

GREEN LIVING



Developers of the LA CONCHA PEARL Feature Some of the "Greenest" Energy Efficient Building Materials to be Utilized in All of Baja California

FOR DEVELOPERS DAN SHORE AND ROBERT HEFNER, what was once just an idea to utilize environmentally-friendly construction techniques to build beachfront residences in La Paz is becoming a reality. Construction is now underway on La Concha Pearl, 33 luxurious beachfront condominiums on one of the most pristine beaches in La Paz.

"As an avid boater and one who has never lived far from the sea, I have had a love affair with the Sea of Cortez for more than thirty years," says developer Robert Hefner. "I fell in love with the people and surrounding waters of La Paz about five years ago and now live in one of the most extraordinary cities I have ever experienced. The locals describe their lifestyle as *"muy tranquilo"* — soon La Paz had captured our hearts and imagination. Having the opportunity to build my home on the perfect beach has been a life long dream for me and my family. I felt that with this opportunity to live in paradise came critical responsibilities in regards to protecting the environment that could not be overlooked merely for the sake of additional profit. As my partner Dan Shore and I watched the sun set over the Bay of La Paz one evening, we made a commitment to minimize our impact wherever we could in hopes we may set an example of what can be done using leading edge technologies."

Dan Shore, founder of Shore and Associates in San Jose, California, coordinates the Development and Project Management of some of the "smartest" buildings on earth. His clients include Yahoo and Adobe and several other high tech firms around the country, all demanding the highest standards of technological excellence and do so with a social conscience. Their campuses must not only be "smart," but reflect the environmental values of the company, management and workers. As project manager for La Concha Pearl, Dan is utilizing his knowledge of technology and green building to create one of the most high tech and environmentally friendly beachfront developments in all of Baja.

La Concha Pearl is being built from a recycled foam-based product called Quad Lock. The foam exterior serves as a form for the recycled steel reinforced concrete walls, and remains in place to

provide energy savings of more than 40%. The Quad Deck Flooring System virtually eliminates any interior noise between residences— anyone who has lived in a condominium understands the value of audio privacy.

The Quad Lock building material is substantially more expensive than traditional cinder block material, but the developers believe that the long term benefits to the environment and limited resources far outweigh the initial cost, and the energy saving benefits last forever.

Dan has commissioned the design for a heat exchange air conditioning system that will further reduce energy costs by employing a mere 70-ton system rather than the normal 150-ton system for similar units used throughout Baja. Experiences learned in Silicon Valley led Dan to a window manufacturer that offers windows that are not only extremely attractive, but are dual-paned and coated, filled with Argon gas for additional energy savings. The two-tiered swimming pool and spas, as well as perimeter lighting are powered by a state-of-the-art water and PV solar system. Naturally, the latest high speed entertainment and electronic communication systems will be used throughout the building.

In North America, there is a Green Construction certification program called Leadership in Energy and Environmental Design (LEED) whereby developers garner points for using environmentally sensitive methods and materials for construction. Buildings that meet these strict criteria can qualify for certification allowing builders to promote their concern for social and environmental responsibility in the construction process. Although LEED does not have a formal certification process for Mexico, La Concha Pearl is being built in such manner that it would exceed certification points if it were available in Baja. For more LEED info, visit www.usgbc.com.

"It would send a dramatic statement to other developers in Baja if we could be LEED certified, because we demonstrate that it is possible to build in a manner that protects the very resource that attracts our buyers, and remain profitable as well," says Shore.

La Concha Pearl expects to complete construction in late Spring '08 and believes that owners will truly understand and appreciate the health benefits, cost savings and the better quality of life inherent in a smart, energy efficient building, at a price well below any beachfront condominiums offering similar amenities.

To arrange a tour of the property, visit the La Concha Pearl website at www.laconchapearl.com.

What is LEED?

The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ is the nationally accepted benchmark for the design, construction, and operation of high performance green buildings. LEED gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance. LEED promotes a whole-building approach to sustainability by recognizing performance in five key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection, and indoor environmental quality. LEED provides a roadmap for measuring and documenting success for every building type and phase of a building lifecycle.

