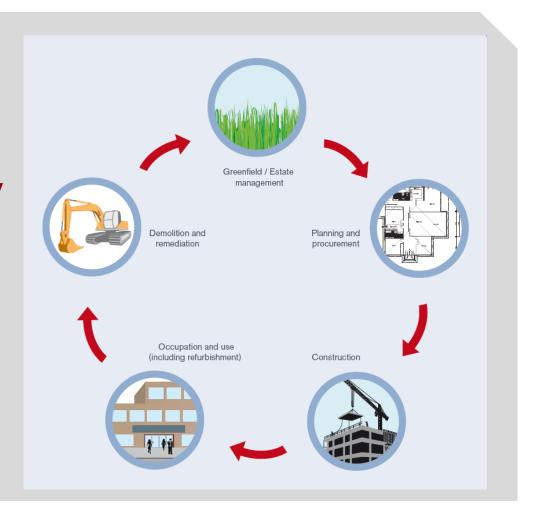
SB08 Special Forum

David Lorenz 23 September 2008

Valuing Sustainability

The Commitment of the RICS





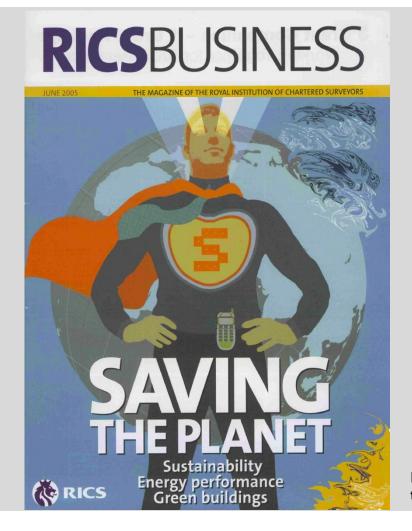
About RICS – The Royal Institution of Chartered Surveyors

- Professional body for Chartered Surveyors founded in 1868
- International member organisation with HQ in London
- Over 140 000 members in over 140 countries
- 50 national associations with World Regional Offices in Brussels, Hong Kong, New York, Sydney
- > 500 accredited courses
- 500 industry research and policy papers each year
- Protection of the public interest: strict code of ethics applies to all members → Controlled by Regulation Department
- Oldest & largest organisation for property professionals worldwide



RICS and Embedding Sustainability

23 September 2008



RICS Business, The magazine of the RICS, Cover Picture, June 2005



RICS and Embedding Sustainability

where we have come from

- RICS adopts a Sustainability Policy written by the Presidential Commission on Sustainability in 2005.
- RICS introduces new mandatory APC (Assessment of Professional Competence) competency in Sustainability in July 2006.
- RICS signs Vancouver Valuation Accord in March 2007.
- > RICS leads the way in sustainable development information.











The Vicious Circle of Blame

23 September 2008



Owners / End Users

,We would like to have sustainable buildings but there are very few availabe.'

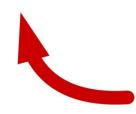


Investors

,We would invest in sustainable buildings, but there is no demand for them.'

Designers & Constructors

,We can build or retrofit buildings in a sustainable way, but developers don't ask for it.'



Developers

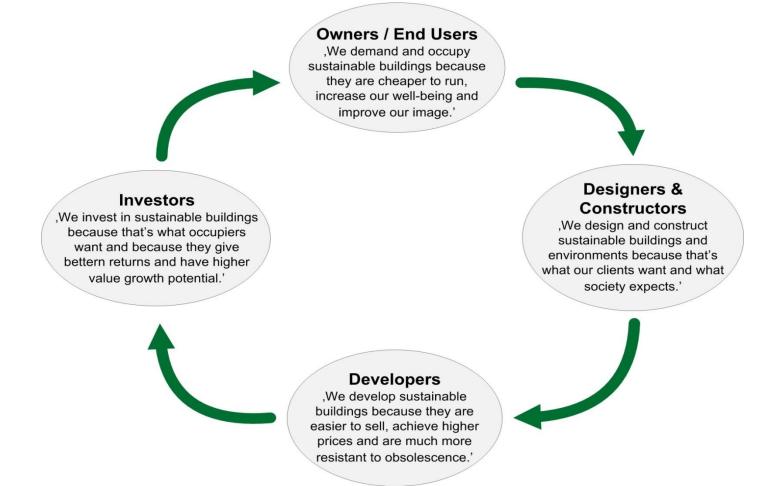
,We would ask for sustainable buildings, but the investors won't pay for them.'



