savills

Is eco-friendly market-friendly?

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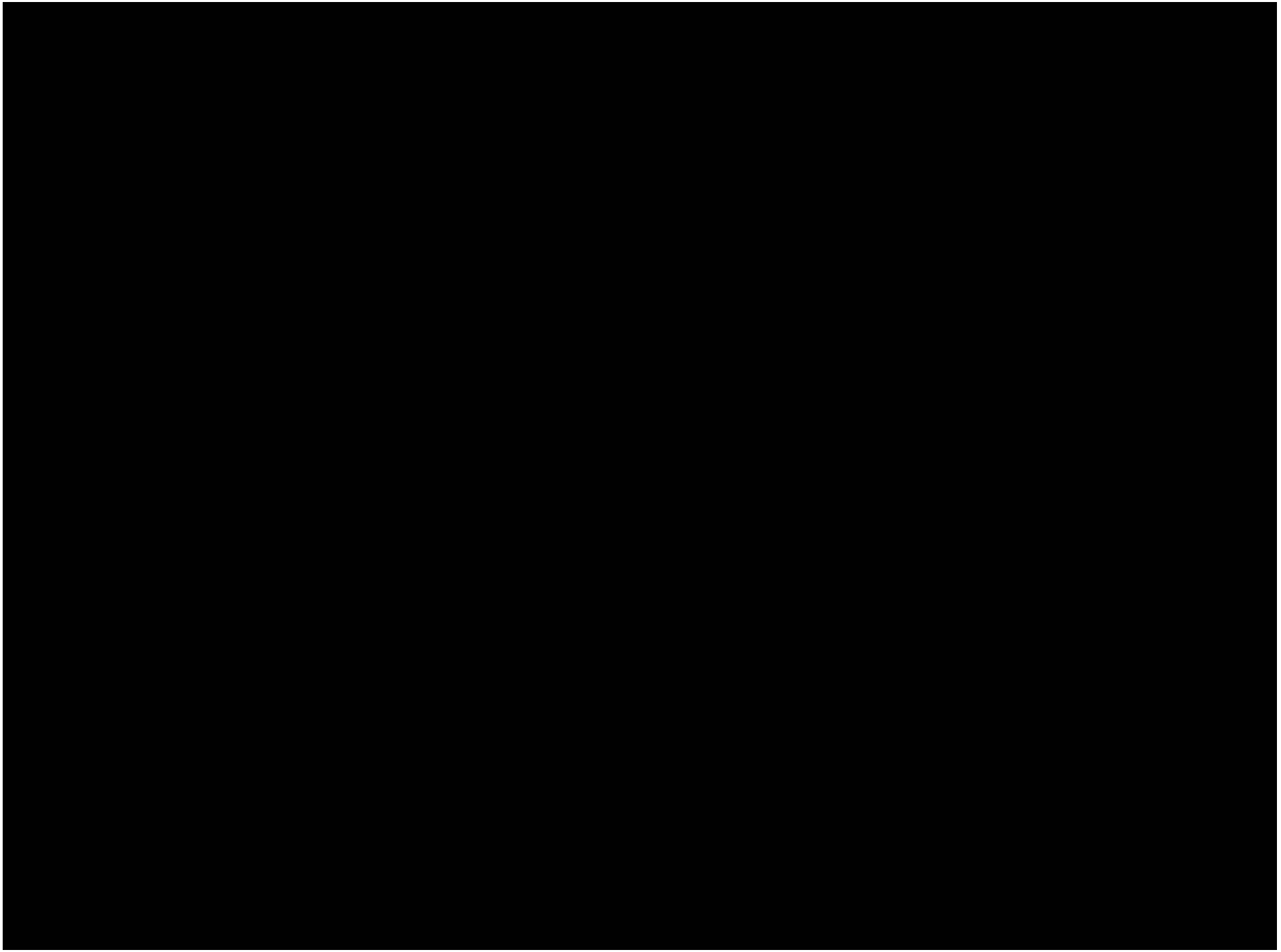
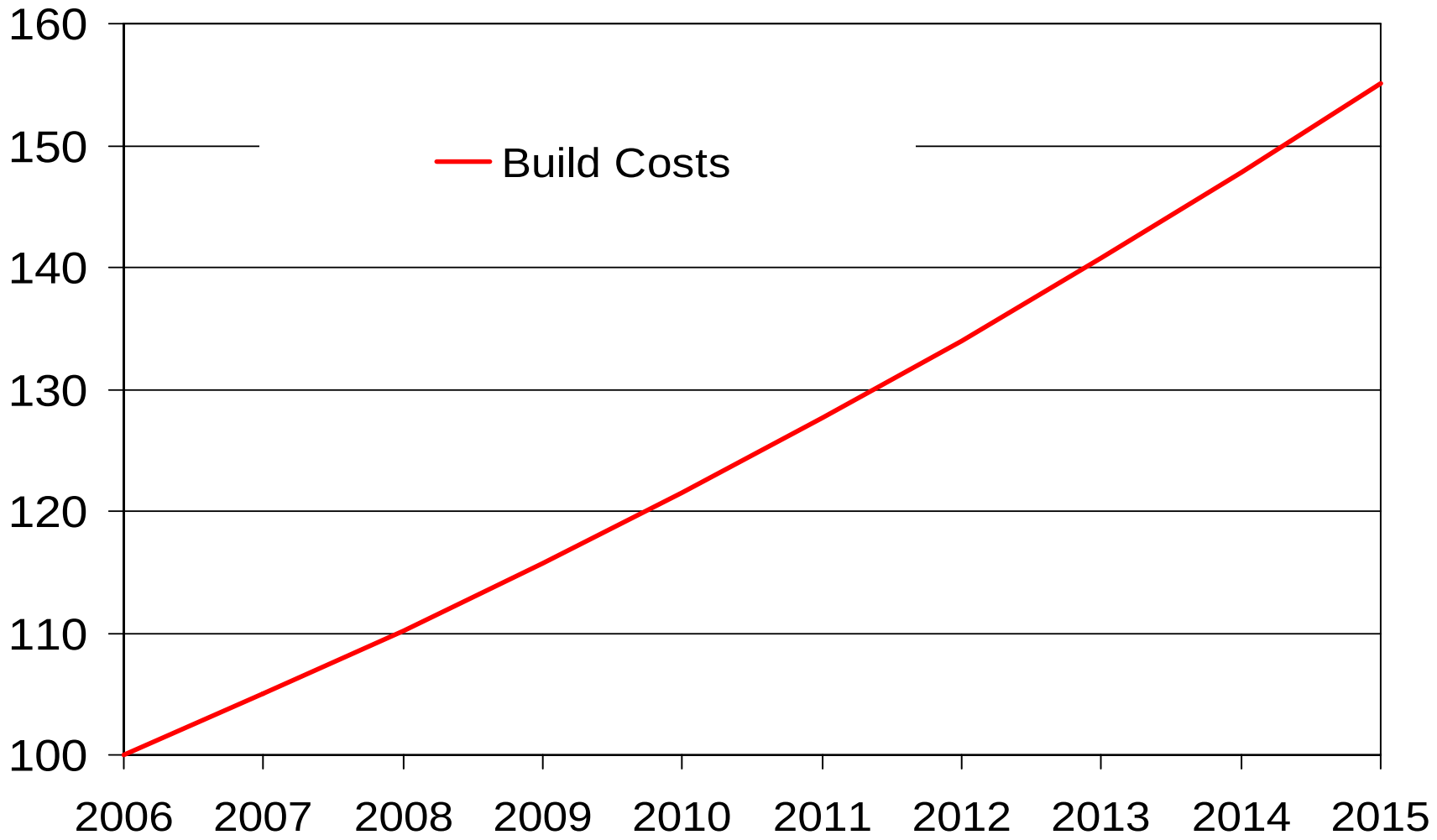


