



TRIRIGA[®]

Environmental Sustainability in 90 Days

**TRIRIGA Real Estate Environmental Sustainability™
August 13, 2008**

Ed Lubieniecki, Managing Director, RealFoundations

Barbry McGann, Executive Vice President, TRIRIGA

The Global IWMS Leader
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Agenda

- **Introductions**
- **State of Environmental Sustainability**
- **Integrated Service and Software Offering**
- **Level 1: Measure**
- **Level 2: Manage**
- **Level 3: Reduce**
- **90 Day Offer**
- **Next Steps**

Introduction of Speakers

- **Ed Lubieniecki**

Ed is a Managing Director of RealFoundations and brings over 25 years experience as a real estate management consultant. His experience with corporate and institutional clients includes extensive work in the environmental sustainability area.

- **Barbry McGann**

Barbry is Executive Vice President of Product Marketing and Strategy with TRIRIGA. She brings over 18 years of product management, business planning, financial analysis, information technology consulting, project planning and implementation experience.

State of Environmental Sustainability

55%

Today, 55% of the world's leading companies have policies to reduce energy consumption

86%

However, 86% of these companies lack the capability to measure and report on their carbon footprint

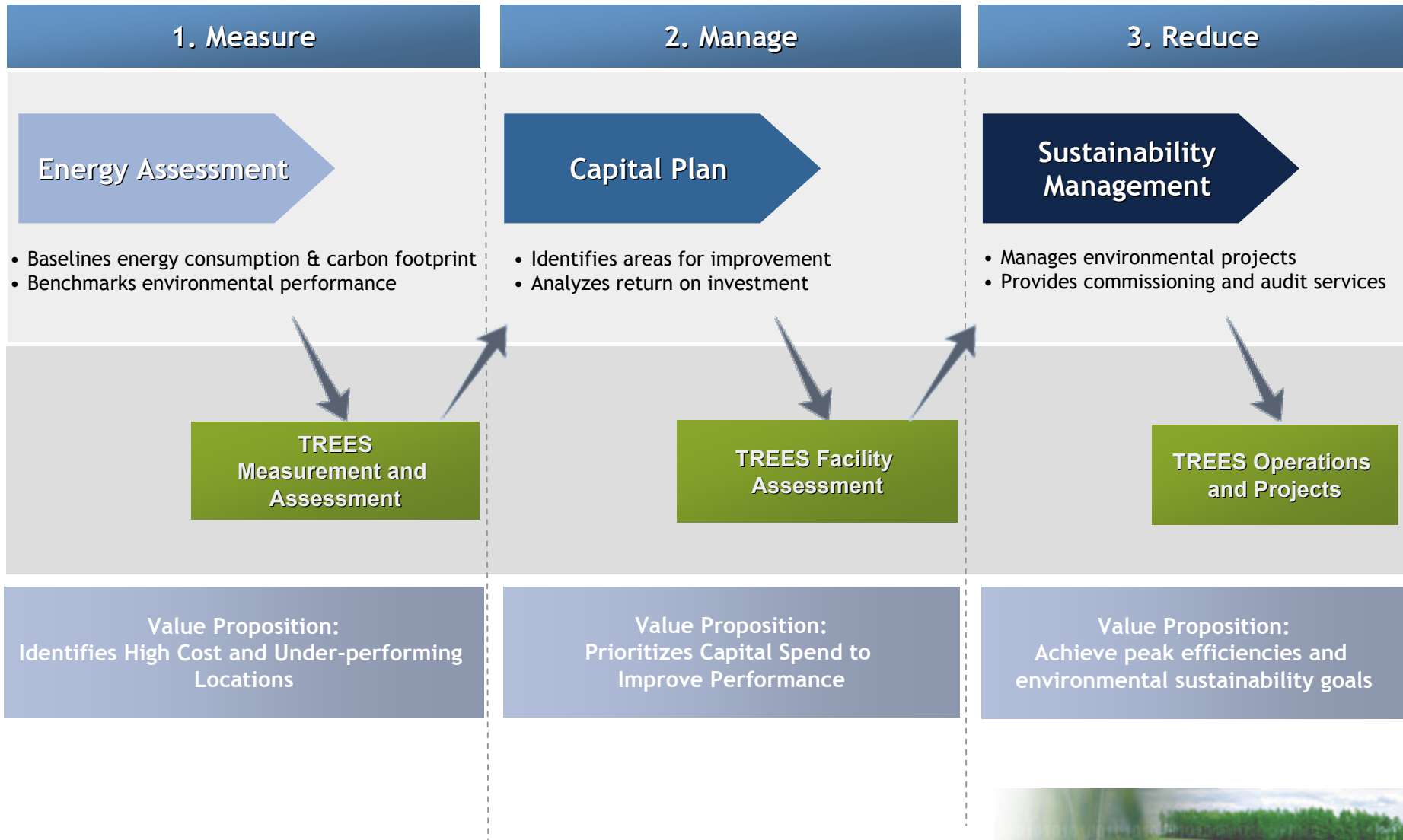
20%

Only 20% of these companies today actively manage energy consumption and carbon emissions

10%

Even fewer, only 10%, have implemented systems to achieve environmental sustainability goals

Integrated Environmental Advisory Services and Software



1. Measure

Baseline and Benchmark Environmental Performance

RealFoundations Services: Energy Assessment Service

- ✓ Perform on-site building systems inventory
- ✓ Collect and input utility consumption data
- ✓ Review operational process and procedures
- ✓ Complete high level benchmark review
- ✓ Provide summary report of findings on energy consumption and asset condition

TRIRIGA Software: TREES Measurement and Assessment

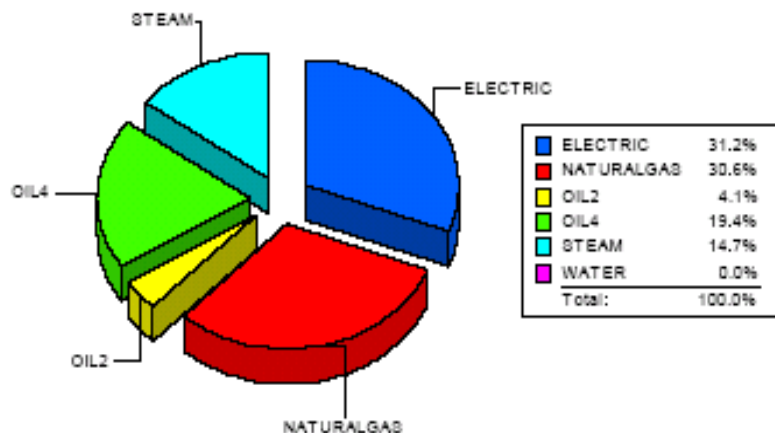
- ✓ Integrate and upload energy data (baseline)
- ✓ Consolidate energy data into single repository
- ✓ Calculate and disclose carbon emissions footprint
- ✓ Benchmark performance to goals and industry
- ✓ Analyze and report on environmental performance
- ✓ Provide audit trails for consumption and emissions
- ✓ Report performance to environmental regulations

Value Proposition

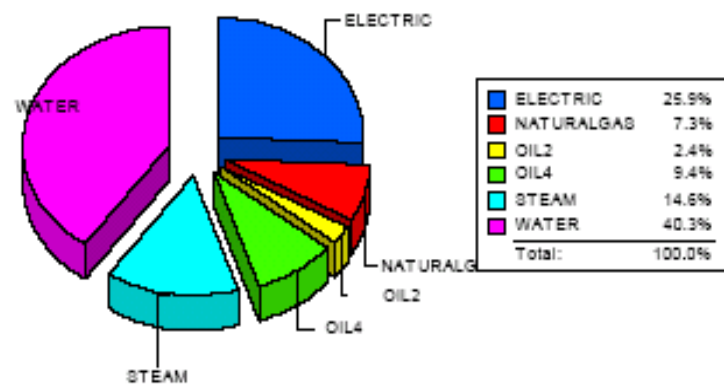
- Identifies high cost and under-performing locations in real estate portfolio

