplying a total outdoor air volume of 14,000 cu ft per sq ft of floor area while maintaining an internal temperature of at least 60 degrees F and maintaining a relative humidity no higher than 60% where cooling mechanisms are operated.
- The affected space may only be occupied following the delivery of at least 3,500 cu ft of outdoor air per sq ft of floor area, and provided the space has been ventilated at a minimum rate of 0.30 cfm per sq ft of outdoor air or the design minimum outside air rate (using the greater of the two) for at least 3 hours prior to occupancy until the total of 14,000 cu ft per sq ft of outdoor air has been delivered to the space.
- The flush-out may continue during occupancy.

Protect stored on-site or installed absorptive materials such as carpet, drywall and ceiling tiles, from moisture damage.

If permanently installed, AHUs must be used during construction, MERV 8 filters must be placed at each return air grille. Replace all filtration media immediately prior to occupancy.

Return HVAC and lighting systems to designed/modified sequence of operations upon completion of construction.

Comments: Probably not economically practical to do flushout in hot/humid region and tenants would probably be unwilling to wait to move in. May be able to incorporate through green leases in future.

Credits: IEQ-Cr1.5 1 point No

Appendix B: Review of Requirements and Intent

IEQ-Cr2.1 Occupant Comfort - Occupant Survey

Intent: Provide for the assessment of building occupants' comfort as it relates to thermal comfort, acoustics, indoor air quality, lighting levels, building cleanliness and any other comfort issues.

Requirements: You get one point for implementing an occupant comfort survey and complaint response system to collect anonymous responses about thermal comfort, acoustics, indoor air quality, lighting levels, building cleanliness and other occupant comfort issues.

Survey must be collected from a representative sample of building occupants making up at least 30% of total occupants.

Survey must include an assessment of overall satisfaction with building performance and identification of any comfort-related problems.

Document survey results and the corrective actions taken to address comfort issues.

Survey must be conducted at least once during the Performance Period.

Comments: CBRE group does a survey through Kennedy, would need to confirm it meets requirements or add questions to it.

Credits: IEQ-Cr2.1 Possible

IEQ-Cr2.2 Controllability of Systems: Lighting

Intent: Provide a high level of lighting system control by individual occupants of specific groups in multi-occupant spaces (e.g. classrooms or conference areas) to promote the productivity, comfort, and well-being of building occupants.

Requirements: You get one point for having individually-controlled lighting for at least 50% of building occupants that enable adjustments to suit the task needs and preferences of individuals or a group sharing a multi-occupant space or working area.

Accomplish through simple occupant switches, dimmers, and task lighting (e.g. furniture systems that include built-in task lighting.) Large ambient lighting zones can be sub-switched to provide smaller lighting zones. Task lighting does not need to be hardwired to meet requirements.

Exemplary Performance: Projects may earn an Innovation in Operations credit by achieving 95% occupant-controlled lighting in both individual workstations and multioccupant spaces.

Comments: Would need to conduct lighting survey to document.

Credits: IEQ-Cr2.2 1 point Possible

Appendix B: Review of Requirements and Intent

IEQ-Cr2.3 Occupant Comfort - Thermal Comfort Monitoring

Intent: Support appropriate operations and maintenance of buildings and building systems so that they continue to deliver target building performance goals over the long term and provide a comfortable thermal environment that supports the productivity and well-being of building occupants.

Requirements: You get one point for having a system in place for continuous tracking and optimization of systems that regulate indoor comfort and conditions (such as air temperature, humidity, air speed and radiant temperature) in occupied spaces. Have a permanent monitoring system to ensure ongoing building performance to the desired comfort criteria as determined by ASHRAE Standard 55-2004, Thermal Comfort Conditions for Human Occupancy (with errata but without addenda).

The building must establish the following:

- Continuous monitoring of, at a minimum, air temperature and humidity in occupied spaces. The sampling interval cannot exceed 15 minutes. For temperature, at least 1 temperature sensor must be located in each HVAC zone. For humidity, at least 1 humidity sensor must be located in each distinct humidity zone. Humidity zone boundaries are defined by differences in space use (e.g. kitchens) or cooling control systems, so may have less than temperature sensors.
- Periodic testing of air speed and radiant temperature in occupied spaces. Using handheld meters is permitted.
- Alarms for conditions that require system adjustments or repair. Projects are required to submit a list of the sensors, zone set-points and limit values that would trigger an alarm.
- Procedures that deliver prompt adjustments or repairs in response to problems identified.