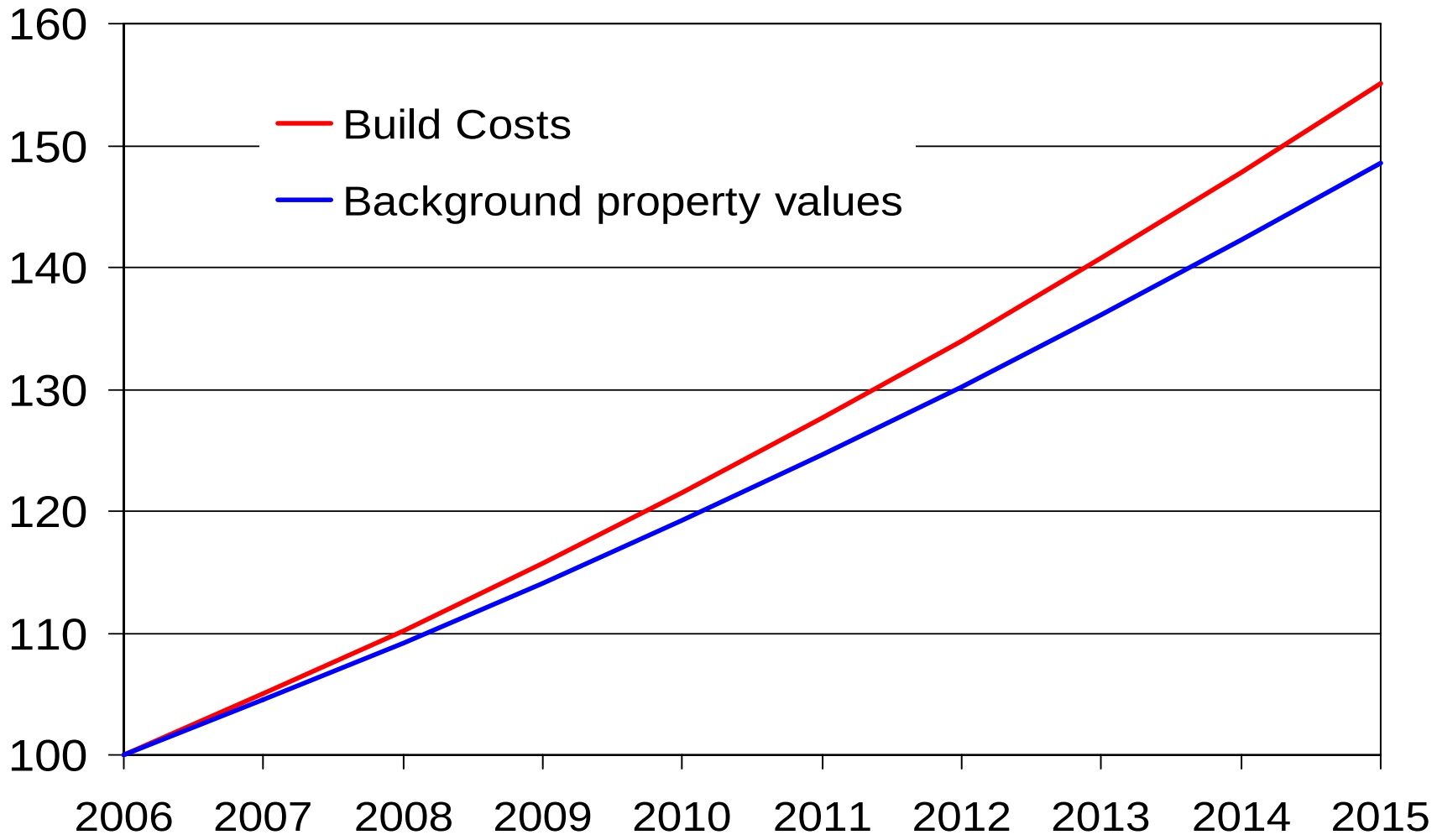
eco-costs threaten the property industry

