



Green is Looking Good for Savannah Real Estate

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The green movement in Savannah has its own sales force explaining the benefits of environmentally friendly development and nudging buyers and sellers alike into a green state of mind.

The help comes from an unlikely ally – Melaver | Mouchet, a commercial real estate brokerage firm. Melaver | Mouchet has to balance good business sense with what's good for the environment as it strives to become a sustainable brokerage company – a new concept with few, if any, examples nationwide. Melaver | Mouchet wants to play a key role in the development process, yet they readily accept that they may not be able to impact all the buyers, sellers, developers and landlords with whom they work.

It's a balancing act of making financial sense, serving clients' interests, and moving closer toward the core values of Melaver | Mouchet. Each member of the Brokerage team enjoys being a frontrunner in what many see as the cool new trend of selling green, adding a certain cachet to residential land tracts as well as commercial buildings.

Melaver | Mouchet states that green building and developing is not just a trend – it's the future of construction and new development. Some federal agencies, including the General Services Administration, the Department of Agriculture and NASA have required Leadership in Energy and Environmental Design (LEED) certification for all new construction, and many more encourage it. In addition, a growing number of state and local governments, including Washington D.C., are requiring or encouraging green building. LEED certification, the standard for high performance, low water and low energy use buildings, is awarded by the nonprofit U.S. Green Building Council.

Without a built-in database of environmentally conscious buyers and sellers, Melaver | Mouchet finds itself selling the value of green ideals to both buyers and sellers who may be either ambivalent or ignorant about sustainable development. Every day, the agents of Melaver | Mouchet speak with potential clients about the value of low impact development and LEED certification.

"We educate our existing clients as well as attract new clients that have a sincere interest in developing projects sustainably," Rhett Mouchet said. "We want to educate, communicate and connect people in regard to sustainability. We are building a database of companies interested in green acquisition and development, but because of the nature of our business, we cannot rely solely on those types. Service to our existing clients is a priority, and we're trying to mesh all that into a sustainable brokerage company. We know our challenges, but we're willing to face them head-on."

One of the biggest stumbling blocks that developers face is change. Most have developed the same way for several years, have done well and see no reason to do it differently. And, unfortunately, many continue to view "green" as just a trend.

"They know their model works and they don't want to change it – 'If it ain't broke, don't fix it,'" Mouchet said. Many developers haven't looked into low impact development, building green and sustainability. "Nearly every day in our trade publications we're reading case studies and reviewing data that our clients may not have readily available and through our partnership with Melaver, Inc. we're hearing about success stories all across the country. We want to provide this material to interested parties in an effort to further educate and fascinate our current and prospective clients."

"Some will say, 'We're not tree huggers,' and I say, 'Neither am I,'" Mouchet said. "I'm pretty conservative, but I think sustainable development is an excellent business choice and everyone needs to be concerned about our environment and the future."

Planned neighborhoods that have maintained high property values, like Ardsley Park and downtown Savannah, have smaller lot sizes and shared green space. In neighborhoods where the homes are closer, the people are closer and part of a community.

"Despite what developers assume, people today don't care as much about having a larger lot," Mouchet said. They'd rather feel comfortable in their surroundings, know their neighbors, walk the trails or sidewalks and enjoy watching their kids play in the park across the street.

"Some developers are beginning to realize that people will pay a higher price for green development that contains more common areas, open areas and parks," Mouchet said. "People enjoy it. It's more of a neighborhood, a community, than a development, and you're doing your part to help the environment. A lot of people think it is somebody else's responsibility to protect and conserve our natural resources. It is everyone's responsibility."

Dave Odom, president of Sivica Communities headquartered in Alpharetta, incorporated sustainable design principles when he developed Rice Hope. As the principal broker, Rhett Mouchet recognized how the intrinsic benefits of a neighborhood-oriented plan with pocket parks, protected open space, community trails, diverse housing opportunities, and a pedestrian-oriented design would provide added value to the financial commitments made within the project. The Rice Hope builders recently won three first place awards in Savannah's 2007 Parade of Homes.

In working alongside **Odom** and Lott + Barber Architects (a local firm strongly committed to sustainable design planning), wetlands were preserved and additional wetlands on the property that had been converted to timberland were restored. "We tried to make provisions for low-impact development where we could," including natural areas for stormwater retention and buffers to protect the wetlands, **Odom** said.

Melaver | Mouchet has been instrumental in bringing the message of sustainable development to Savannah, says Denise Grabowski, who was involved with the Rice Hope development in her current job with Lott + Barber Architects.