Example Baseline: Summary Energy Use/Cost

Energy Use Percentage

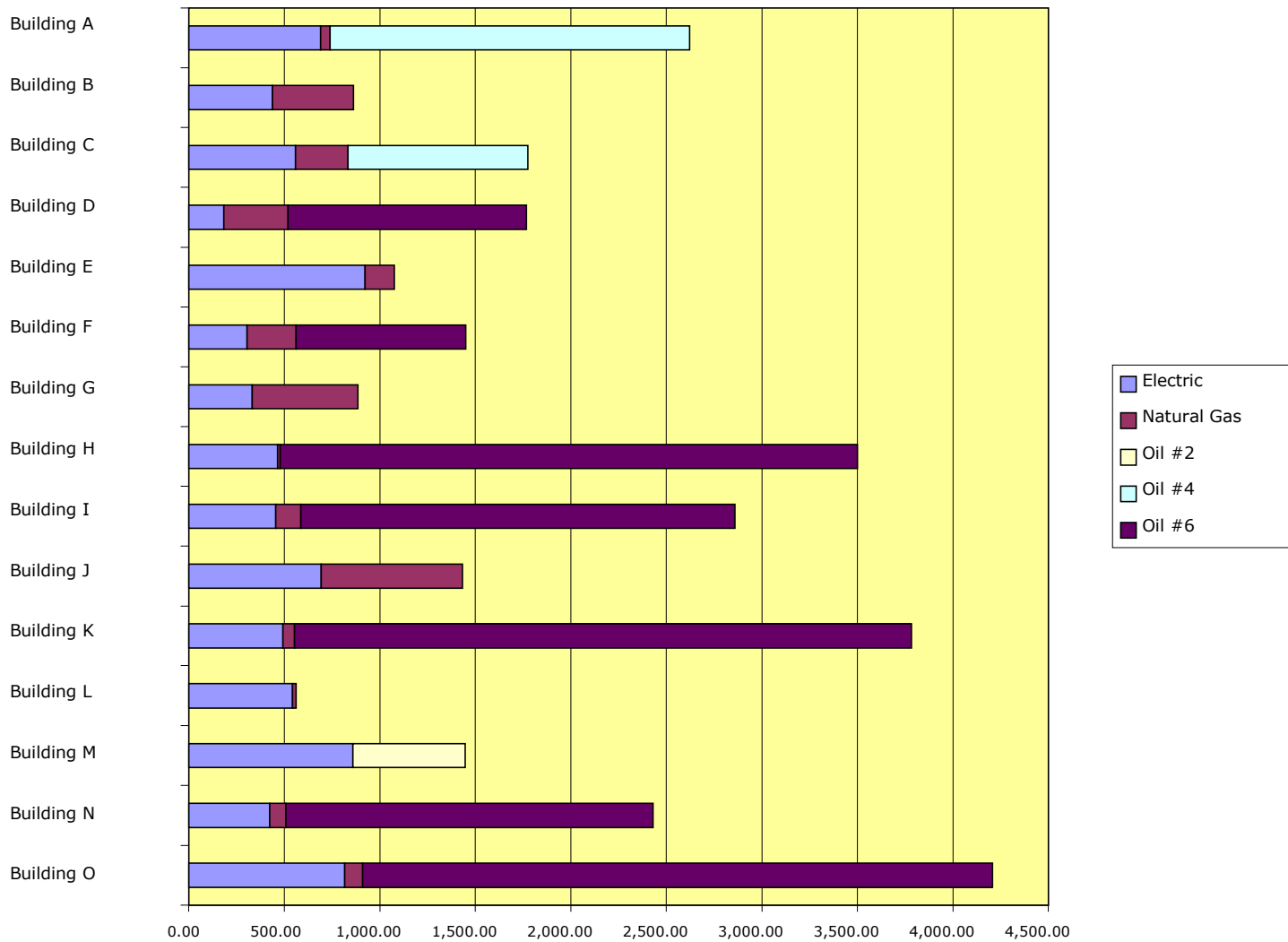


Cost Percentage

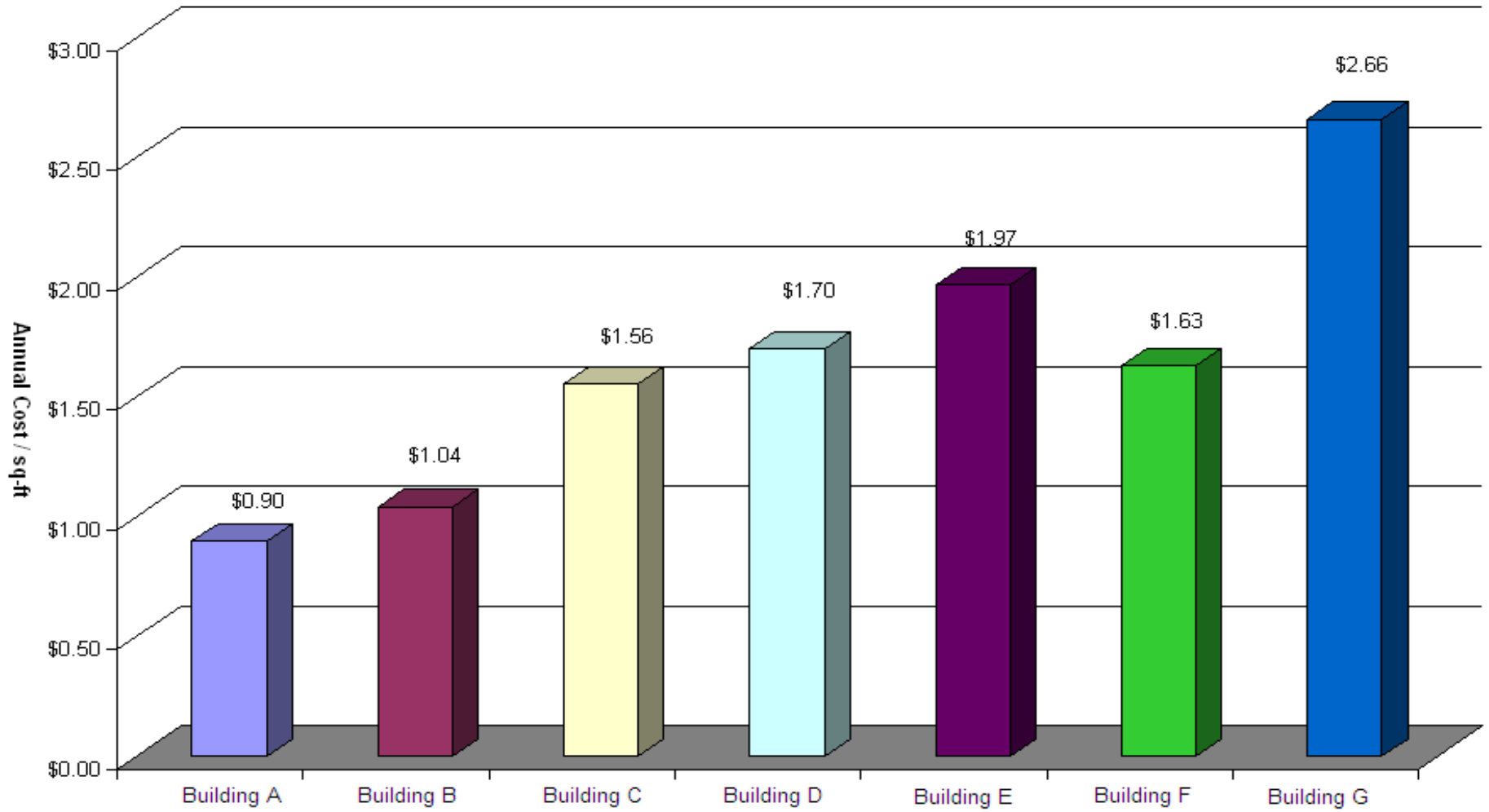


Commodity	Common Use	Energy Use: MMBtu	Energy Percentage	Cost	Cost Percentage	Cost/Unit
ELECTRIC	18,238,800 kWh	62,249	31%	\$1,218,957.80	25.93%	\$0.0668 / kWh
NATURALGAS	59,279 MCF	61,058	31%	\$344,748.00	7.33%	\$5.8157 / MCF
OIL2	58,286 Gal	8,084	4%	\$114,349.00	2.43%	\$1.9619 / Gal
OIL4	268,262 Gal	38,765	19%	\$443,399.00	9.43%	\$1.6529 / Gal
STEAM	25,437 MLB	29,253	15%	\$686,777.26	14.61%	\$26.9991 / MLB
WATER	256,974 MGal			\$1,891,969.95	40.25%	\$7.3625 / MGal
Grand Totals:		199,407.585		\$4,700,201.01		