eco-regulation adds to costs …

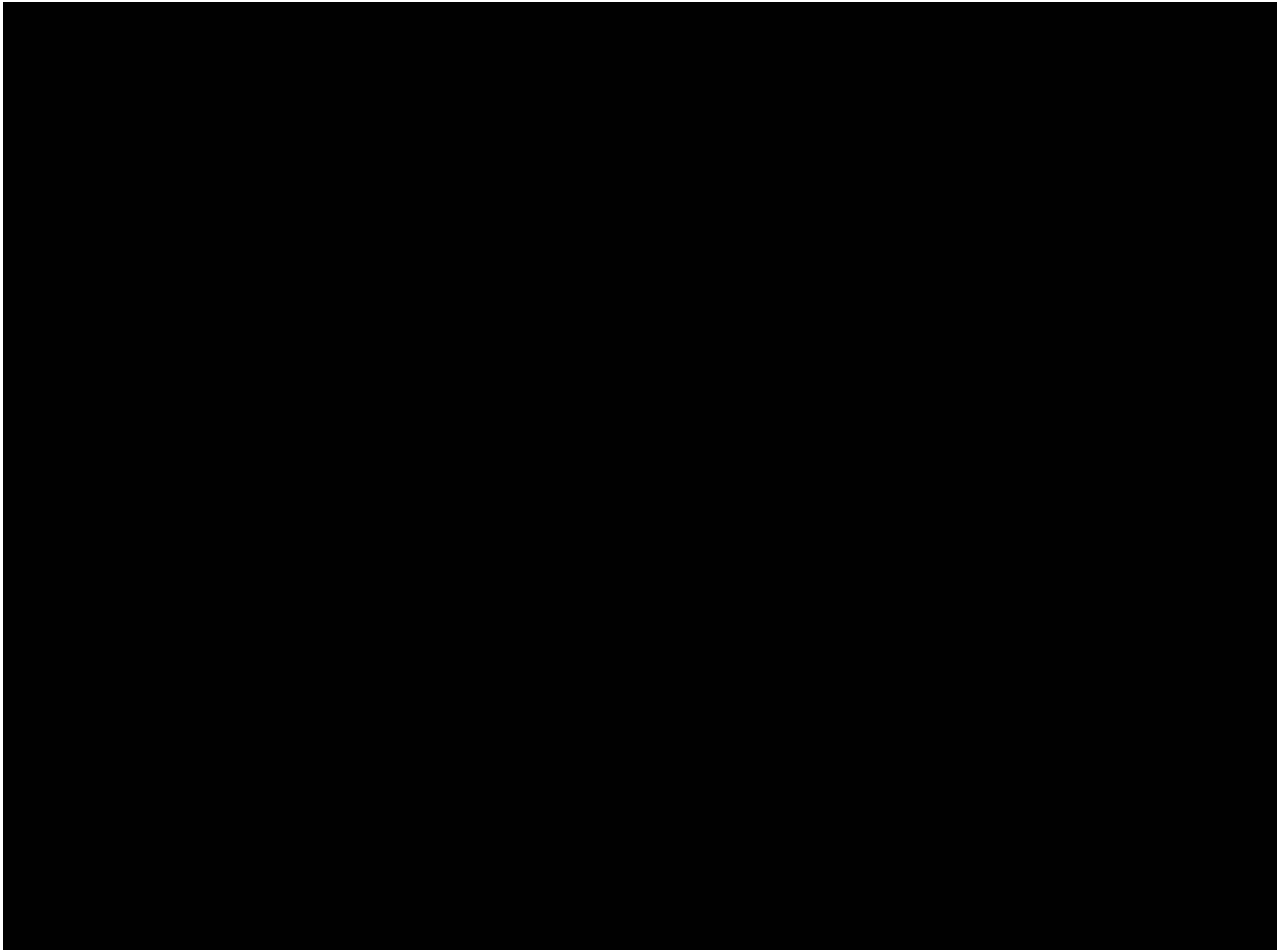


Source: Savills Research/EC Harris

… will values keep up?



Source: Savills Research/EC Harris



is there a green premium?

will eco-homes
be a new market?

