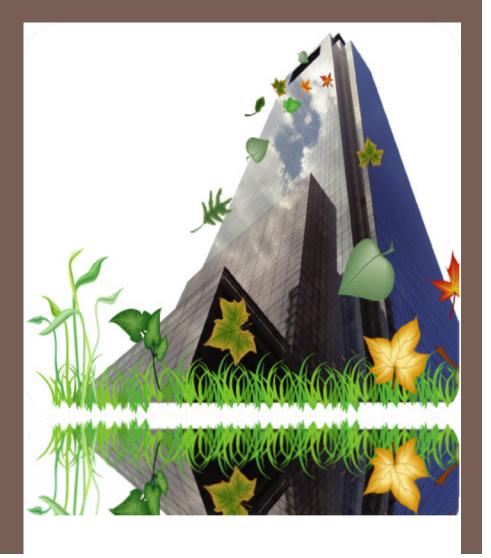
GREENING THE OPERATIONS AND MAINTENANCE OF BUILDINGS



Who We Are



- The nation's second largest publicly-traded office and industrial REIT
- 20 markets in the United States and United Kingdom
- Over 750 office and industrial properties totaling 78 million square feet
- More than 2,700 tenants
- A key corporate strategy to be a leader in "High Performance" Sustainable Buildings

Who We Are

Liberty has over 7.2 million square feet of LEED projects throughout the United States:

- 1 Platinum certified
- 17 Gold certified
- 12 Silver certified
- 3 Certified
- 2 LEED registered (Under construction or completed and awaiting certification)
- 4 LPT offices LEED CI, 2 in process



Who We Are

But what about the other 700+ buildings???



Greening Operations & Maintenance

Basic Formula:

- **z** Educate
- □ Benchmark
- □ Set Goals
- **Track Results**
- Acknowledge Failures
- Celebrate Successes



Focus on Operations & Maintenance



- **Basic Principles**
 - □ AVOID
 - □ Reduce
 - □ Reuse
 □
 - □ Recycle

Basic Formula + Basic Principles =
Business Optimization = Less Operating Costs = Higher
Profits = Happier, Healthier Employees = Less
Environmental Impact = Sustainability!

Educate

- Internal: Property Management Staff:
 - Monthly 1 Hour Informational Calls
 - "Green Guide" Database
 - Required Green Advantage Designation
 - Required Green Advantage/LEED Green Associate
- Internal: Employees
 - Monthly Tips
 - "Green Guide" Database
 - Dedicated Sustainability Intranet Portal Page
 - Lunch & Learns and Peer Group Sessions
 - ¤ Blog
 - New Hire Training
 - Designations encouraged

