



***James Bowdidge viewpoint – June 2009***

The several recent supplements and articles in the professional property press suggesting that eco-enthusiasm in the property sector is starting to dissipate will, I hope, prove to mark the last hurrah of the short sellers in commercial property.

The agents and the real estate directors of companies may well be putting environmental considerations down their list - after all, the fees of the former are short term events, and the performance of the latter has taken a serious knock against targets. The boards of companies however, exposed to the reality of public and regulatory scrutiny of their environmental performance, know otherwise. Whoever emerges from the current crisis will be under increased pressure from their consumers and investors to deliver measurable reductions in environmental impact. Commercial property, once we take into account the embodied burden of the buildings and their locations in relation to where staff live, is the largest single source of any company's climate change impact. Improve the performance of the building in a way in which the client can benefit and you are participating directly in their profitability.

Property development – new build or refurbishment – is not a short term fix. It is a long term investment. And as some of we developers are learning, environmental improvement is not necessarily more expensive and, in terms of a building's value, is a good investment. The sentiments in these recent articles have more to do with fear of the unknown for people with little exposure to the real and long term commercial pressures faced by the vast variety of owners and occupiers we serve.