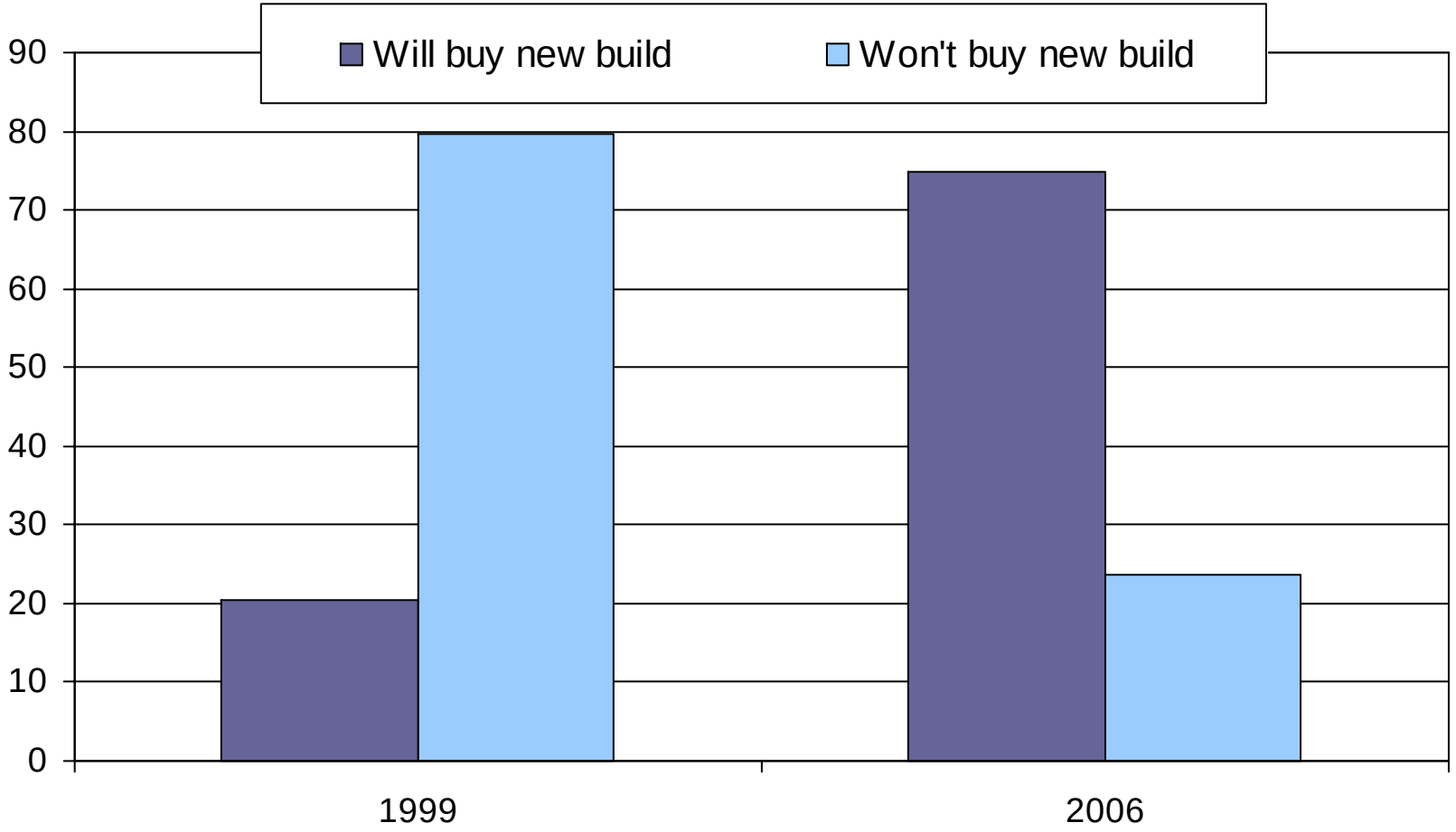
“concerned ethicals” = 12%





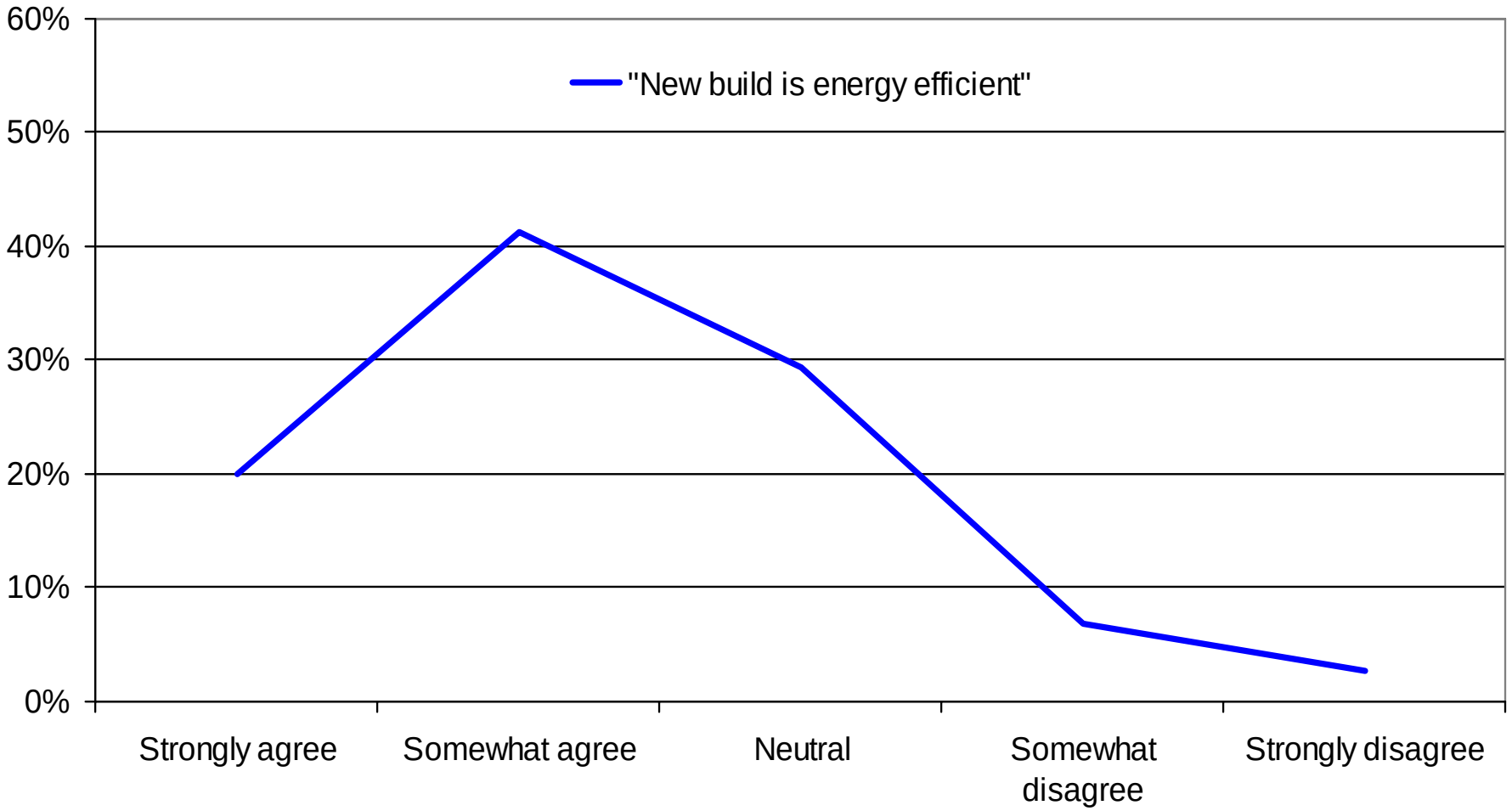
but who buys new homes?