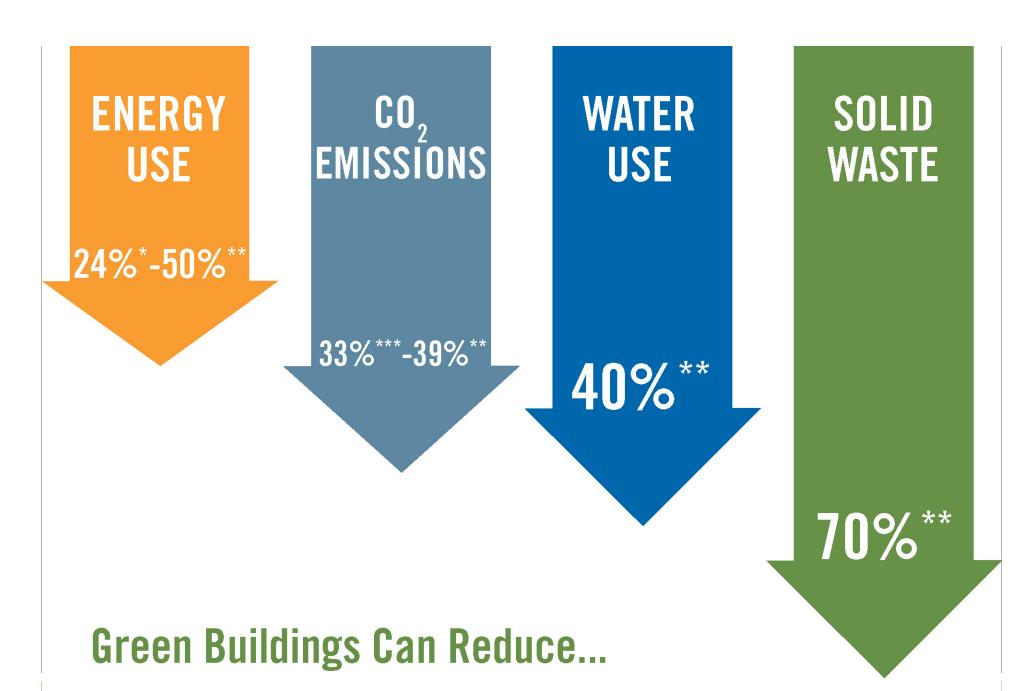


Educate

- External: Vendors
 - Worked with existing Vendors whenever possible
 - Revised Contracts and Specs
 - They must be accountable!
- External: Building Occupants
 - □ Tenant roundtables

 - **Green Office Guide**





* Turner, C. & Frankel, M. (2008). Energy performance of LEED for New Construction buildings: Final report.

** Kats, G. (2003). The Costs and Financial Benefits of Green Building: A Report to California's Sustainable Building Task Force.

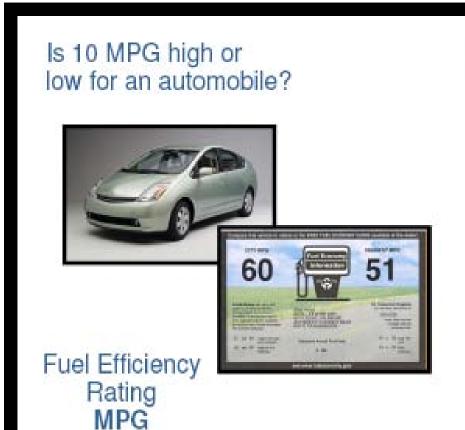
*** GSA Public Buildings Service (2008). Assessing green building performance: A post occupancy evaluation of 12 GSA buildings.

Energy

- Benchmarking/tracking in Energy Star Portfolio Manager
- Goal: Reduce energy consumption 30% by 2012
- Energy audits
- Low cost/no cost energy conservation measures
- Lighting retrofits
- BWAN Energy Monitoring
- Grants & incentives
- Employee financial incentives
- Tenant communications
- Renewable energy



Energy Star Portfolio Manager



Is 90 kBtu/sf/year high or low for an office building?

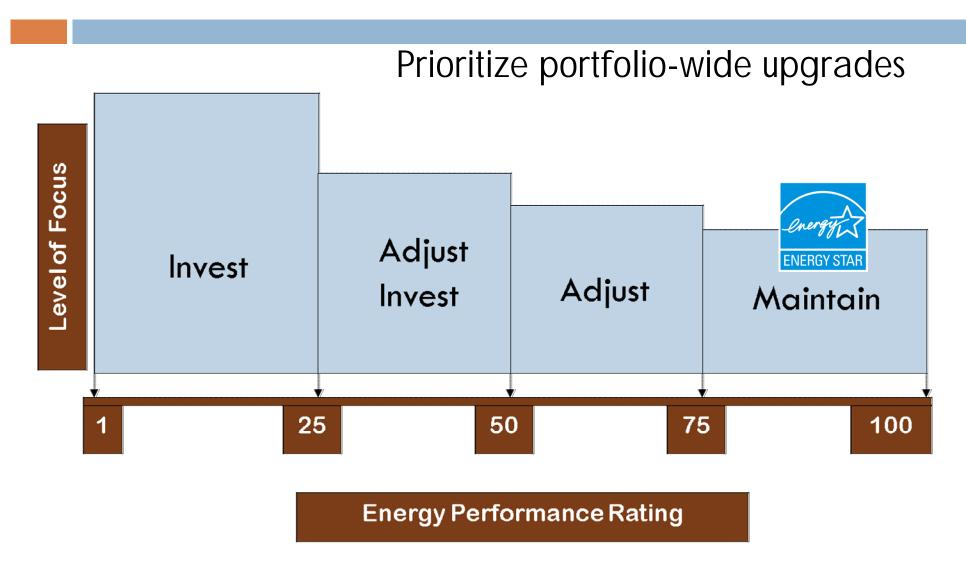


Energy Performance Rating

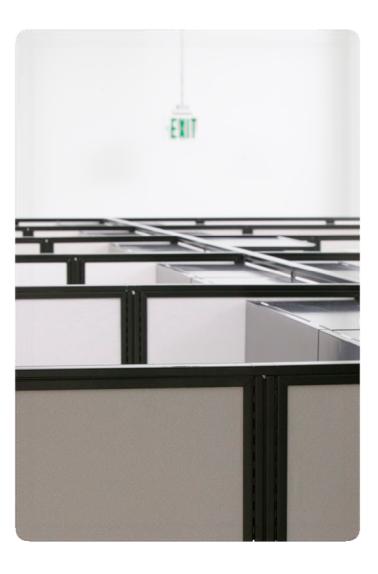
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Energy Star Portfolio Manager

