

# Property valuation as a driver for energy efficiency

Ursula Hartenberger, RICS Global Head of Sustainability

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# RenoValue

Starting point:

**Valuers are crucial in market transformation**

- Valuations are carried out in almost any phase of the property life cycle
- Valuation professionals are information managers in often highly non-transparent property markets.
- Arguments used in negotiations between transaction parties are usually based on advice given by valuers acting on both sides
- Valuers do not 'make the market' but their advice and the nature and scope of their services influence market market outcomes



**Sustainability features  
must be considered in  
the valuation process in  
order to...**

**Meet** professional general duties and requirements

**Avoid** mispricing of assets (i.e. valuing conventional buildings too high and sustainable ones too low)

**Comply** with professional organisations' (e.g. RICS) and jurisdiction's (e.g. Germany) mandatory valuation requirements

**Exploit** new business opportunities



**And reflect changing market conditions!  
Because: If energy performance is already a value determining factor,  
How to reflect this in daily practice and valuation reports for clients?**



## RenoValue Report findings:



Available at: [www.renovalue.eu](http://www.renovalue.eu)

**Lack of** adequate property transaction data

**Lack of** operational property data

**Lack of** publicly available central databases of EPCs

**Lack of** good quality data

**Lack of** internationally recognised building rating certificates

**Lack of training!**

#### OWNERS AND TENANTS

We would like to own and/or live and work in energy efficient buildings but we are not sure whether this makes economic sense and there is a lack of professional expertise

#### LENDERS, INVESTORS AND INSURERS

We would provide preferential conditions for energy efficient buildings but as yet there is little demand and too much uncertainty regarding the real economic impact

#### BUILT ENVIRONMENT PROFESSIONALS\*

We would advise our clients on the economic benefits of EE and RE installations and carry out subsequent measures but our clients do not usually ask for it and lenders and investors do not give preferential rates

#### VALUATION PROFESSIONALS

We have not got the skills to assess EE measures and only reflect the market. We cannot reflect the benefits of EE and RE installations without evidence of market willingness to pay for it

**Common 'lack of' themes are creating market barriers**

**The RenoValue Training course has been designed to help valuers to:**

**Recognise** the impact of sustainability on the wider real estate market and the valuer's critical role with regard to market transformation.

**Gain** a holistic understanding of the importance of buildings in relation to climate change and energy targets and its relevance for managing risk for their clients.



# **RenoValue Training**

## **course:**

### **Specific topics covered**



- ✓ **Current sustainability-related guidelines, guidance and requirements for valuers**
- ✓ **Rationale & Business Case for considering sustainability in daily valuation practice and how to articulate this vis-a-vis clients**
- ✓ **What to look out for in relation to energy / sustainability building performance when valuing a building**
- ✓ **Main available energy efficiency and wider sustainability information and data sources and how to read them**
- ✓ **Integration of a building's energy efficiency and wider sustainability features into valuation methodologies and valuation reports**



**RenoValue Training**

**Element 1:**

**Multi-lingual face-to-face course material**

**WAARDEREN**

**VAN DUURZAAMHEID**

**VALUING**

**SUSTAINABILITY**

**Η ΑΠΟΤΙΜΗΣΗ**

**ΤΗΣ ΑΕΙΦΟΡΙΑΣ**

**ATT VÄRDERA**

**HÅLLBARHET**

**VALUTARE**

**LA SOSTENIBILITÀ**

**ZRÓWNOWAŻONA**

**WYCENA NIERUCHOMOŚCI**

**ESTIMER**

**LA DURABILITÉ D'UN BIEN**

**NACHHALTIGKEIT**

**IN DER IMMOBILIENWERTERMITTLUNG**



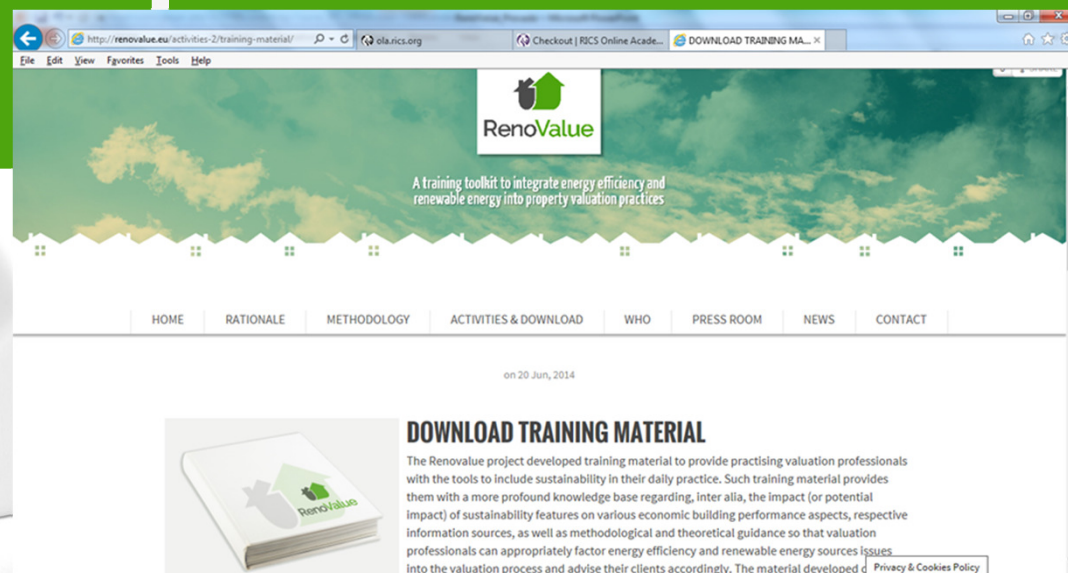
# Freely downloadable\* via RenoValue website:

\*Enter the "Activity and Download" area that is featured on the MAIN MENU bar of the RenoValue home page and then go to "Download Training Material".