the new build market has broadened massively



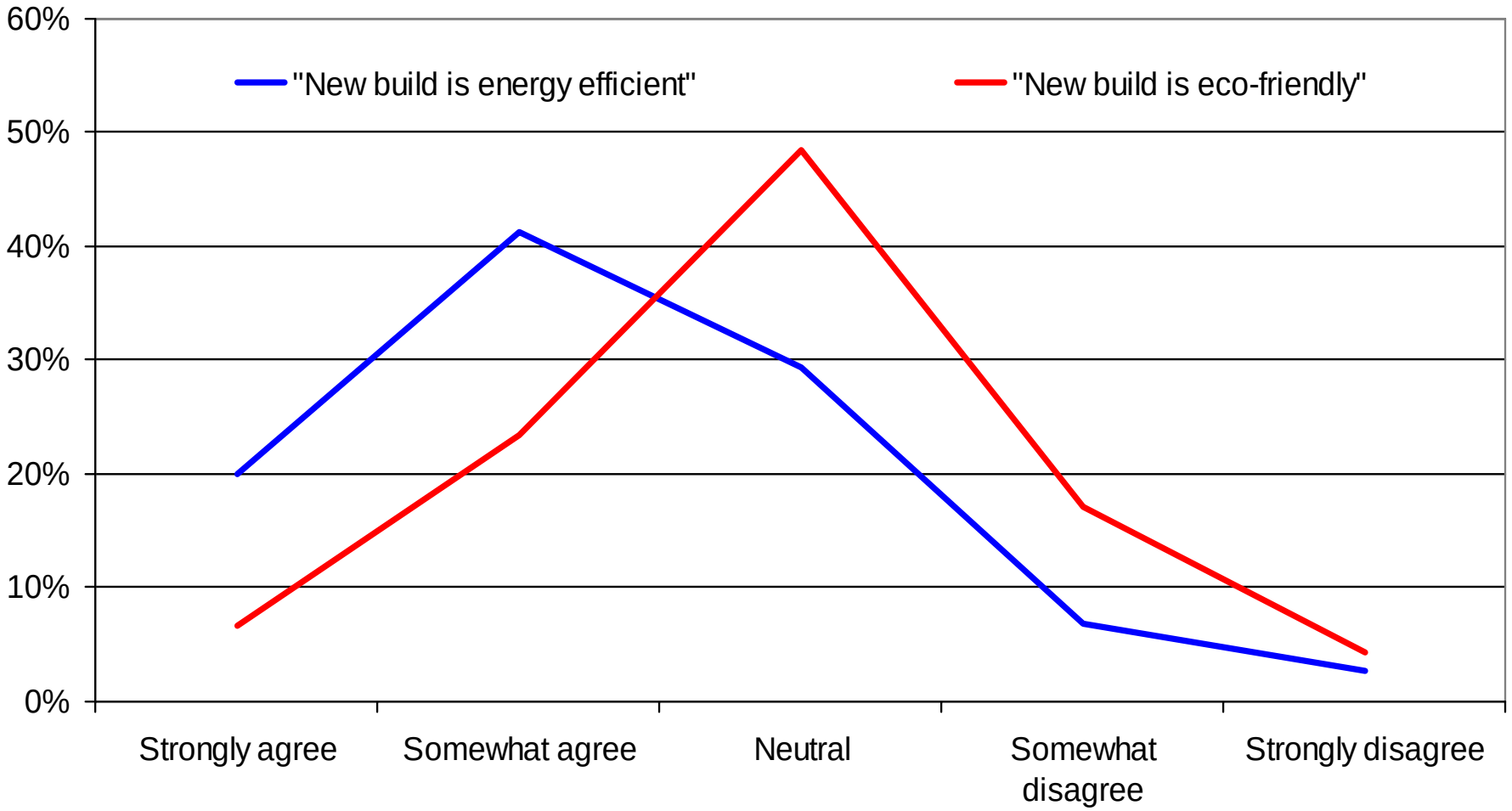
Source: Savills Research

developers have some reputation for eco-friendliness …



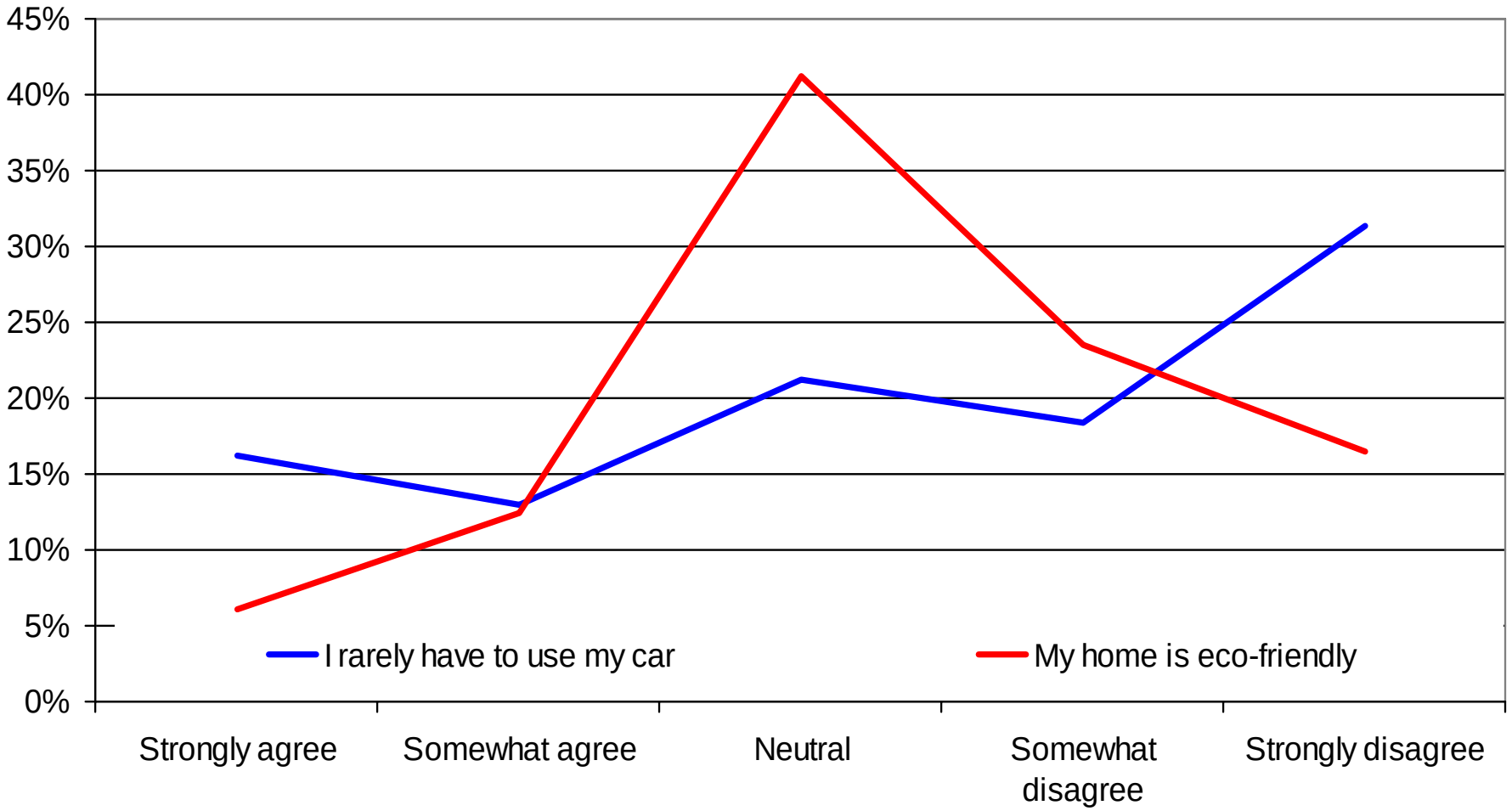
Source: Savills Research

… but not much



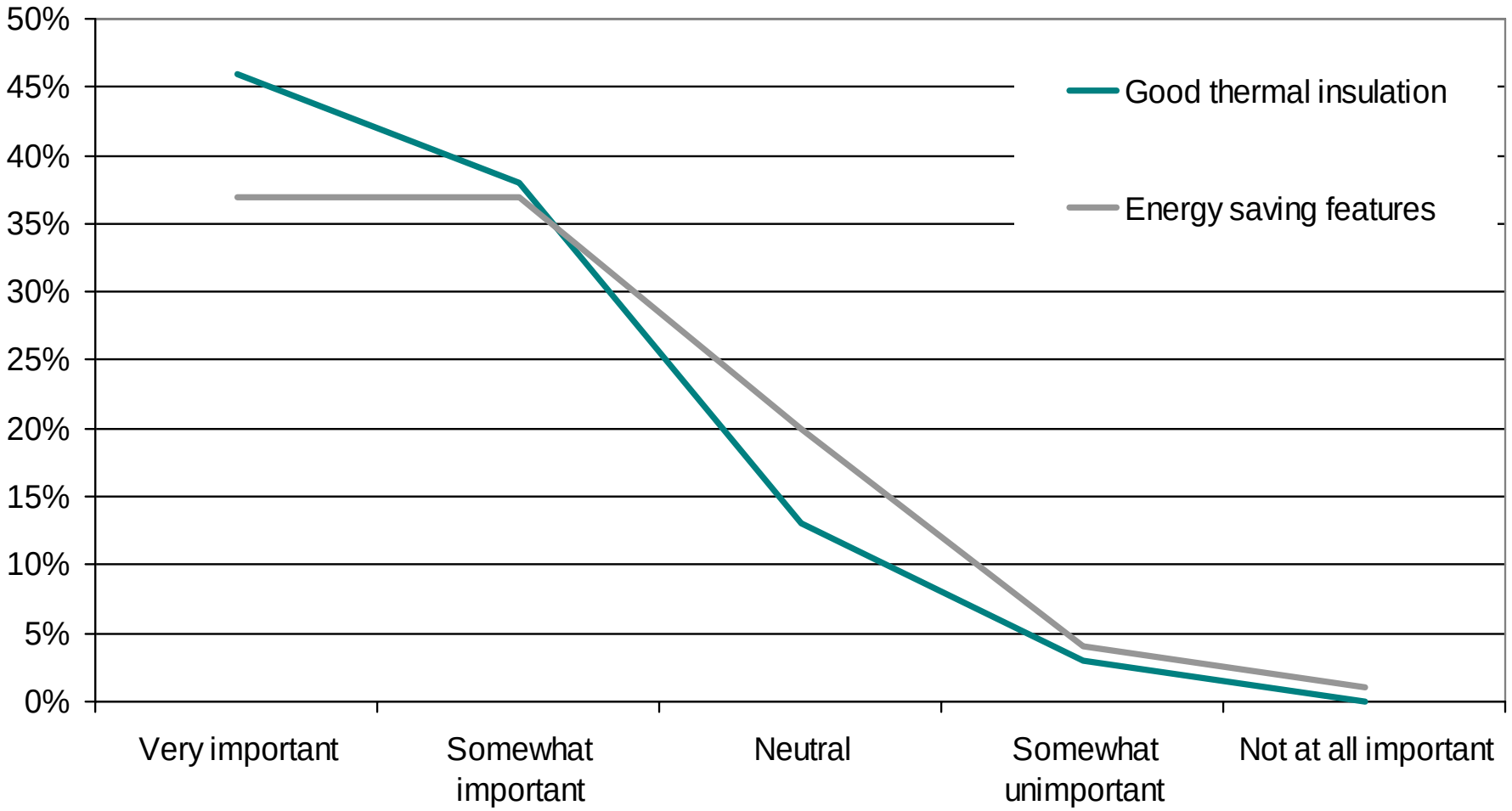
Source: Savills Research