"Our experience with Melaver | Mouchet demonstrates that they excel at recognizing opportunities, educating their clients and building relationships to promote sustainable design," she said. "As a planner and designer, I can provide recommendations to my clients, but having the support of Melaver | Mouchet as the broker makes a tremendous difference." This same principle applies to all kinds of commercial and industrial development, explains Mouchet, a member of the Society of Office and Industrial Realtors.

"They have an excellent reputation so people listen," Grabowski said. "Having the respect of your audience helps you get your message across." That message of sustainable development is starting to take hold across the country and even in Savannah.

"It certainly is becoming more mainstream," she said. "Within the past year there's been a tremendous increase in awareness. However, we have a ways to go. It can be difficult to bring about change."

"It's a matter of awareness along with supply and demand – the more the public demands it, the more it will happen," Grabowski explained. She especially hopes sustainable design catches on more with residential development here.

Mouchet agrees that demand from the public is a key part of the green equation. "I think the developers are going to be driven by the consumers," he said. "It's going to become more and more economically viable so the developers will do it, and I think the volume of sustainable developments is going to get bigger. It's getting popular."

So far, he estimates, the majority of developers are still saying "no" to low impact development.

"Many developers think that 'low impact' means lower revenues," he said. "I think there's still mystery out there. ... a lot of people have misconceptions that it will cost more, take longer and that returns will be less." And this may well have been true until fairly recently. Costs of "green" products are decreasing as mainstream companies have introduced alternative goods to the marketplace –

everything from porous concrete and reflective roofing materials to sealants, paints and carpets that contain low levels of VOC (Volatile Organic Compounds).

"Sustainable design is showing that it is not only better for the community, but is typically better for the bottom line as well," he said. "It just makes good business sense." Another way of presenting "green" is to refer to such properties as high performance buildings, meaning they are not only environmentally friendly but also energy efficient. According to the USGBC, an average LEED project has seen a 30 percent reduction in energy use and a 30 to 50 percent reduction in water use. Even low-impact development projects that aren't LEED certified have economic benefits: low-impact design can eliminate the need for artificial stormwater conveyance, saving the developer money. Also, people are willing to pay a premium if they are within a quarter mile of green space.

Mouchet has seen changes in attitudes through the reactions he's received from colleagues about going to green building conferences.

"Two years ago brokers laughed at me (for going to the green conferences), now they ask what the new trends are," Mouchet said. "A lot of developers said (low impact development) wouldn't work in Savannah," he said, but the new traditional neighborhood communities like Rice Hope are proving popular. "Those developments are catching on. ... I think everybody is starting to realize that the environment and energy efficiency is important."

Mouchet says his concern for "doing the right thing," even before he heard the term "green," is based on his plan to stay in Savannah. He doesn't want to cringe when he's driving with his kids past one of the projects that he brokered. When you take a community view, he says, it's easy to realize that low-impact development is the way to go. The brokerage team – Broker-In-Charge Rhett Mouchet, Associate Broker Lynn Beam, Sales Associates Anthony Wagner, Michael Bone, and Keith Fanelli, and Manager of Commercial Brokerage Services Julie Manley – sees that sustainable development makes Savannah a better place to live. Mouchet believes his Christian faith dictates that he be a good steward and act responsibly in regards to nature and our environment.

"Rhett, since day one, has been a champion of Savannah, a promoter of Savannah," **Odom** said. "He is truly a believer and loves that city. With the growth of the sustainable movement, he has been able to see that that philosophy protects Savannah. His goal has been to make sure Savannah stays a place to thrive, where people want to be."

Mouchet makes the analogy of the American with Disabilities Act; commercial office developers who chose to design handicap accessible before it was required by code were ahead of the game when it became a mandate. He thinks green building will become increasingly common and, in many municipalities, even required.

"Savannah is in the midst of a growth trend. Wouldn't it be great to be able to say that Savannah has been involved in a sustainable design since 1733?" Mouchet said. He hopes more people decide to make green choices and take advantage of the opportunities available to them. "It's the right thing to do."

Melaver | Mouchet, a leader in the commercial real estate market in Savannah and throughout Southeast Georgia and the Low Country, is a division of Melaver, Inc., a third-generation, family-owned business based in Savannah, Georgia and with offices in Atlanta and Birmingham.

Melaver, Inc. recently received the Business of the Year award from Buy Local of Savannah for its local commitment to designing environmentally responsible projects. The company redeveloped one of the first LEED certified buildings in the U.S. that is also on the National Historic Register and that is also home to the Melaver | Mouchet office. It has also developed the first all-retail LEED shopping center in the country, Abercorn Common, that also includes the first LEED McDonald's worldwide.