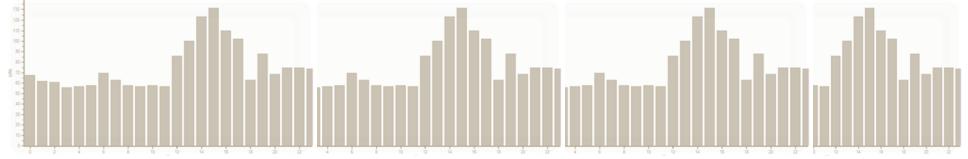


Low Cost/No Cost

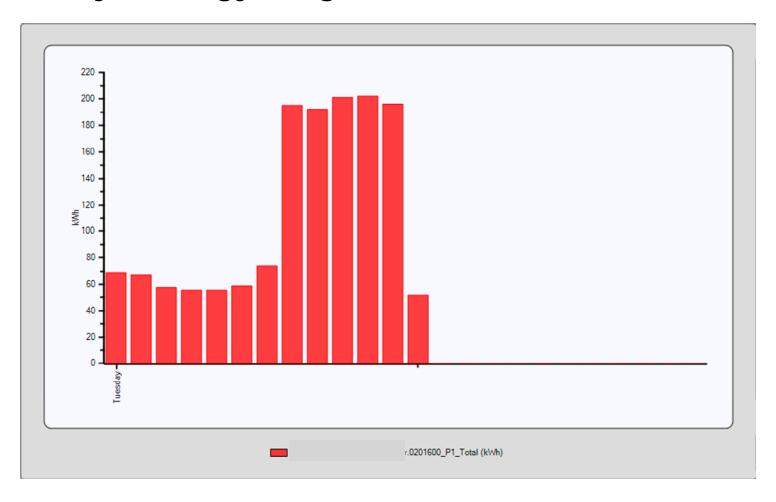


- What is running when it doesn't need to be?
 - Lighting
 - HVAC
 - Misc equipment
- Adjust HVAC set points
- Calibrate thermostats
- Occupancy sensors
- LED exit signs
- □ BOMA: 30 Easy Ways to Save Energy

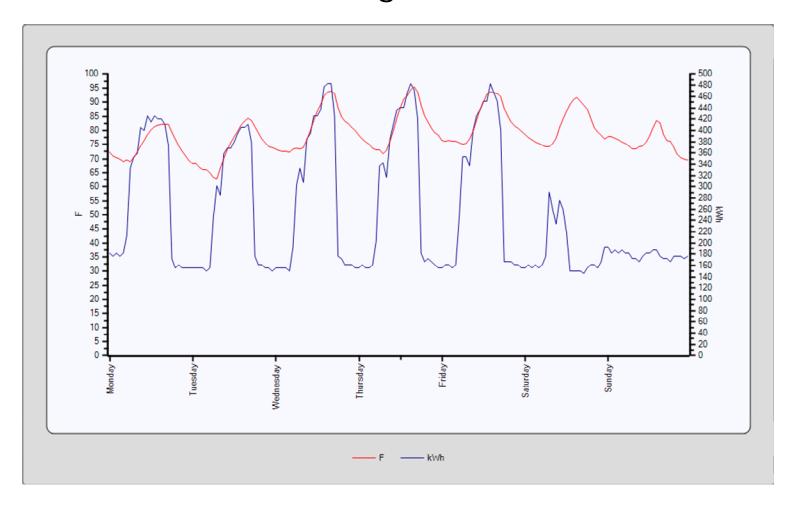
- BWAN = "Building Wide Area Network" Energy Monitoring
 - Monitoring of electric utility consumption at building level
 - Near real time electric usage is monitored and data stored in a centralized database
 - Provides visibility on existing internal corporate Liberty network
 - □ 130 Multi-tenant office properties, 11.5 million sq ft project
 - Multiple Electric/Gas Utility and ISP Market Jurisdictions



Today's energy usage



Last weeks trended usage



"We discovered [the building] had been running on Sundays for, we don't know how long."