green is not mainstream



Source: Savills Research

energy efficiency is important to people …

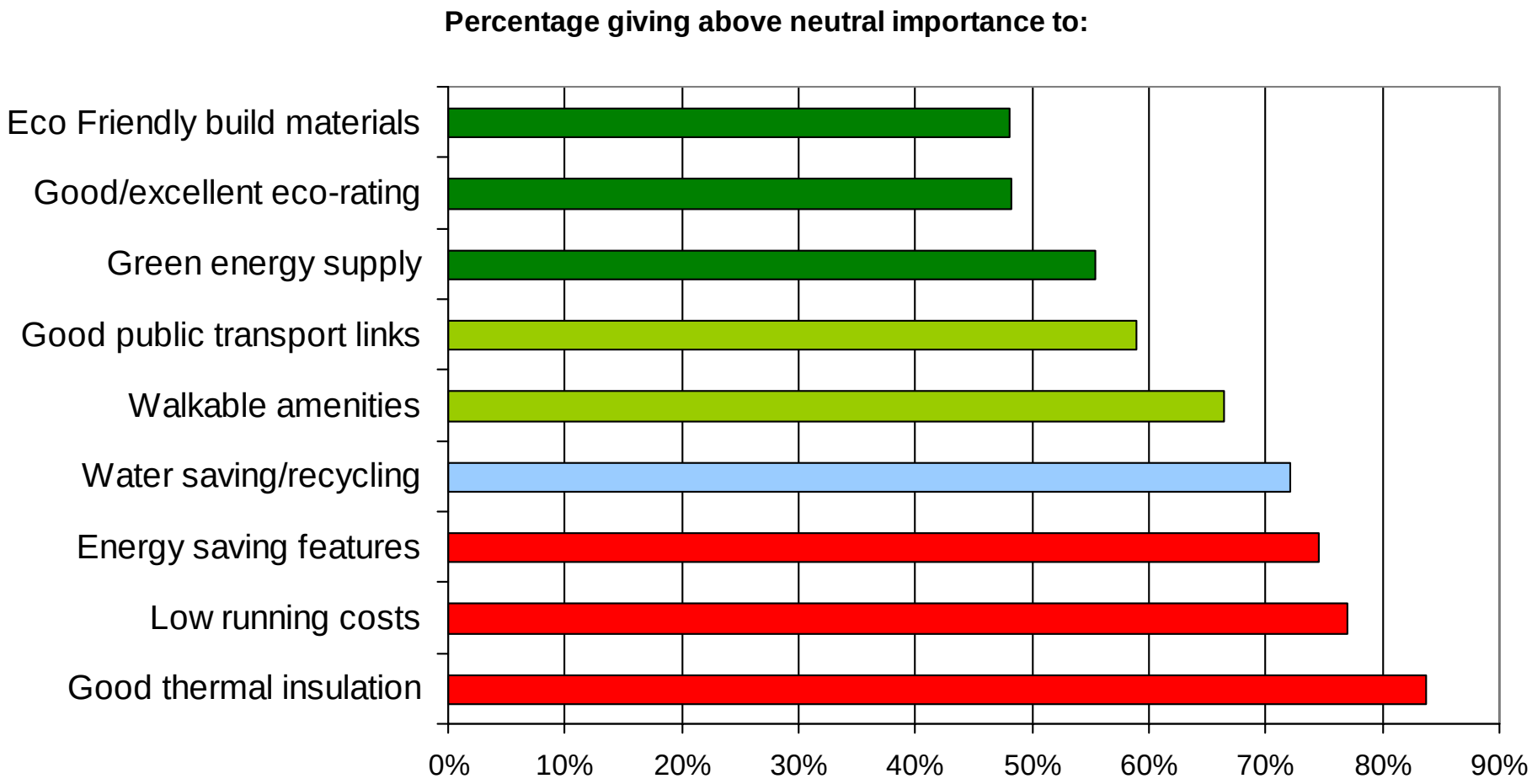


Source: Savills Research

… but it’s really about this …

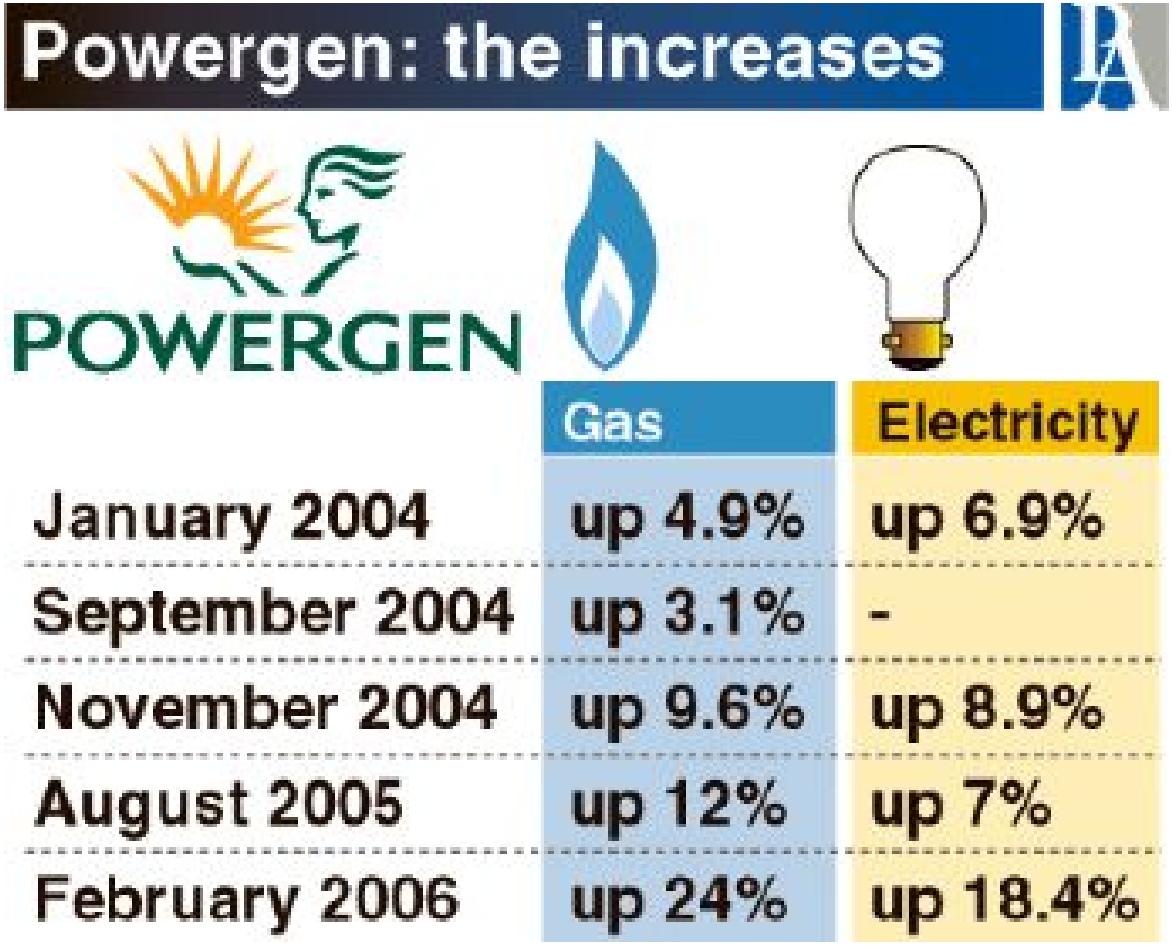


heat, energy, water and cost savings beat green-credentials



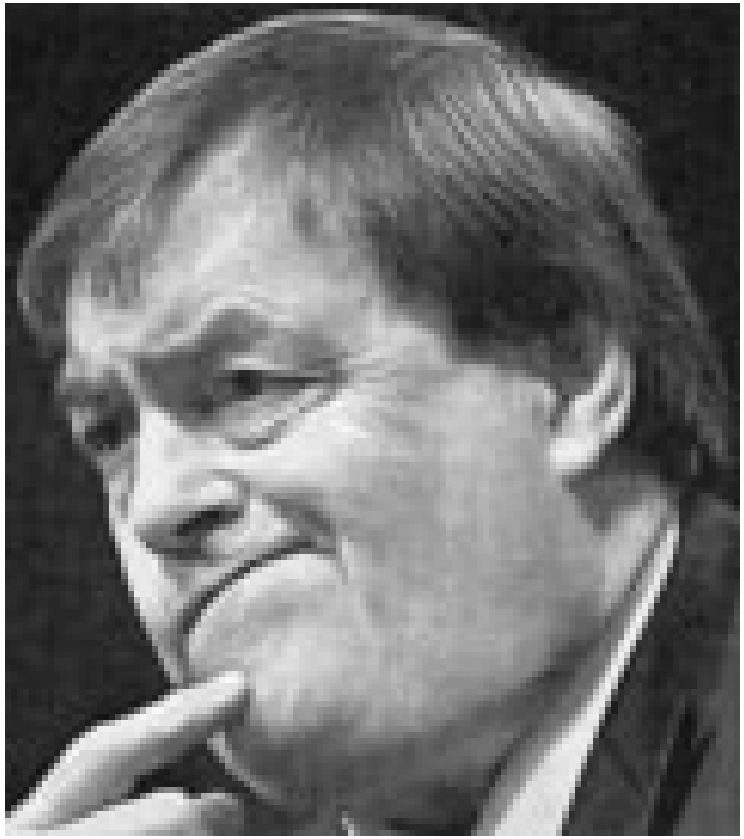