<http://renovalue.eu/activities-2/training-material/>

**Twitter**

**@renovalueEU**



https://academy.rics.org/e-learning/valuation/renovalue/

Renovalue: Integrating Sust...

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# Renovalue: Integrating Sustainability into Valuation Practice

£0.00

1.5 Hours Formal CPD

Add to cart

Free training material for practising valuation professionals on how to factor energy efficiency and renewable energy issues into valuation practices and how to advise clients accordingly.

## RenoValue Training Element 2: Free multi-lingual E-learning course on the RICS Online Academy

**Learning outcomes**

- ✓ Recognise the impact of sustainability on the wider real estate market and the valuation professionals' critical role with

**Course description**

This development programme... where we p... programme

The use of property valuation is an essential aspect of the property lifecycle and

This course is fully iPad accessible

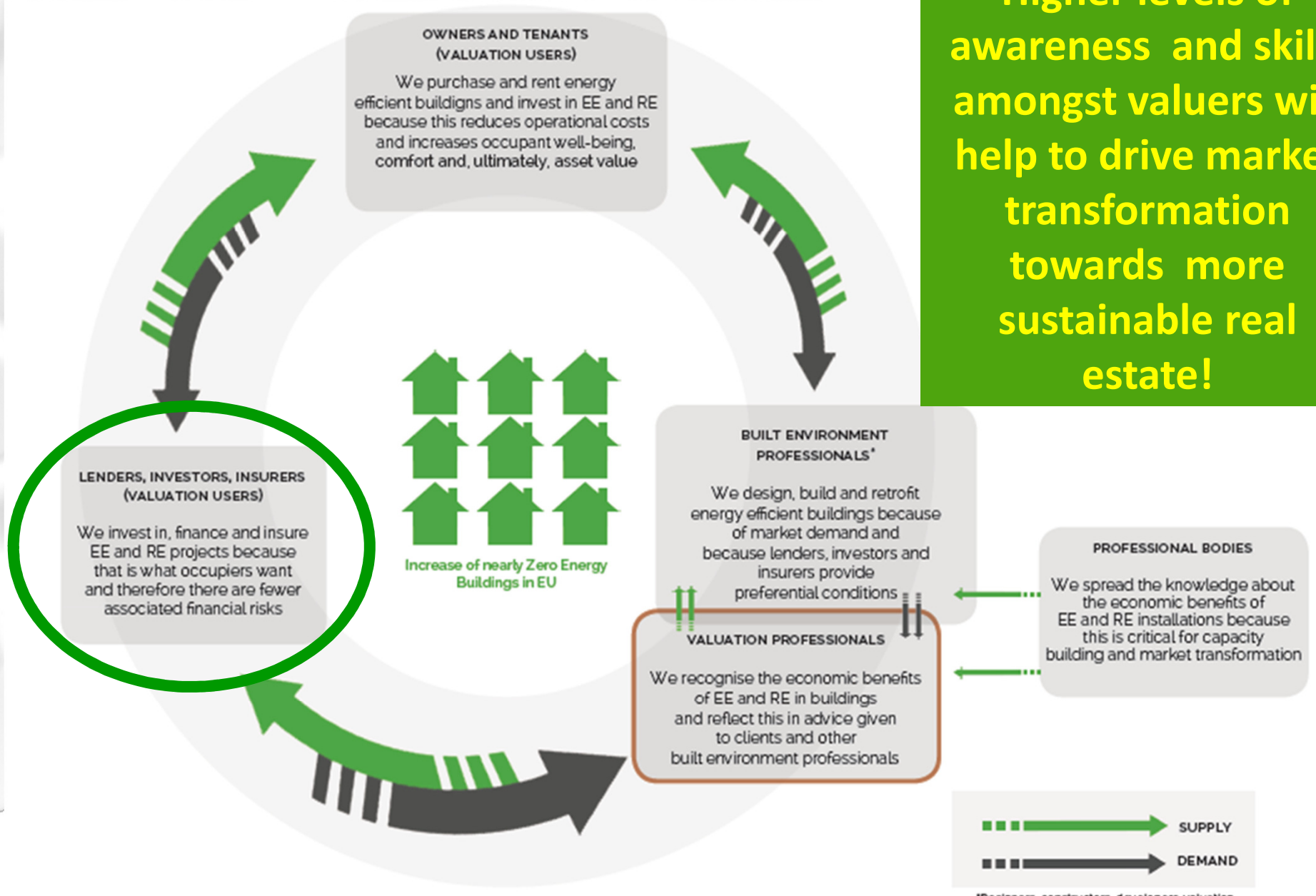


<https://ola.rics.org/site/login.php>

**Note:**

If you are not yet registered on the RICS Online Academy you will need to do so before being able to access the RenoValue e-learning modules. Registration is free.

Higher levels of awareness and skills amongst valuers will help to drive market transformation towards more sustainable real estate!



Source: Hartenberger, U., Lorenz, D., 2013

\*Designers, constructors, developers, valuation professionals, etc

**For further questions  
about the RenoValue  
project and the  
training package  
Please contact:**



**Ursula Hartenberger**  
RICS Global Head of  
Sustainability  
[uhartenberger@rics.org](mailto:uhartenberger@rics.org)