"We found too many units coming on too close together causing a spike at 6 am"

"After review of the RTU's programming, [our vendor] discovered that one of the 60 ton units was indeed running in manual 24x7 because someone had changed the programming from running in program mode to manual mode."

"We had requested that the air be set back to 6-6 once [the tenant] moved out in March. The tech also was under the impression that it had been set back already. Further investigation found that it had never been set back."

"There was some spike in electric each morning at 4am at [the building]. We requested our HVAC contractor to investigate and what they found was that at 4am each morning, the entire building was exhausting out all of the air and bringing in fresh air."

Energy Savings

- Currently tracking 160 buildings where we control bills
- We have saved over 20M kWh from our 2008 baseline = avg \$2.2M savings for tenants
- Options for tenants:
 - **Submeter**
 - Request monthly data from landlord, even if pro rata
 - Request Energy Star score from landlord



Incentives

- □ To finance:
 - Tax incentives and grants
 - PECO 129 Smart Ideas
 - DSIRE USA



Renewable Energy

Solar pilot – Tasty Baking



- □ Optimize
- Renewables
- □ RECs, or Offsets
- Zero-net-energy





Water - Did You Know?

- □ The average American uses about 151.9 gallons of water per day, with about 60 percent of that being used out-of-doors (watering lawns, washing cars, etc.).
- The average European uses 66 gallons of water per day.
- 1.1 billion people lack adequate water access,
 using less than 5 gallons per day

Circle of Blue

Water

- Benchmark & tracking usage
 - Energy Star Portfolio Manager
 - z Look for jumps in usage to determine possible leaks
 - Water footprinting
- Ways to reduce
 - Leaky faucets and running toilets
 - n A leaky toilet can waste 200 gallons per day!
 - Dishwashers running half empty
 - Aerators on faucets
 - Low flow fixtures
 - Changes in landscaping
- Eliminate bottled water!



Waste

- Waste audit
- Recycle everything your waste hauler will allow
- Additional recycling programs:
 - Batteries, light bulbs, technotrash, e-waste, cell phones,
 Tyvek envelopes
- □ Track your totals
 - EPA Waste Reduction Model
 - GHG Equivalencies Calculator



2009 Waste Reduction Achievements

The sum of the greenhouse gas emissions reduced is 29,445 Metric Tons of Carbon Dioxide Equivalent, which is equal to the CO2 emissions from one of the following:



Removing 5,630 passenger cars from the road for one year



3,312,148 gallons of gasoline consumed



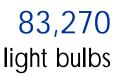
68,477 barrels of crude oil consumed

2009 Waste Reduction Achievements

Through our recycling program we have also kept the following out of landfill:



3,939 pounds of batteries







4,920 phone card minutes given to soldiers to call home from "Cell Phones for Soldiers" recycling program

Indoor Environmental Quality

- According to the EPA:
 - On average, Americans spend about 90 percent or more of their time indoors.
 - Indoor levels of pollutants may be two to five times higher, and occasionally more than 100 times higher, than outdoor levels.
- Green cleaning
 - Green Seal Certified Products
- □ Low/no VOC paints and finishes