Source: Savills Research

so +65% gas bills have had an impact …

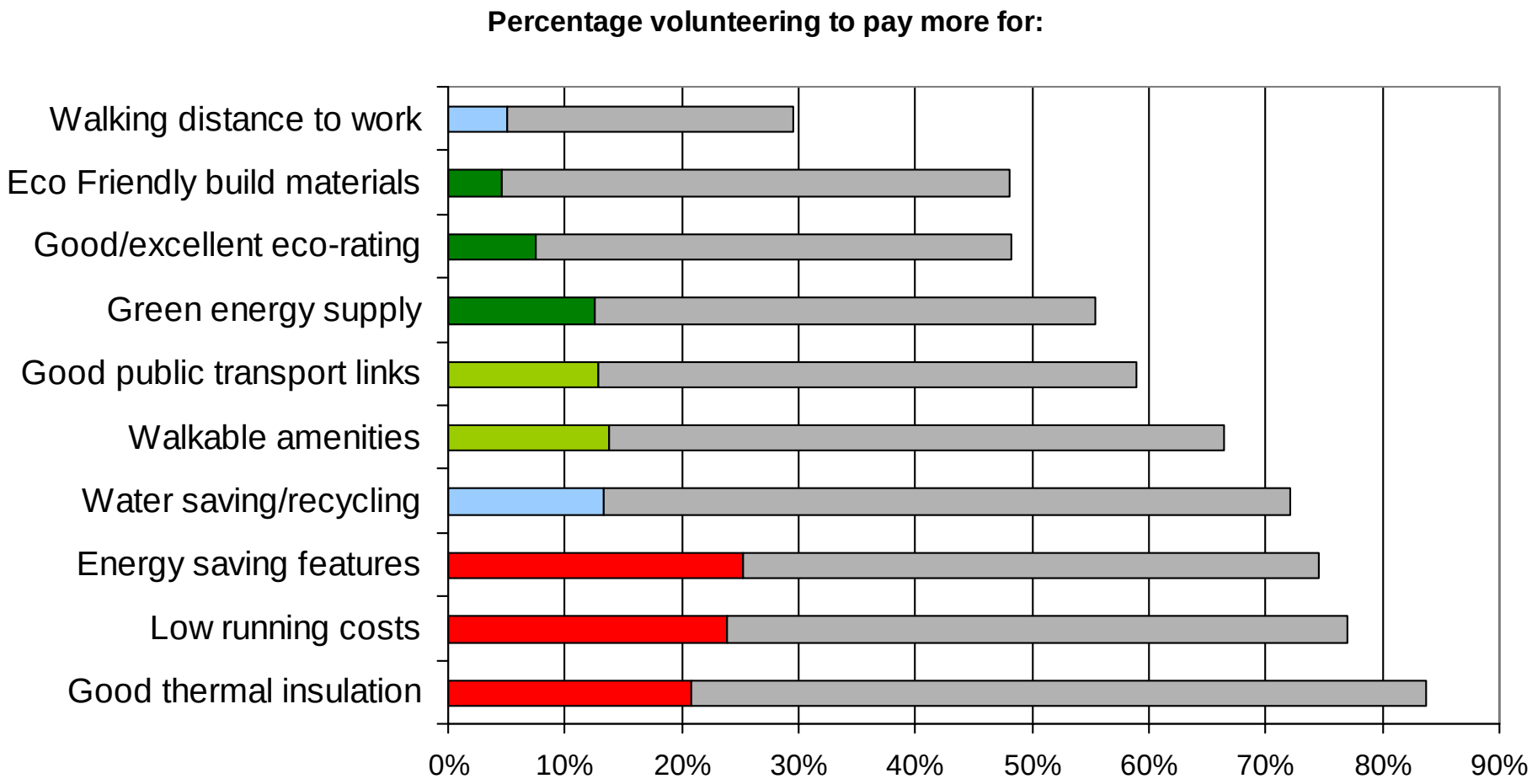


	Gas	Electricity
January 2004	up 4.9%	up 6.9%
September 2004	up 3.1%	-
November 2004	up 9.6%	up 8.9%
August 2005	up 12%	up 7%
February 2006	up 24%	up 18.4%

…but he hasn’t



how many will pay for greenness?