Requirement can be satisfied by a building automation system if sensor locations are adequately distributed throughout spaces.

All monitoring devices must be calibrated within the manufacturer's recommended interval.

Comments: Is able to monitor only temperature. Not able to read humidity, would need to add humidity sensors.

Credits: IEQ-Cr2.3 1 point **Possible** ▼

Appendix B: Review of Requirements and Intent

IEQ-Cr2.4 Daylight and Views

Intent: Provide a connection between indoor spaces and the outdoor environment through introduction of daylight and views into the occupied areas of the building.

Requirements: You get one point for achieving the performance thresholds in either the daylight or views requirements below:

Option 1. Daylight	M
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Path 1 - Simulation

- Demonstrate through computer simulations that 50% or more of all regularly occupied spaces achieve daylight illuminance levels of a minimum of 25 footcandles in a clear sky condition on September 21 at 9:00 am and 3:00 pm.
- Areas with illuminance levels below or above the range do not comply. However, designs that incorporate view-preserving automated shades for glare control may demonstrate compliance for only the minimum 25 footcandles illuminance level.

Path 2 - Prescriptive

- Use a combination of side-lighting and/or top-lighting to achieve a total Daylighting Zone that is at least 50% of all the regularly occupied spaces. See Reference Guide for Sidelighting and Toplighting Daylight Zone measurement diagrams and calculations.

Path 3 - Measurement

- Demonstrate, through records of indoor light measurements, that a minimum daylight illumination level of 25 footcandles has been achieved in at least 50% of all regularly occupied areas. Measurements must be taken on a 10-foot grid for all occupied spaces and must be recorded on building floor plans.
- Only the square footage associated with the portions of rooms or spaces meeting the minimum illumination requirements can be counted in the calculations.
- In all cases, provide daylight redirection and/or glare control devices to avoid high-contrast situations that could impede visual tasks. Exceptions for areas where tasks would be hindered by daylight will be considered on their merits.

Path 4 - Combination

- Any of the above calculation methods may be combined to document the minimum daylight illumination in at least 50% of all regularly occupied spaces. The different methods used in each space must be clearly recorded on all building plans.
- In all cases, only the square footage associated with the portions of rooms or spaces meeting the requirements can be applied towards the 50% of total area calculation required to qualify for this credit.
- In all cases, provide glare control devices to avoid high-contrast situations that could impede visual tasks. Exceptions for areas where tasks would be hindered by the use of daylight will be considered on their merits.

Appendix B: Review of Requirements and Intent

Option 2. Views	M
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Achieve direct line of sight to the outdoor environment via vision glazing between 30" and 90" above the finished floor for building occupants in 45% of all regularly occupied areas. Determine the area with direct line of sight by totaling the regularly occupied square footage that meets the following criteria:

- In plan view, the area is within sight lines drawn from perimeter vision glazing.
- In section view, a direct sight line can be drawn from the area to perimeter vision glazing.

Line of sight may be drawn through interior glazing. For private offices, the entire square footage of the office can be counted if 75% or more of the area has direct line of sight to perimeter vision glazing. For multi-occupant spaces, the actual square footage with direct line of sight to perimeter vision glazing is counted.

Exemplary Performance: Projects may earn an Innovation in Operations credit by achieving both 75% daylighting and 90% views.

Comments:

Would need to have study conducted, opportunity is there with lots of windows, but many exterior walls are exam rooms.

Credits:

IEQ-Cr2.4	50% Light/45% View	1 point	Possible
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IEQ-Cr3.1 Green Cleaning - High Performance Cleaning Program

Intent:

Reduce exposure of building occupants and maintenance personnel to potentially hazardous chemical, biological and particle contaminants, which adversely impact air quality, human health, building finishes, building systems, and the environment.