Adopted from: David Cadman

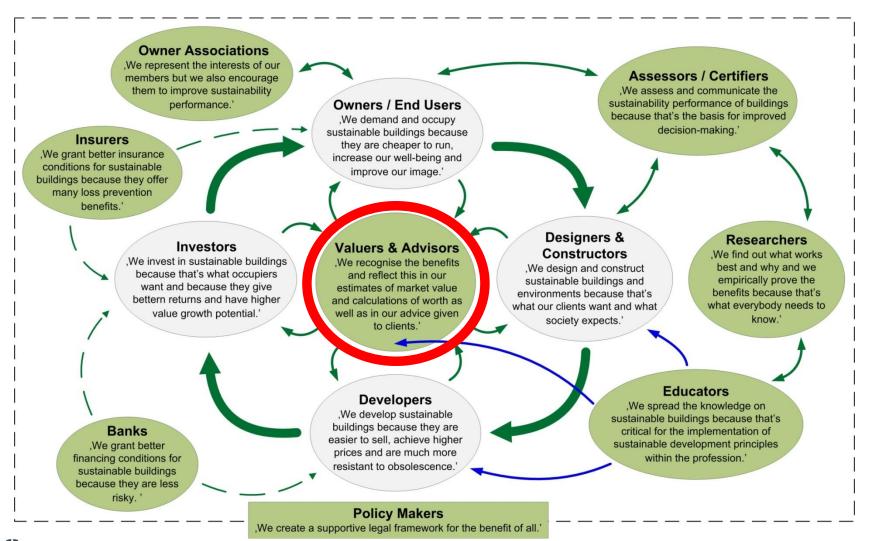


Towards Sustainable Property Markets - Breaking the Vicious Circle of Blame





The Central Role of Valuers in breaking the Vicious Circle of Blame





RICS and Embedding Sustainability – where we are

- ♣ RICS has established a cross faculty Sustainability Working Group to provide a focal point for all sustainability related activities across the organisation and to give guidance with regard to toolkits for members, research papers and events.
- RICS has set up an EU Advisory Group on Sustainable Property Investment & Management as well as an Oceania Sustainable Steering Group to carry out research, to exchange information and to liaise with decision makers & other stakeholders.
- → RICS has formed a Valuation Sustainability Group to provide practical guidance for valuers on how to integrate sustainability issue into their daily work.



Setting the scene: The EU Advisory Group's first publication

- ➤ To raise and examine the key issues and challenges in the context of property related decision making.
- ➤ To illustrate that property professionals need to and do accept their professional responsibility.
- To review how the sustainable development discourse relates to our understanding of the role of valuers and their practices.
- To highlight that the key to facilitating more sustainable property markets lies in how we understand and value our built environment.





Setting the scene: The EU Advisory Group's first publication

23 September 2008

Seven Sections:

- Why is it important to have Sustainable Buildings?
- Why must the Refurbishing of the Existing Stock be a Priority?
- What is Sustainable Property Investment?
- What is the Role of Location in creating Sustainable Property Markets?
- Why are more Sustainable Construction, Investment & Management not yet Mainstream?
- Why does the Valuation Profession have a Central Role?
- Why do we need to turn the Vicious Circle of Blame into Loops of Feedback and Adaption?

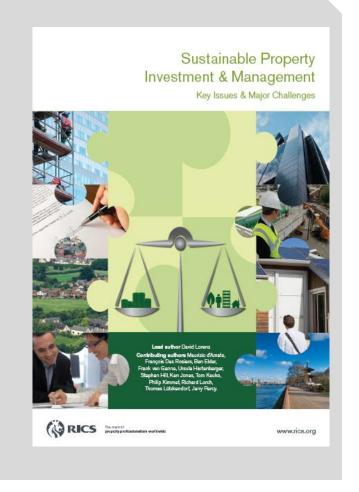




Setting the scene: The EU Advisory Group's first publication

23 September 2008

"It is becoming evident that a property's economic value also depends on the building's capability to create and protect environmental, social and cultural values."





From Theory to Practice: The Valuation Sustainability Group's first publication

23 September 2008

Valuation Information Paper on:

Building Sustainability into the Non-Domestic Property Valuation Process

Key Issues:

- > The Role of the Valuer
- Requirements for building and site inspection and other investigations
- Linking Sustainability Characteristics to Value (assessing market response and impacts on valuation input parameters)
- Reporting to Clients

Planned publication date: Spring 2009



The RICS has clearly recognized that a sustainable development of the built environment is in accordance with its public interest role and objectives.

As planners, developers, asset managers, valuers, cost consultants, facilities managers, etc., RICS members are uniquely placed to contribute towards sustainability - all the phases of the property life cycle are represented within RICS.

RICS members are the interface between the public and the property sector.





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Thank you for your attention