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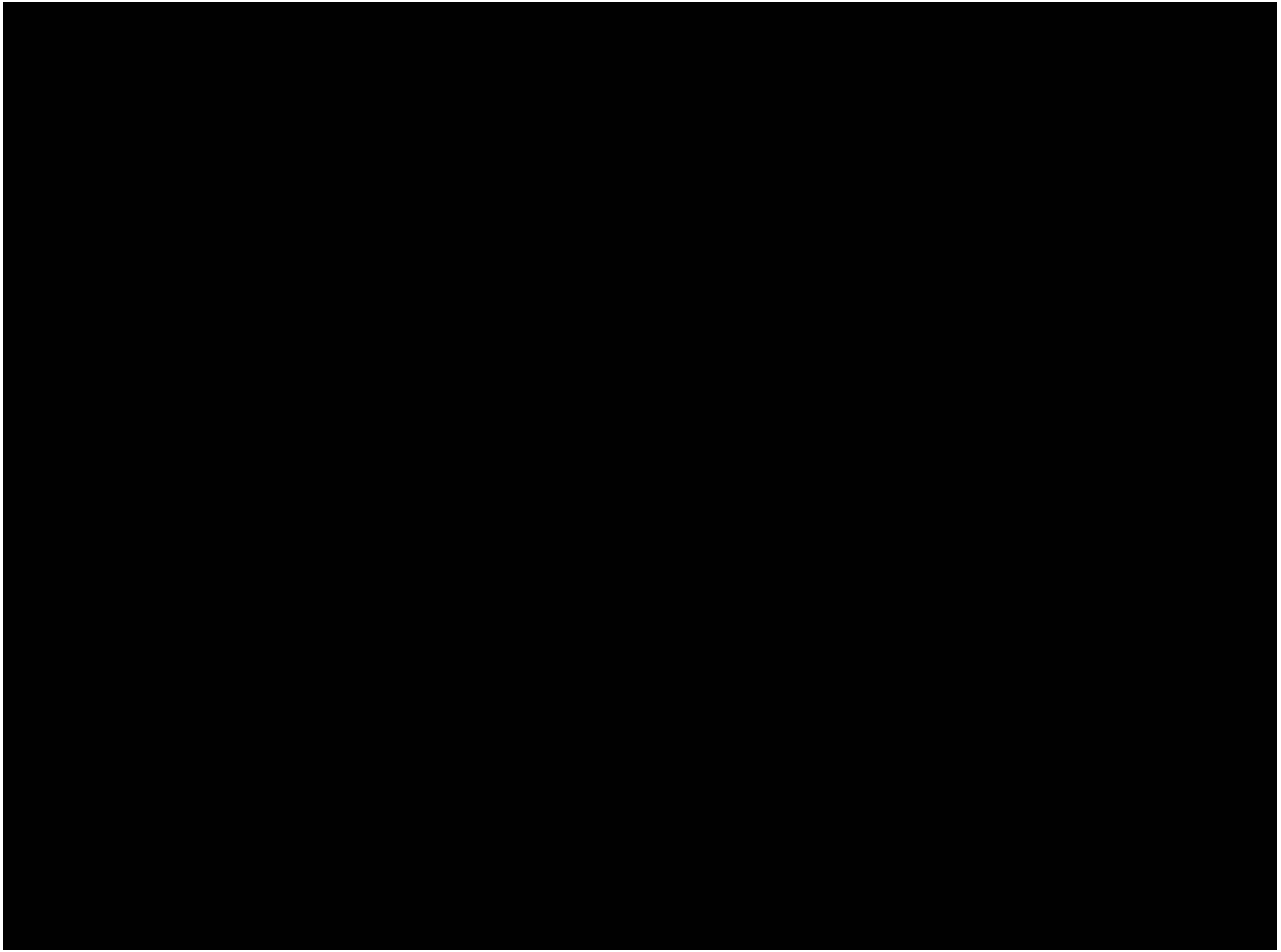
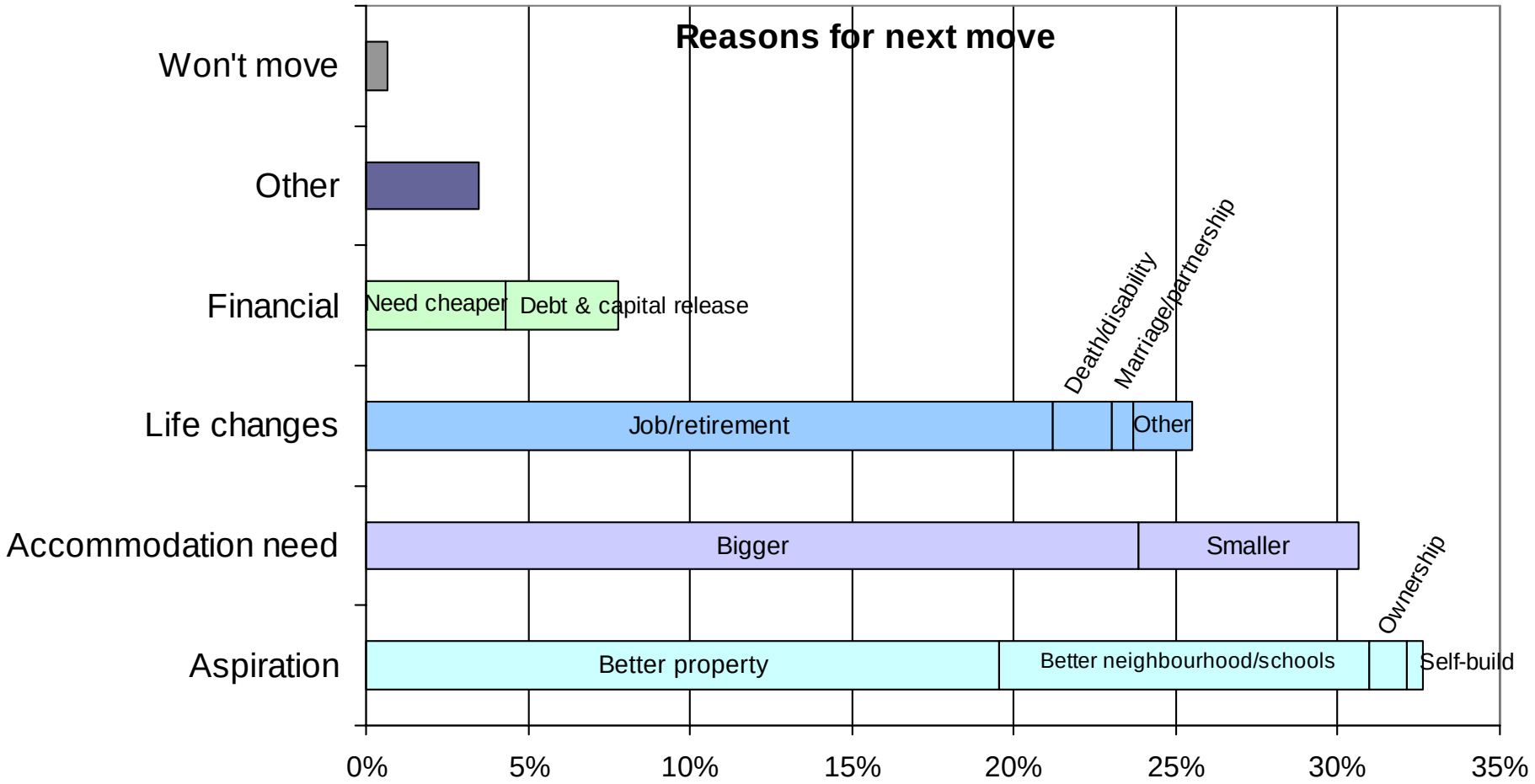


what can developers do next?

customer aspirations are a big market driver



Source: Savills Research

eco excellence goes has to go hand in hand with quality …





.. kerb and lifestyle appeal will add more value …





as will good placemaking





