


Short Summary of Contributions to the expert review process

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- **Linking energy efficiency and LCC to property valuation is perceived as an issue of (increasing) importance**
- **Only limited (own) experience with integrating this issue in current practice**
 - some experience with integration in a qualitative way
- **in future: probably mainstream**
- **the proposed modified approaches are in line with the general property valuation standards**

- **Qualitative integration is (only) the entrance door**
- **Different views about: separate chapter on thermal characteristics resp. sustainability or integration in the normal description of the building**
- **Simplified approaches for building assessment should be used instead of an inspection**

- **Critical remarks:**

- limits of regression analysis due to few observations compared with the heterogeneity of affecting factors
- relying solely on empirical evidence means lagging behind the market
- research needs to provide factor-sheets in order to simplify application

- **Recommendations for improvement**
 - stronger impact on the risk of future loss of value
 - improve the practicability by simpler ways to assess energy performance / sustainability of the building
 - need for improving data accessibility (e.g. through data acquisition in a common data pool)
 - technical support from energy/sustainability experts will be necessary in the valuation process

- **critical points**
 - strong dependence on the valuer's judgement
 - communicability to the client will be more difficult
 - realistic calculation of AAP is questionable
- **no further suggestions for improvement yet**

- **general difficulty in understanding the approach**
 - partly unclear terminology
- **but concept of „Energy Saving Potential“ has been perceived as interesting approach**
- **unclear line between the income approach and the sales comparison approach**
- **calculating NPV of ESP is seen critical**
 - suggestion to use so-called cost of saved energy method instead

- **in general only little remarks**
 - cost approach generally not suitable for integration
 - use of cost approach decreases
- **suggestion to use „modern equivalent asset“ concept for replacement cost and to estimate energy efficiency as functional depreciation**

- **road map has been assessed as reasonable**
- **integration in valuation standards in the form of a guidance note**
- **demand of investors as crucial issue**

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