Requirements:

You get one point for having in place over the performance period a high performance cleaning program supported by a green cleaning policy (IEQ-Pr3) addressing:

- 1 Appropriate staffing plan.
- 2 Implementation of training of personnel in the hazards, use, maintenance, disposal and recycling of cleaning chemicals, dispensing equipment and packaging.
- 3 Use of chemical concentrates and appropriate dilution systems to minimize chemical use wherever possible.
- 4 Use of sustainable cleaning materials, products, equipment, janitorial paper products and trash bags (including microfiber tools and wipes).
- 5 Use of sustainable cleaning and hard floor and carpet care products meeting the criteria outlined in IEQ-Cr3.3 Purchase of Sustainable Cleaning Products and Materials.
- 6 Use of cleaning equipment that reduces impact on IAQ meeting the criteria outlined in IEQ-Cr3.4 Sustainable Cleaning Equipment.

Program must be implemented for a minimum of 90% of the occupied areas of the project building.

Comments:

Surgical center has their own cleaning company that may or may not do green cleaning but it is over 10% of building, so would need to find out it does or not.

Credits:

IEQ-Cr3.1		1 point	Possible
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Appendix B: Review of Requirements and Intent

IEQ-Cr3.2	Green Cleaning - Custodial Effectiveness Assessment, < 3		
Intent:	Reduce exposure of building occupants and maintenance personnel to potentially hazardous chemical, biological and particle contaminants, which adversely impact air quality, human health, building finishes, building systems, and the environment by implementing, managing and auditing cleaning procedures and processes.		
Requirements:	<p>You get one point for conducting an audit in accordance with APPA Leadership in Educational Facilities' (APPA) "Custodial Staffing Guidelines" (266 page book - \$95.00) to determine the appearance of the entire facility. The facility must score a 3 or less. For example, Levels 1-3 of the 5-Level scale are as follows:</p> <p><u>Level 1 – Orderly Spotlessness</u></p> <ul style="list-style-type: none"> • Floors & base moldings shine and/or are bright and clean: colors are fresh. No buildup in corners or along walls. • All vertical and horizontal surfaces have freshly cleaned or polished appearance. No accumulation of dust, dirt, marks, streaks, smudges, fingerprints. Lights work, fixtures are clean. • Washroom and shower fixtures and tile gleam and are odor-free. Supplies are adequate. • Trash containers and pencil sharpeners hold only daily waste, are clean and odor-free. <p><u>Level 2 – Ordinary Tidiness</u></p> <ul style="list-style-type: none"> • Floors and base moldings shine and/or are bright and clean. There is no buildup in corners or along walls, but there can be up to two days worth of dust, dirt, stains, or streaks. • All vertical and horizontal surfaces are clean, but marks, dust, smudges, and fingerprints are noticeable upon close observation. Lights all work and fixtures are clean. • Washroom and shower fixtures and tile gleam and are odor-free. Supplies are adequate. • Trash containers and pencil sharpeners hold only daily waste, are clean and odor-free. <p><u>Level 3 – Casual Inattention</u></p> <ul style="list-style-type: none"> • Floors are swept or vacuumed clean, but upon close observation there can be stains. A buildup of dirt and/or floor finish in corners and along walls can be seen. • Dull spots and/or matted carpet in walking lanes. Streaks or splashes on base molding. • All vertical and horizontal surfaces have obvious dust, dirt, marks, smudges, and fingerprints. Lamps all work and fixtures are clean. • Trash containers and pencil sharpeners hold only daily waste, are clean and odor-free. <p>Must be performed by either an independent 3rd party with relevant experience, or 2 individuals working separately and independently to assess the same spaces using APPA procedures and averaging the 2 auditor's scores. It is required that the 2 individuals receive instruction in the APPA auditing process or that a postaudit quality control process is used. APPA requires that rooms equivalent to at least 10% of each space type AND 10% of total floor area cleaned be audited. The Audit MUST be conducted during the performance period. Requires a breakout of the floor area for space types shown in the attachment (offices w/carpet, offices w/hard floor, washrooms, corridors w/carpet, corridors w/hard floor, stairwells, etc.) and the total number of FTE custodians, housekeepers, and floor cleaners (possibly from the janitorial or housekeeping service company). <u>Note that for the estimating purposes of this analysis, an approximate score is based on square footage per custodial FTE.</u></p> <p>Exemplary Performance: Projects may earn an Innovation in Operations credit by scoring a 2 or less in appearance level.</p>		
Comments:	Would need to have cleaning audit conducted, depends on cost.		
Credits:	IEQ-Cr3.2	Score of 3 or less	1 point
			Possible

Appendix B: Review of Requirements and Intent

IEQ-Cr3.3

Green Cleaning - Purchase of Sustainable Cleaning Products and

Intent:

Reduce the environmental impacts of cleaning products, disposable janitorial paper products and trash bags.

