

The Routledge Handbook of Sustainable Real Estate

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Routledge Handbook of Sustainable Real Estate aims to bring together the latest research of the leading international academics and experienced practitioners of sustainable real estate such as Sara Wilkinson, Sarah Sayce, Tim Dixon and Norm Miller. The book aims to demonstrate the nature and extent of the impact of sustainable real estate and suggests means of mitigating humankind's impact and building resilience. An ambitious goal is to cover the different land use purposes from residential to industrial on different parts of the globe. The book discusses and explains how governance and policies affect and work toward sustainability, how sustainability is seen in valuation, how management is linked to sustainability and how we can use redevelopments and adaptation strategies to change the current built environment to be more sustainable.

Recent concerns with respect to sustainability of the built environment, in particular, have highlighted the need for a holistic understanding of the aspects that shape built environment and real estate development. For example, in general there are several similarities, yet differences, when considering different continents and locations in this matter. No matter where you are located on Earth, you need cover from the weather. The cause can be sun, wind, water, cold, heat and so on. Yet, the differences include such matter as level of urbanization, amount of gross domestic product, regulations and so on. The complexity and variance of these features and their combinations are also causing complexity in finding "one-size-fits-all" solutions to produce a generic sustainable real estate. Relating to this, the introduction of the book points out that still there is no internationally agreed definition for sustainable real estate. Ideas and examples for this are provided, and the complexity and different viewpoints of the definition are discussed in this book.

Another aim of the book is to be an essential guide and inspiration to sustainable real estate academics, upper-level students and researchers. In the foreword, the editors and authors explain and recognize the environmental impact that real estate has and the need for industry transformation. The book meets its aim to help us move forward and educate people to join the sustainability revolution in the industry. The book examines four different areas of sustainable real estate: governance and policy; valuation, investment and finance; management; and redevelopment and adaptation. The contributors of the book provide examples and guidance on how their implications can be addressed, which gives the text an inspiring feel and steps to consider.

The "governance and policy" chapter discusses ways to create and develop regulations to advance sustainable real estate. First of all, this chapter gives an understanding of where



we are at the moment in sustainable real estate and corporate responsibility, by investigating experiences from different voluntary reporting and certification schemes, energy upgrades, sustainable retrofits and low-carbon developments. Based on this chapter, advancing sustainability is more about voluntary programs and owner's interests than national legislation or other authority requirements. Yet, it also gives examples of how cities can enhance sustainability with incentives or sustainability programs. This highlights that the best solutions can be found in the combination of voluntary and incentive programs where public and private parties work together. I really like the list in 1.0 Introduction, where 15 "we can" statements are introduced. We are already doing several things, but we need to continue to innovate solutions and educate more people. The chapter is also optimistic, as career possibilities in corporate responsibility and sustainability are growing and it is acknowledged that real estate is a major consumer of energy, water and materials. Measuring, monitoring and reporting is already in place, so the future sustainability professionals are the ones continuing this work to make a change to lower carbon emissions and consumption of future or retrofit real estate by understanding the context and mechanisms within which the real estate product is placed.

The next chapter discusses another common topic: how to value sustainability or how sustainability affects the value of a property and what the financial benefits of sustainable buildings are. These are rather complex questions, as valuers are considering all aspects and characteristics of property and the market, whereas sustainability is just one of the aspects and a combination of characteristics. It becomes even more complex if one should also take into account the occupant performance (e.g. health, productivity) in valuations. Yet, the role and capabilities of a valuer is challenged: Should they act as market taker or market maker? This chapter also discusses the role of Real Estate Investment Trusts (REITs) in advancing progress in sustainability. Sustainability is promoted in REITs and properties by certifications such as LEED, BREEAM or Energy Star, for example. Another aspect and discussion topic is the difference between commercial real estate and residential real estate. In both cases the question is how to integrate environmental considerations with purchase or lease decision, as well as how the valuers or agents can act as influencers by being tuned toward features and benefits that buyers/users consider valuable.

The book also discusses the role of corporate real estate management and facilities management (FM) and introduces different viewpoints for how sustainability can be seen by them. The management chapter discusses the basic dilemma in the real estate business: there are several actors (owners, users, property managers, facility managers and so on); however the incentives among parties and an initiator to enhance sustainability still remain unclear. Sustainable FM is introduced through UN and EU initiatives and their impact. Importance and complexity of FM sets requirements for administrating different skills (such as energy management, indoor environment, hygiene and ecology) and disciplines to be successful. At the moment, it has become more mainstream to put an effort on workplace well-being and ecology. In this chapter, it is explained how the comfort and productivity results improve efficiency and how this is linked to corporate success. This could also be linked with the valuation chapter as these are the arguments that valuers or real estate agents could be using in marketing green real estate to be the market makers.

The "redevelopment and adaptation" chapter concentrates on how to change the current situation and gives examples of existing solutions, including retrofits, lifespan and adaptive reuse in different geographical locations, such as The Netherlands, Saudi Arabia and Sweden. Also, the barriers are discussed, for example, limited access to real estate feature information (e.g. energy efficiency information), and therefore the information cannot be used as a decision-making criterion.

The book recognizes and underlines the fact that real estate is causing environmental impacts and there is a need for change in the industry. On the other hand, it presents the scale of sustainability-related challenges in the industry. Recognizing the agenda and providing solutions are two very different things. However, the book not only states the importance and urgency to act on the issue but also provides examples and data on already applied solutions that can be implemented in different phases of a building lifespan and by different parties, scaled and developed further. The book presents knowledge on sustainable real estate challenges and possibilities in an extensive way and serves as a reference book to literature. It is also interesting to see statements about which continent or country is leading in greening real estate business. It seems that each continent wants to see themselves as forerunners, but it still remains unclear which one is really leading.

In terms of usage, the text offers an excellent introduction to sustainability matters in the real estate industry. Thus, I would say that the book outlines the current status of sustainability in real estate. It can be summarized, as it was in the “findings and interpretation” section: the disappointing reality of the current status. The built environment is a significant contributor to Greenhouse gas emissions, and therefore attention is needed for reducing its impact on the environment. Need for positive and dynamic actions are needed from governments, industry bodies, researchers and educators. We have started the journey, but there is still more to be done. David Cadman’s vicious circle of blame has not been reversed to a circle of adaptation yet. But there are signs that it has started to turn to adaptation. So actions on creating appetite for energy-efficient, sustainable real estate businesses are needed to aid preservation of our lifestyle and planet. It would be interesting to broaden and link the conversation to the wider context, for example, including United Nations’ Sustainable Development Goals (SDGs) in the built environments sustainability conversation. In general, many companies have started to use SDGs to communicate their companies’ impact through SDGs, so the SDG could be one solution to be used as a basis for common sustainability language, bringing up effects of built environment and actions that need to be taken. Therefore, I would like to see sequels to this book with the SDG context and other sequels, such as “Handbook of sustainable construction” and “Handbook of sustainable use of real estate,” to give more ideas and perspectives for the built environment sustainability area.

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