

Real Estate Journal

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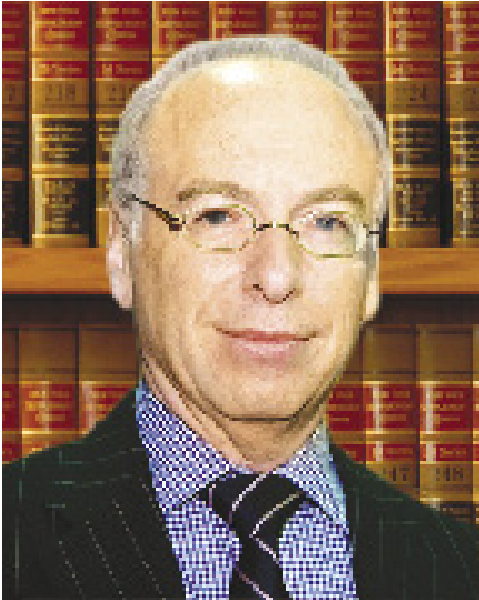
A look at green leasing

As the costs of energy-efficient retrofits and green practices trend downward, they are becoming more common, and less of a novelty in commercial buildings. A "green lease" is an effective tool for allocating the costs and benefits of operating a green building between the landlord and tenant. Unlike a traditional lease, a green lease encourages the parties to work together through the construction and occupancy phases, and create opportunities for both parties to reduce operating expenses.

Provisions of a green lease will vary depending upon the scope of energy-efficient building systems and green practices in the building. At the most basic level, a building's recycling program and government-mandated energy reporting should be addressed. On the other hand, a lease in an aspiring or existing LEED-certified building should be much more extensive, and allocate responsibility for the denial of or loss of certification. Other common green leasing provisions include green cleaning, use of Energy Star electronics, energy-efficient lighting, metering, and marketing of the building's sustainable features.

Working with a real estate attorney that understands the complexities of these emerging issues can make the leasing process manageable and help avoid potential issues down the road. Green is not a fad, it is the future.

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