Requirements:

You get one point if 30% of the total annual purchases of cleaning products and materials (on a cost basis) meet at least one of the following sustainability criteria for the entire building.

Cleaning products: Meet one or more of the following standards for the appropriate product category:

- Green Seal GS-37 for general-purpose, bathroom, glass and carpet cleaners used for industrial and institutional purposes
- Environmental Choice CCD-110 for cleaning and degreasing compounds
- Environmental Choice CCD-146 for hard-surface cleaners
- Environmental Choice CCD-148 for carpet and upholstery care

Disinfectants, metal polish, floor finishes or strippers or other products not addressed by the above standards: Meet one or more of the following standards for the appropriate product category:

- Green Seal GS-40 for industrial and institutional floor-care products
- Environmental Choice CCD-112 for digestion additives for cleaning and odor control
- Environmental Choice CCD-113 for drain or grease traps additives
- Environmental Choice CCD-115 for odor control additives
- Environmental Choice CCD-147 for hard floor care
- California Code of Regulations maximum allowable VOC levels for the specific product category

Disposable janitorial paper products and trash bags: Meet the minimum requirements of one or more of the following programs for the applicable product category:

- US EPA Comprehensive Procurement Guidelines for Janitorial Paper and Plastic Trash Can Liners
- Green Seal GS-09 for paper towels and napkins
- Green Seal GS-01 for tissue paper
- Environmental Choice CCD-082 for toilet tissue
- Environmental Choice CCD-086 for hand towels
- Janitorial paper products derived from rapidly renewable resources or made from tree-free fibers

Hand soaps: Meet one or more of the following:

- Shall not contain antimicrobial agents (other than as a preservative system), except where required by health codes and other regulations (i.e. food service and health care requirements)
- Green Seal GS-41 for industrial and institutional hand cleaners
- Environmental Choice CCD-104 for hand cleaners and hand soaps

Up to 10% of the project building's total floor area can be excluded if the operations of those spaces are under separate management. Estimated and actual purchase data must represent at least 90% of the entire project building based on floor area.

Appendix B: Review of Requirements and Intent

Note: Materials and products must be purchased during the performance period to earn points in this credit.

Exemplary Performance can be achieved if 60% or more of the total annual purchases of these products meets at least 1 of the required criteria for this credit.

Comments:	Surgical center accounts for more than 10% of building and would be difficult to get them to track their purchases.		
Credits:	IEQ-Cr3.3	1 point	No

IEQ-Cr3.4 **Green Cleaning - Sustainable Cleaning Equipment**

Intent: Reduce exposure of building occupants and maintenance personnel to potentially hazardous chemical, biological and particle contaminants, which adversely impact air quality, health, building finishes, building systems, and the environment from powered cleaning equipment.

Requirements: You get one point for implementing a program for the use of janitorial equipment that reduces building contaminants and minimizes environmental impact for the entire building. The cleaning equipment program must require the following:

- 1 Vacuum cleaners are certified by the CRI Green Label Testing Program for vacuum cleaners and operate with a sound level < 70dba.
- 2 Carpet extraction equipment used for restorative deep cleaning is certified by the CRI's "Seal of Approval" Testing Program for deep cleaning extractors.
- 3 Powered maintenance equipment, including electric and battery powered floor buffers and burnishers are equipped with vacuum, guards, and/or other device for capturing fine particulate and shall operate at a sound level < 70dba.
- 4 Propane powered floor equipment has high-efficiency, low-emissions engines with catalytic converter/muffler which meet the California Air Resources Board (CARB) or EPA standards for the specific engine size and operate with a sound level less than 90dba.
- 5 Automated scrubbing machines are equipped with variable speed feed pumps and on-board chemical metering to optimize the use of cleaning fluids.
- 6 Battery powered equipment is equipped with environmentally preferred gel batteries.
- 7 Powered equipment is ergonomically designed to minimize vibration, noise and user fatigue.
- 8 Equipment is designed to reduce potential damage to building surfaces by using safeguards, such as rollers or rubber bumpers.

