



The Clayton Utz floors at 1 Bligh Street, Sydney.

Photo: TAMARA VONINSKI

# Bling not the thing in green buildings

**Scott Elliott**

Investment in sustainable office buildings has fallen in the aftermath of the global financial crisis, as developers and tenants hold back on refurbishments and new projects.

Interior fit-out company ISIS says Australia's investment in sustainable offices correlates strongly with the peaks and troughs of the sharemarket.

The head of sustainability at ISIS, Riccardo Rizzi, said 95 buildings certified by the Green Building Council of Australia (GBCA) in the past year were commissioned during the sharemarket boom of 2007, but these projects have now flowed through the accreditation system.

The period between 2005 and 2008 was frequently about "building bling", he said, and aspirations were reflected in expensive fit-outs and design.

"This has tapered off since the peak of the GFC," he said, "when the market started looking at minimum costs of complying with [rating system] NABERS in a cost-confined market."

He said the sharemarket peak had also coincided with a massive rise in

businesses commissioning sustainable office fit-outs, and investment in the sector had only recently started again.

But GBCA executive director Robin Mellon said green buildings had not been put on the back burner since the onset of the GFC, with 363 buildings certified and 547 projects registered.

"The number of new build projects has slightly decreased," he said, "but the number of interior fit-outs and refurbishments has increased due to a better understanding of the opportunities in existing buildings.

"ISIS itself has its offices in Sydney, Adelaide, Canberra, Darwin, Melbourne and Perth either certified or registered to achieve a green star rating."

Mr Rizzi said building owners were now investing in the most financially viable sustainability technology.

"The key to the market in 2011 is product differentiation, through sustainable fit-out and refurbishment, tempered with a close eye on return on investment. Tenants are looking for energy-efficient office buildings as a business function rather than a fashion statement."