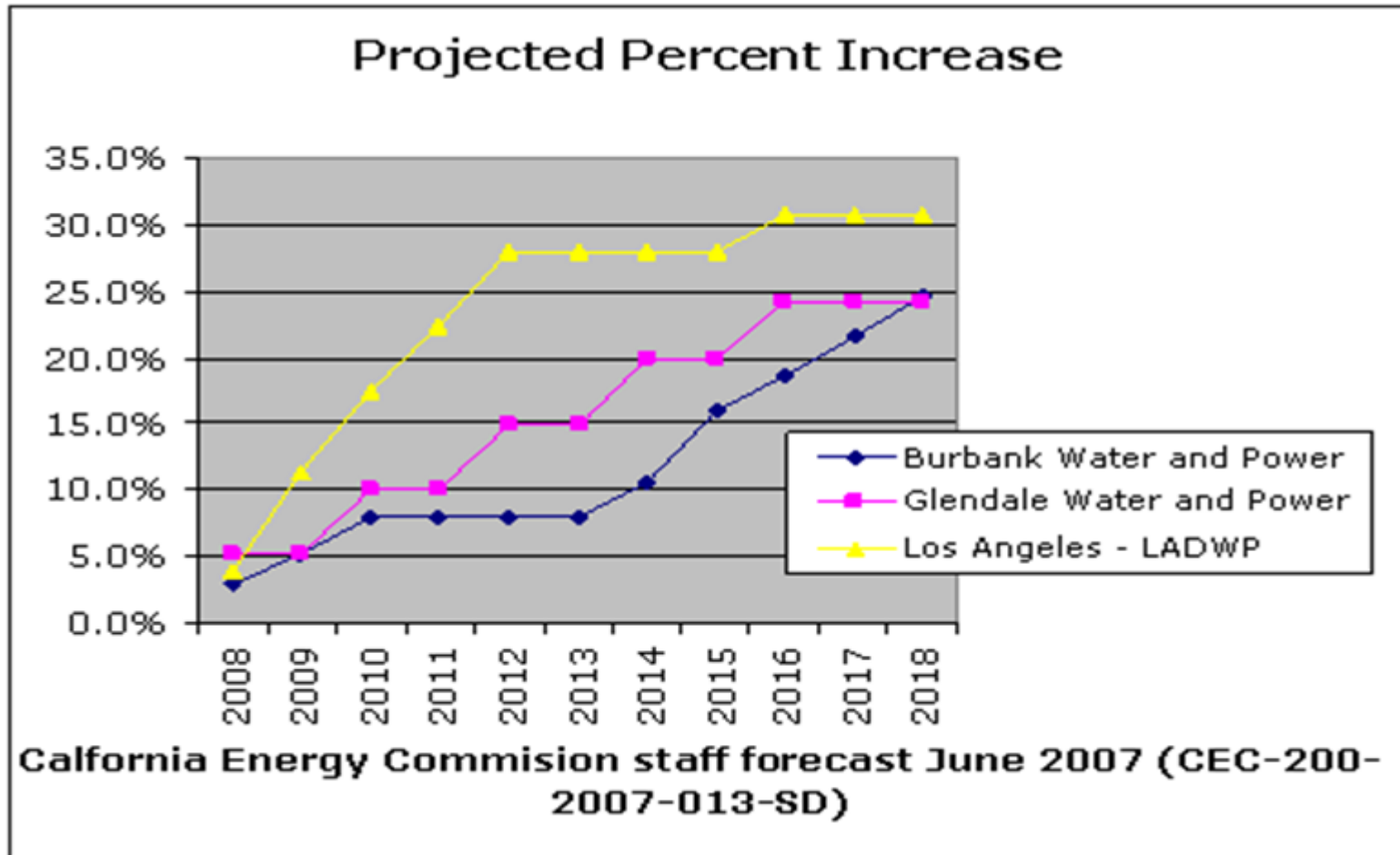
Example Baseline: CO₂ Summary Chart By Building



Example Benchmark: Annual Utility Cost Per Square Foot



Example Benchmark: Projected Electricity Price Increase



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Value Proposition

- Identifies high cost and under-performing locations in real estate portfolio

Polling Question #1

Are you using or planning to use environmental advisory services for the following?