Prepare a purchasing policy specifying that all new equipment meet the sustainability criteria. All powered cleaning equipment purchased during the performance period must meet the sustainability criteria. Additionally, 20% of all janitorial equipment (by number of items or cost) must meet at least 1 of the sustainability criteria.

Keep a log for all powered housekeeping equipment to document the date of equipment purchase and all repair and maintenance activities and include vendor cut sheets for each type of equipment in use in the logbook.

Comments:	Will need to check with cleaning company, but since they do green cleaning, it is likely that equipment meets criteria. Would need to put together a log book if cleaning company doesn't already maintain one.		
Credits:	IEQ-Cr3.4	1 point	Likely

Appendix B: Review of Requirements and Intent

IEQ-Cr3.5 Green Cleaning - Indoor Chemical & Pollutant Source Control

Intent: Reduce exposure of building occupants and maintenance personnel to potentially hazardous chemical, biological and particle contaminants, which adversely impact air quality, health, building finishes, building systems, and the environment.

Requirements: You get one point for employing permanent entryway systems (grilles, grates, mats) at least 10 feet long in the primary direction of travel to capture dirt and particulates entering the building at all public points.

Develop the associated cleaning strategies to maintain those entryway systems as well as exterior walkways. Public entryways that are not in use or serve only as emergency exits are excluded from the requirements, as are private offices.

Provide containment drains plumbed for appropriate disposal of hazardous liquid wastes in places where water and chemical concentrate mixing occurs for laboratory purposes to prevent environmental damage or contamination of water systems.

Comments:

Has carpet insets that are about 10 feet long at all entrances
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Credits:

IEQ-Cr3.5	1 point	Likely
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IEQ-Cr3.6 Green Cleaning - Indoor Integrated Pest Management

Intent: Reduce exposure of building occupants and maintenance personnel to potentially hazardous chemical, biological and particle contaminants, which adversely impact air quality, health, building finishes, building systems, and the environment.

Requirements: You get one point for developing, implementing, and maintaining an indoor IPM plan which manages pests in a way that protects human health and the environment and improves economic returns through the most effective, least risk option. Use the minimum amount of the least toxic chemical pesticides, only in targeted locations, for targeted species. IPM requires routine inspection and monitoring. Integrate with outdoor IPM as appropriate. Plan must include the following elements:

- Integrated methods, site or pest inspections, pest population monitoring, evaluation of the need for pest control and one or more pest control methods, including sanitation, structural repairs, mechanical and living biological controls, other non-chemical methods, and if nontoxic options are unreasonable and have been exhausted, a least toxic pesticide.
- Specify what circumstances an emergency application of pesticides can be conducted without complying with the earlier provisions.
- Communications strategy directed to building occupants that addresses "Universal Notification" which requires advance notice of not less than 72 hours under normal conditions, and 24 hours in emergencies, before a pesticide, other than a least toxic pesticide, is applied in a building or on surrounding grounds that the building management maintains.

Any cleaning products included in the integrated pest management policy must meet the requirements identified in EQ-Cr3.3 Green Cleaning: Purchase of Sustainable Cleaning Products & Materials.

Comments:

Same pest control company as exterior, will need to check that meets requirements or look into subscribing to an IPM plan.
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Credits:

IEQ-Cr3.6	1 point	Possible
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Innovation in Operations

IO-Cr1 Innovation in Operations

Intent: Provide building operation maintenance, and upgrade teams with the opportunity to be awarded points for additional environmental benefits achieved beyond those already addressed by LEED-EB.

Requirements: Choose from the following options for up to four points:

Path 1. Innovation in Operations (1-4 points)

Achieve significant, measurable environmental performance using an operations, maintenance or system upgrade strategy not addressed in LEED-EB: O&M.

- For each point, identify the intent of the proposed innovation credit, the additional environmental benefits delivered, the proposed requirements for compliance, the proposed performance metrics to demonstrate compliance, and the strategies that might be used to meet the requirements during the performance period.
- One point is awarded for each IO Cr1 earned. No more than 4 points may be earned through Path 1 - Innovation in Operations.

Path 2. Exemplary Performance (1-3 points)

Achieve exemplary performance in an existing Prerequisite or Credit that allows exemplary performance as specified in the Reference Guide.

