



An MSCI Brand

Which are the factors influencing green value?

March 2014

IPD study on the green value of offices in France

This study analyses the different factors influencing green value. It is based on a sample of 172 green buildings, i.e. labelled or certified, representing € 14 billion, of which 82% are offices.

Our starting point is the IPD French green property indicator, published for the third year, which highlights the presence of a green value of 140 basis points on the segment of standing investment offices at December 2012.

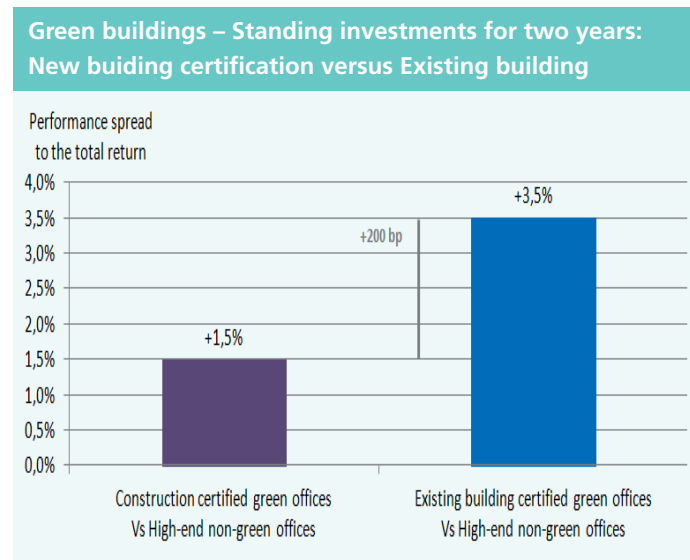
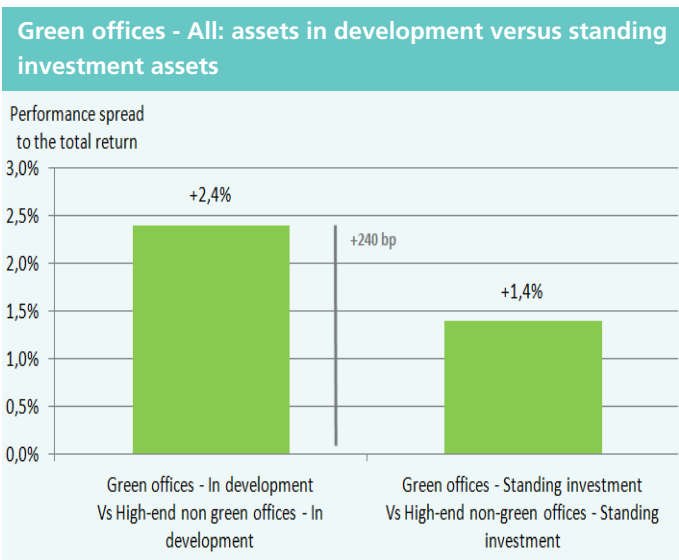
This green value is measured as the spread of total return performance between green offices and non-green offices with similar characteristics and a similar location.

Main results of the study at December 2012

With **+240 basis points** of financial performance spread, the green buildings in development are creators of green value compared to similar non-green buildings in development.

With **+200 basis points** of performance spread to the total return, measured on standing investment offices over two years, the Existing building certification brings an additional green value compared to the New building certification.

There is a positive correlation between financial performance and level of certification when market conditions allow for it: demand superior to the supply, high-value assets New building certification.

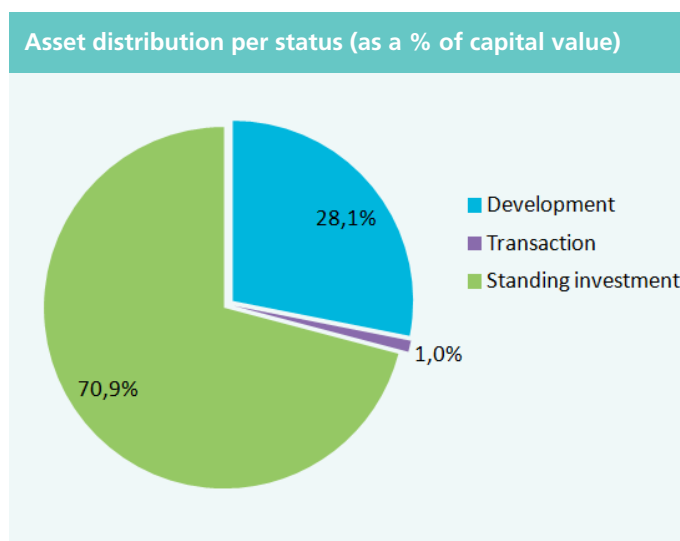


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with the financing of the R&D of BOUYGUES CONSTRUCTION

Perimeter of the study on the Investors database: 14.0 billion euros for 172 buildings



Definitions

Green offices:

- All office buildings whose environmental qualities are certified by a third party (HQE, BREEAM, LEED...) either in their construction, renovation or income-producing phases.
- All office buildings whose environmental qualities are labelled (HPE, THPE, BBC). The majority of labelled offices in the Investors database are certified by HQE

High-end non-green offices : all office buildings that have not been certified or labelled, but which have similar physical characteristics to green offices in terms of size, age and geographical location.

Green value : all the environmental criteria which enable to increase the financial performance of a real estate asset. The green value will be measured as the performance spread from IPD's total return between a green asset and a non-green asset with similar technical characteristics: same size, same age, and with a similar location..

About IPD

These services incorporate more than 1,500 funds containing nearly 77,000 assets, with a total capital value of over USD 1.9 trillion. Each year, IPD produces more than 120 indexes helping real estate market transparency and performance comparisons, as well as nearly 600 benchmarks for client portfolios. IPD is a subsidiary of MSCI Inc., a leading provider of investment decision support tools to investors globally, and clients including real estate investors, managers, consultants, lenders and occupiers.

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