LEED EB O&M - The Roadmap

24	LEED 2009 for Existing Building	s. Operations d	Mainte	nance			Proje	ect Na
	Project Checklist							D
	Sustainable Sites	Possible Points:	26		AT HOUSE BOOK STATE	als and Resources, Continued		
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	Credit 1 LEED Certified Design and Construction		4		90000000000	Solid Waste Management—Waste Stre		1
	Credit 2 Building Exterior and Hardscape Mana	TOOL SALE SERVICE SALES AND ADDRESS OF THE PARTY OF THE P	1					1
	Credit 3 Integrated Pest Mgmt, Erosion Contro					Solid Waste Management-Durable Go		1
	Credit 4 Atternative Commuting Transportation		3 to 15		Credit 9	Solid Waste Management—Facility Alt	erations and Additions	1
	Credit 5 Site Development—Protect or Restore	Open Habitat	1	1 7 7				
	Credit 6 Stormwater Quantity Control		1		Indoor	Environmental Quality	Possible Points:	15
	Credit 7.1 Heat Island Reduction—Non-Roof		1	1-2-1		NAME AND ADDRESS OF		
	Credit 7.2 Heat Island Reduction—Roof		1	Y				
	Credit 8 Light Pollution Reduction		1	Y		Environmental Tobacco Smoke (ETS)	Control	
	3.—7.		70000	Y		Green Cleaning Policy		
	Water Efficiency	Possible Points:	14		Credit 1.1	IAQ Best Mgmt Practices—IAQ Manag	ement Program	1
_						IAQ Best Mgmt Practices—Outdoor		1
	Prereq 1 Minimum Indoor Plumbing Fixture and I	Fitting Efficiency				IAQ Best Mgmt Practices—Increased		1
	Credit 1 Water Performance Measurement		1 to 2			IAQ Best Mgmt Practices—Reduce Pa		
	Credit 2 Additional Indoor Plumbing Fixture and	Fitting Efficiency	1 to 5			IAQ Mgmt Plan—IAQ Mgmt for Facility		s 1
	Credit 3 Water Efficient Landscaping		1 to 5			Occupant Comfort—Occupant Survey	/	1
	Credit 4 Cooling Tower Water Management		1 to 2		Credit 2.2	Controllability of Systems—Lighting		1
	2				Credit 2.3	Occupant Comfort—Thermal Comfort	Monitoring	1
	Energy and Atmosphere	Possible Points:	35		Credit 2.4	Daylight and Views		1
					Credit 3.1	Green Cleaning-High Performance Cl	eaning Program	1
	Prereq 1 Energy Efficiency Best Management P	ractices		- 4	Credit 3.2	Green Cleaning—Custodial Effectiven	ess Assessment	1
	Prereq 2 Minimum Energy Efficiency Performan	ce			Credit 3.3	Green Cleaning-Sustainable Cleaning	Products, Materials Purc	:h 1
	Prereq 3 Fundamental Refrigerant Management				Credit 3.4	Green Cleaning-Sustainable Cleaning	Equipment	1
	Credit 1 Optimize Energy Efficiency Performan	ce	1 to 18		Credit 3.5	Green Cleaning-Indoor Chemical and	Pollutant Source Control	1
	Credit 2.1 Existing Building Commissioning—Inves	tigation and Analysis	2		Credit 3.6	Green Cleaning-Indoor Integrated P	est Management	1
	Credit 2.2 Existing Building Commissioning—Imple	mentation	2	VIII-VII-15	-77			
	Credit 2.3 Existing Building Commissioning—Ongo	ing Commissioning	2		Innova	tion in Operations	Possible Points:	6
	Credit 3.1 Performance Measurement—Building A	utomation System	1	3				
	Credit 3.2 Performance Measurement—System-Le	evel Metering	1 to 2		Credit 1.1	Innovation in Operations: Specific Ti	tle	1
	Credit 4 On-site and Off-site Renewable Energy	1	1 to 6		Credit 1.2	Innovation in Operations: Specific Ti	tle	1
	Credit 5 Enhanced Refrigerant Management		1		Credit 1.3	Innovation in Operations: Specific Ti	tle	1
	Credit 6 Emissions Reduction Reporting		1		Credit 1.4	Innovation in Operations: Specific Ti	tle	1
	10 000				Credit 2	LEED Accredited Professional		1
	Materials and Resources	Possible Points:	10		Credit 3	Documenting Sustainable Building Cos	st Impacts	1
	Prereg 1 Sustainable Purchasing Policy			E II II	Region	al Priority Credits	Possible Points:	4
	Prereg 2 Solid Waste Management Policy				1.05.01			3.70
	Credit 1 Sustainable Purchasing—Ongoing Cons	umables	1		Credit 1.1	Regional Priority: Specific Credit		1
	Credit 2.1 Sustainable Purchasing—Electric	300-300	1		107/00/00	Regional Priority: Specific Credit		1
	Credit 2.2 Sustainable Purchasing—Furniture		1			Regional Priority: Specific Credit		1
	credit 3 Sustainable Purchasing – Facility Altera	tions and Additions	1		_	Regional Priority: Specific Credit		1
	Credit 4 Sustainable Purchasing—Reduced Merc		1			Description of sold		200
	Credit 5 Sustainable Purchasing—Food	or y my bumps	1		Total		Possible Points:	110
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Business Case

Risks

- Building obsolescence
- Mathematical Higher operating expenses
- z Lower occupancy rates
- Increased liability and insurance costs
- Reputational
- Regulatory

Opportunities

- Lower operating costs
- Malthier work environments
- Higher tenant & employee retention
- Reduced liability and insurance costs
- Higher asset value
- Innovative solutions

Thank You!

Marla Thalheimer, LEED AP
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