- An exemplary performance point may be earned for achieving double the credit requirements and/or achieving the next incremental percentage threshold of an existing credit in LEED.
- For each point, specify the exemplary performance achieved.
- No more than 3 points may be earned through Path 2 - Exemplary Performance.

Comments: Keeps VAV boxes turned off to vacant spaces as regular conservation practice. Many tenants shred & recycle medical papers, though that's probably not innovative. It's possible that lightbulbs may be below 70 picograms of mercury for exemplary performance credit. Check into downloading list of innovation credits earned by others from USGBC website for inspiration and ideas. Estimate they should be able to come up with one credit, possibly two.

Credits:	IO-Cr1.1	1 point	Likely	▼
	IO-Cr1.2	1 point	Possible	▼
	IO-Cr1.3	1 point	No	▼
	IO-Cr1.4	1 point	No	▼

Appendix B: Review of Requirements and Intent

IO-Cr2 LEED® Accredited Professional

Intent: Support and encourage the operation, upgrade and project team integration required for LEED-EB: O&M 2009 implementation in buildings and to streamline the application and certification process.

Requirements: You get one point for having at least one principal participant of the project team be a LEED Accredited Professional.

Comments:

Credits: IO-Cr2 1 point Likely

IO-Cr3 Documenting Sustainable Building Cost Impacts

Intent: Document sustainable building cost impacts.

Requirements: You get one point for documenting overall building operating costs for the previous five years (or length of occupancy if shorter) and tracking changes in overall building operating costs over the performance period. Document building operating costs and financial impacts of all the aspects of LEED-EB implementation on an ongoing basis. See Reference Guide for detailed instructions.

By recording and analyzing costs and savings, property owners and managers can more accurately assess the value of the sustainability measures implemented. This will also help them project financial returns, both for the building applying for certification and for other properties within their portfolio.

Comments:

Credits: IO-Cr3 1 point Likely

Regional Priority Credits

RP-Cr1.1 - 1.4 Regional Priority

Intent: To provide incentive for the achievement of credits that address geographically-specific environmental priorities.

Requirements: You get one point for each Regional Priority credit earned (credits identified as having additional regional environmental importance by the USGBC for the project's location.) No more than 4 Regional Priority credits may be earned. Refer to USGBC website database for credits and geographic applicability. Non-U.S. projects are not eligible for Regional Priority credits.

Comments:

Credits:	RP-Cr1.1	IEQ-Cr1.4	1 point	Likely
	RP-Cr1.2	EA-Cr4.1	1 point	Possible
	RP-Cr1.3	MR-Cr7	1 point	Possible
	RP-Cr1.4		1 point	No

COST AND SAVINGS METHODOLOGY

INTERPRETING THE GAP ANALYSIS REPORT

Chelsea Group uses a cost and savings calculation model that is based on a combination of national average data and company experience in implementing projects. The estimates of both cost and savings are meant as rough approximations for determining preliminary feasibility.

For those accustomed to certainty ranges for estimates, these are in the plus or minus 30% range. The reason for this is that they are based on the general information that is gathered in the interview process. The second phase of Chelsea Group's five phase sustainability management program provides for an on-site assessment of a property and produces a more refined estimate of cost and savings. However, please note that only once detailed design and specification bid documents are produced in the fourth phase can certainty on costs be achieved.

There are several key numbers presented in the Gap Analysis, each of which has specific origin and meaning, as follows:

- **Total Estimated Cost to Achieve LEED Certification.** This is the sum of the following elements for those levels of LEED that are possible at the subject property
- **Estimated Capital Cost.** This is an estimate of capital expenditures in the broad sense of line items that typically appear on capital budgets and includes necessary consulting studies related to prerequisite or credit requirements in LEED as well as equipment and installation costs for major improvements, such as energy conservation or water conservation measures; these are projects typically requiring expenditure of funds on consultants or contractors and are reflected in the credit-by-credit budget
- **LEED Related Soft Costs.** This is an estimate of the hours required from a property manager and building engineer to complete LEED related tasks valued in a manner that would allow a property to buy the services from a consultant; these costs are not reflected in the credit-by-credit budget
- **LEED Process Costs.** This is an estimate of consulting fees and USGBC/GBCI fees needed to facilitate and obtain LEED Certification for the property at the identified levels; the estimate is based on Chelsea Group pricing for the work
- **Estimated Annual Savings.** This reflects the likely resource cost savings on energy, water, and solid waste disposal, but excludes "soft savings" on things like cleaning cost, productivity improvement, or complaint management, often attributed to sustainable actions; these savings are typically dominated by energy savings, which are explained below in more detail
- The total estimated cost to achieve LEED certification provided does not consider cost savings resulting from use of existing LEED EB O&M programs, plans, policies, tools and expertise associated with the ongoing LEED EB O&M Portfolio Certification Program at Kennedy Associates

