

## LEED\* ratings demystified



LEED, or Leadership in Energy and Environmental Design, is an internationally-recognized green building certification system developed by the [U.S. Green Building Council \(USGBC\)](#). LEED provides building owners and operators with a convenient framework for identifying and implementing practical and measurable green building design, construction, operations and maintenance solutions.

LEED promotes sustainable building and development practices through a suite of rating systems that recognize projects that implement strategies for better energy, environmental and health performance. Buildings must meet performance criteria in these categories: energy and atmosphere, sustainable sites, water efficiency, indoor environmental quality, location and transportation, and materials and resources. The number of points scored in each category determines the level of LEED certification that a building can earn. Options include LEED Certified, Silver, Gold or Platinum. Each level represents progressively more green elements incorporated into the building.

### Types of LEED Programs

Currently, there are nine different systems under which a project can earn LEED certification. The two most popular programs are LEED for New Construction (LEED NC), which involves new buildings and major renovations, and LEED for Existing Buildings: Operations & Maintenance (LEED EBO&M), which addresses operational and maintenance opportunities to keep the building performing efficiently after the initial construction is complete. Other programs are LEED Core and Shell, LEED Commercial Interiors, LEED for Retail, LEED for Healthcare, LEED for Schools, LEED for Homes and LEED for Neighborhood Development.

### LEED makes business sense

LEED buildings do not necessarily cost more. The cost per square foot for buildings seeking LEED certification is in the same range as the costs for buildings not seeking LEED certification. According to the [U.S. Green Building Council](#), an upfront investment of 2 percent in green building design, results in average life cycle savings of 20 percent of the total construction costs – more than 10 times the initial investment. The sale prices for energy-efficient buildings can be 10 percent higher per square foot than conventional buildings. Businesses that seek LEED certification also find that LEED buildings can be a competitive differentiator in the marketplace. And they often command higher rents and have a lower occupancy rate. A [2008 CoStar Group](#) study found that LEED buildings command rent premiums of \$11.33 per square foot over non-LEED buildings and have 4.1 percent higher occupancy.

### LEED Registered Versus LEED Certified

Projects can be registered with the USGBC at any point in the project lifecycle. Certification for LEED occurs after a project is completed and independently assessed. There are a variety of reasons why a registered project may never become certified, such as additional time and cost of certification or perceived value of certification.

### Resources

The U.S. Green Building Council offers a number of [LEED Reference Guides](#), ranging in cost from free, printable e-books to hardback books costing \$160. The [U.S. Green Building Council](#) also offers a wealth of information on green building research and strategies for operating your business with as smaller carbon footprint.

\*Source: [U.S. Green Building Council](#)