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“Green is Within Your Grasp,” Lovins Tells CoreNet Global Attendees

WITH COMMON SENSE, VISION AND INGENUITY, real estate stakeholders can create a built environment that saves resources and money. That was the message of Amory Lovins, the world-renowned energy expert and co-founder of the Rocky Mountain Institute, passed along to more than 300 real estate professionals in a wide-ranging speech at CoreNet Global's spring convention in Denver. “I think the industry is on the cusp of extraordinary things,” Lovins told CPN after his speech. The presentation was a highlight of the green-themed conference, featuring dozens of panel discussions and addresses exploring sustainability in real estate. About 2,000 people attended the conference at the Colorado Convention Center.

To date, an estimated \$30 billion has been invested worldwide in sustainable efforts across a wide range of industries, Lovins said. He stressed that successful sustainable programs require vision, a strong interdisciplinary team, attention to detail and an inclusive charrette process rather than value engineering. In practice, implementing green techniques requires the right strategy. “This is not just about efficient equipment and gadgets,” he said. For example, improving the energy efficiency of lighting requires a logical progression of steps, from enhancing the geometry of space, improving quality, and taking advantage of natural light, before installing the energy efficiency.

Addressing one of the most contentious topics in sustainable real estate development practices, the up-front cost and return on

investment, Lovins cited a pair of widely circulated studies published in 2003 and 2004. The first report indicated a significant cost premium, but the second found no apparent link between project cost and LEED certification. Lovins suggested that cost premiums tied to sustainable building may stem less from the certification process than from the experience of the project team.

Lovins also encouraged his audience to consider performance-based design fees, a strategy he says has worked in five pilot programs in the U.S. The principle is, “Pay for what you save, not for what you spend.” Designers earn rewards or penalties based on the building's performance relative to a pre-established baseline.

Lovins offered a wealth of successful case studies from multiple property types to bolster his argument. The renovation of the Banner Bank Building, an 11-story, 195,000-square-foot office building in Boise, Idaho, cut water use by 80 percent, slashed electricity consumption by 65 percent, and earned the developer a 35 percent annual return on the initial investment. A Stop & Shop grocery store opened in 2001 in Foxboro, Mass., used 30 percent less energy than the typical supermarket. The company's CEO questioned the additional upfront investment until he learned that the store's use of natural light apparently generated a significant uptick in sales.

The corporate world's attention to sustainable building is increasing, as evidenced by the growth in U.S. Green Building Council membership from 570 in 2000 to 8,400 today. But overcoming skepticism may be the greatest challenge for the industry. Lovins concluded by quoting Marshall McLuhan's wry observation, “Only puny secrets need protection. Great discoveries are protected by public incredulity.”

Author: Paul Rosta, Senior Associate Editor • Publication: Commercial Property News

Membership in the Green Building Council Growing Exponentially—Market for Sustainable Products and Services Expected to Reach \$12 Billion in 2007

The U.S. Green Building Council is a nationwide coalition of building industry leaders whose goal is to make buildings “environmentally responsible, profitable and healthy places to live and work.”

The council has a membership of 8,400, including corporations, government agencies, nonprofits and others throughout the industry. Membership has increased over tenfold since 2000, according to the USGBC.

The Council sponsors the LEED — Leadership in Energy and Environmental Design — green building rating system, considered to be the gold standard for earth-friendly development. Projects are evaluated for water and energy efficiency, atmosphere, materials and resources, among other features, and are awarded certified, silver, gold or platinum ratings, depending on the number of credits they achieve.

A FEW MORE USGBC TIDBITS:

- There are currently LEED projects in ALL 50 U.S. states and 24 countries.
- Some 986 million square feet of commercial building space is registered or certified in the LEED program. Project types include new construction, existing buildings, commercial interiors, and core and shell — buildings where the owner doesn't control the interior design. LEED certification for homes and neighborhood developments are now being studied.
- The annual U.S. market in green building products and services was more than \$7 billion in 2005, and is expected to increase to \$12 billion in 2007.

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