BASIS OF ENERGY-RELATED CALCULATIONS

Capital project costs and energy savings are typically attributed to several of the Prerequisites and Credits in the LEED system, particularly EA-Pr2, EA-Cr1 and EA-Cr2. The basic methodology can be summarized as follows:

- **Estimate total energy savings potential.** The model uses the ENERGY STAR rating of the subject property to estimate a potential portion of energy costs that can be saved compared to the base year; where ENERGY STAR issues a below average rating, each property is looked at individually and Chelsea Group uses its own energy use index methodology and additional modeling in ENERGY STAR to find a “best fit” estimate based on professional judgment
- **Allocation of savings to EA-Pr2.** The model looks first to see if LEED prerequisite EA-Pr2 is satisfied by the current ENERGY STAR rating for the subject property; if not, a rough estimate of the savings required to meet that requirement are allocated to that line item and capital costs are estimated based on a sliding scale of 3 to 5 year payback from those savings
- **Allocation of savings to EA-Cr2.** If there are estimated savings that are likely in excess of those needed to satisfy EA-Pr2, they are allocated first to the retrocommissioning (RCx) program outlined in EA-Cr2 based on a formula of savings available from this lower cost method; savings for RCx are estimated on a sliding scale based on the ENERGY STAR rating and costs are estimated on a sliding national average scale based on the size the of the facility (the larger the facility the lower the cost per square foot)
- **Allocation of savings to EA-CR1.** If there are estimated savings that are likely in excess of those resulting from the prerequisite and RCx, those savings are allocated to EA-Cr1, which is for energy optimization; capital costs are estimated based on a sliding scale of 3 to 5 year payback from those savings

BASIS OF WATER-RELATED CALCULATIONS

Capital project costs and water savings are typically attributed to several of the Prerequisites and Credits in the LEED system, particularly WE-Pr1. The basic methodology can be summarized as follows:

- **Estimate fixture retrofit requirement.** The data collection and interview tools include the collection of information relating to the number of existing fixtures and their respective flow rates, which are then compared to LEED requirements to identify the number of fixture upgrades that will likely be required to meet minimum LEED standards
- **Allocation of cost and savings to WE-Pr1.** The model looks first to see if LEED prerequisite WE-Pr1 is satisfied by the current fixtures; if not the model calculates the number of various types of plumbing fixtures that will require replacement and estimates replacement costs and likely savings based on national average data; if the potential exists, additional costs and savings will be allocated to indoor water use efficiency under WE-Cr2

Appendix C: Review of Costs and Savings

- **Landscape water savings.** Several credits relate to landscape watering savings, which are determined on a simple percentage basis once it is determined in the interview whether there are existing conservation measures in place; the challenge with landscape water estimates is in determining usage compared to other water usages where it is not reported by submetering, which is generally recommended; generally in the absence of good data no estimates of savings will be made as a conservative approach; such savings are typically addressed in Phase II once an on-site visit has been conducted

BASIS OF TRASH-RELATED CALCULATIONS

Chelsea Group uses currently available national average methods to standardize estimates of solid waste and recycling generation and the potentials for reduced waste-to-landfill within LEED guidance. In working on several hundred buildings around the country on this issue, no reliable average cost and savings methodology has been achieved. The problems associated with localized practices and costs are too extreme to model reliably.

In rare instances, properties in collaboration with their waste and recycling services are able to quantify usage and cost. In those instances, available data is reported.

For general application, Chelsea Group has opted for the conservative method of estimating the cost of a waste audit as a percentage of current waste disposal charges and valuing reduction in waste-to-landfill at zero.

APPENDIX C

SUSTAINABILITY PRESCREEN



Company CB Richard Ellis
Address 2800 Post Oak, Suite 2300, Houston, TX 77056
Contact Name Elizabeth Stockstill
Title Real Estate Manager
Phone (713)577-1611
Fax (713)577-1677
E-mail Address elizabeth.stockstill@cbre.com

Facility Name **Katy POB I LP**
Facility Address 23920 Katy Freeway, Suite 590, Katy, TX 77494
Building Size 131,607
ENERGY STAR
Rating 43
% of Prerequisites 58%
Complete

Background

Pre-screening Process

The LEED-EB: Operations & Maintenance pre-screen process helps determine whether a building will readily be able to achieve USGBC certification as a green building with sustainable operations. The pre-screening process is based on the prerequisites for certification. These are requirements that must be met before a building can be considered for certification. The rating number given above is not a meaningful number in and of itself; it helps asset managers of portfolios of properties prioritize buildings based on potential for LEED-EB: Operations & Maintenance certification. You need the whole report given below.

Quality of Information

In completing the questionnaire for the LEED-EB: Operations & Maintenance pre-screen process, you made some basic assessments about the condition, operations, and degree of documentation at your property. The following report will provide feedback to you based only on your answers to the questions. No independent verification of your answers has been done. If you feel you may have answered some of the questions in error when you review this report, please contact us for revisions.

Using This Report

This report has two sections: (1) prerequisites you have met; and (2) prerequisites that have not been achieved. Rarely will a building have met all prerequisites; existing buildings were not designed with these requirements in mind. However, depending on design, construction methods, operational procedures, and policies at your property, it may be relatively easy or relatively hard for you to meet the prerequisites. By organizing things in this way, you have a report that highlights your good points and provides action items that will help you overcome problem areas. Use the report to determine if the new policies, changes in operations, or capital expenditures are likely to make sense to your building owner.



Prerequisites that have been achieved

Your building appears to meet the following prerequisites for USGBC LEED-EB: Operations & Maintenance certification. The subsequent certification process will require documentation on these matters.

Occupancy This prerequisite is achieved. The building has had an average of 50% of its floor space occupied over the last 12 months.

Refrigerant Management - Ozone Protection This prerequisite is achieved. The cooling system does not use CFCs; however, documentation of non-usage will be needed.

Sustainable Purchasing Policy This prerequisite is achieved. There is an Environmentally Preferable Purchasing Policy in place for the building. Documentation will be needed to confirm that all the required criteria are included in the policy.

ETS Control This prerequisite is achieved. Documentation confirming that smoking is not permitted in the building and any exterior designated smoking areas are located 25 feet away from all building entrances will be needed; or if there is an interior smoking room, that it has been tested to meet all specified criteria.

Green Cleaning Policy This prerequisite is achieved. There is a Green Cleaning Policy currently in place. Documentation to confirm that the policy addresses all specified criteria will be needed.



Prerequisites that have not been achieved

Your building and operations may require a significant investment or major policy changes to meet the following LEED-EB: Operations & Maintenance prerequisites. In many instances, there will be a good payback on any capital improvements you might make to meet these requirements. In other instances, paybacks may not be sufficient to warrant the investment and LEED-EB: Operations & Maintenance certification may not be practical.

Minimum Water Efficiency This prerequisite is not achieved. Less than 80% of plumbing fixtures are of the high-efficiency type.

Energy Efficiency Best Management Practices This prerequisite has not been met:

- A document describing the mechanical and electrical systems of the building will need to be written.
- A written plan describing the details of building operations will need to be developed.
- An energy audit of the building will need to be conducted that meets the requirements of an ASHRAE Level 1 – Walk-Through Assessment.

Minimum Energy Efficiency Performance This prerequisite is not achieved. The building will need to achieve an ENERGY STAR rating of at least 69.

Solid Waste Management Policy This prerequisite is not achieved. A Solid Waste Management Policy will need to be developed that addresses:

- a) Recycling of mercury-containing light bulbs.
- b) Occupant waste material.
- c) Durable goods.
- d) Facility alterations and additions.

Outdoor Air Introduction & Exhaust Systems The prerequisite is not achieved. In order to meet this prerequisite, you must determine if your building meets ASHRAE Standard 62.1-2007 or show that at least 10 cfm of outdoor air per person is being supplied. Further engineering analysis is needed.