2. Manage

Evaluate and Assess Environmental Opportunities

RealFoundations Services: Add Capital Planning Services

Includes Energy Assessment Services plus:

- ✓ Conduct facility assessment: HVAC, lighting, metering, and building automation systems
- ✓ Develop list of energy savings initiatives for water, gas, electricity and steam
- ✓ Provide future state recommendations for building automation systems and utility metering
- ✓ Provide overall cost savings and ROI analysis to maximize capital investment

TRIRIGA Software: Add TREES Facility Assessment

Includes TREES Measurement and Assessment plus Facility Assessment:

- ✓ Upload environmental opportunities (assessment and capital plan from Real Foundations)
- ✓ Analyze and assess environmental opportunities
 - Cost: RS Means environmental data
 - Energy Savings: BOMA Energy Star
 - Carbon Reduction: GHG Protocol
- ✓ Group and review environmental opportunities across real estate portfolio: by project type, location, and overall financial return
- ✓ Report on opportunity impact and costs

Value Proposition:

Prioritizes capital spend to improve performance of real estate assets and operations

Example of Environmental Opportunities Collected

	Opportunity	Low Annual Savings Estimate	High Annual Savings Estimate
1	Enhanced Lighting Devices: Upgrade all inefficient lighting devices and install occupancy sensors to decrease electrical usage.	\$330,000	\$450,000
2	Improved HVAC Equipment: Installment of more efficient HVAC units along with improved boilers and chillers will yield decreased utility usage.	\$275,000	\$350,000
3	Energy Utility Management: Implement a Energy Utility Management system with automated interval meters and optional demand control.	\$300,000	\$450,000
4	Building Automation Systems: Achieve increased operational efficiency from an automated building system that will result in optimal equipment usage.	\$350,000	\$500,000
	Total Annual Savings:	\$1,255,000	\$1,750,000

Example of ROI Analysis for Lighting

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Net Savings										
Installation Costs										
Equipment	\$353,600	\$225,000	\$225,000							
External Resource	\$200,000									
Travel	\$36,000									
Contingency Costs	\$88,440	\$33,750	\$33,750							
Total Installation Costs	\$678,040	\$258,750	\$258,750							
Savings										
Rebate	\$30,360	\$60,720	\$60,720	\$32,200						
Fixture Retrofit	\$52,148	\$156,445	\$286,815	\$347,655	\$347,655	\$382,421	\$382,421	\$382,421	\$420,663	\$420,663
Occupancy Sensors	\$3,638	\$10,915	\$20,010	\$24,255	\$24,255	\$26,681	\$26,681	\$26,681	\$29,349	\$29,349
Total Savings	\$86,147	\$228,080	\$367,546	\$404,110	\$371,910	\$409,101	\$409,101	\$409,101	\$450,011	\$450,011
Net Savings	(\$591,894)	(\$30,671)	\$108,796	\$404,110	\$371,910	\$409,101	\$409,101	\$409,101	\$450,011	\$450,011
Net Present Value	\$1,043,679									
Pre-Tax Internal Rate of Return	35.06%									

Case Study - Media and Entertainment Company



Environmental Advisory Services

Scope:

- International portfolio of 20M SF office and studio properties, \$30B annual revenue
- Pilot program - 110 buildings, 5M/SF, \$15M annual energy costs

Improvement Opportunities

Level 2:

- Energy Assessment and Capital Planning Services

Timeline

- Replace lighting, HVAC systems, and install metering and build automation systems over next 2 years

Projected Savings

- 120 Days

- \$14 million over the next 10 years

ROI

- Expected ROI to be 23%

2. Manage

Evaluate and Assess Environmental Projects

RealFoundations Services: Add Capital Planning Services

Includes Energy Assessment Services plus:

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TRIRIGA Software: Add TREES Facility Assessment

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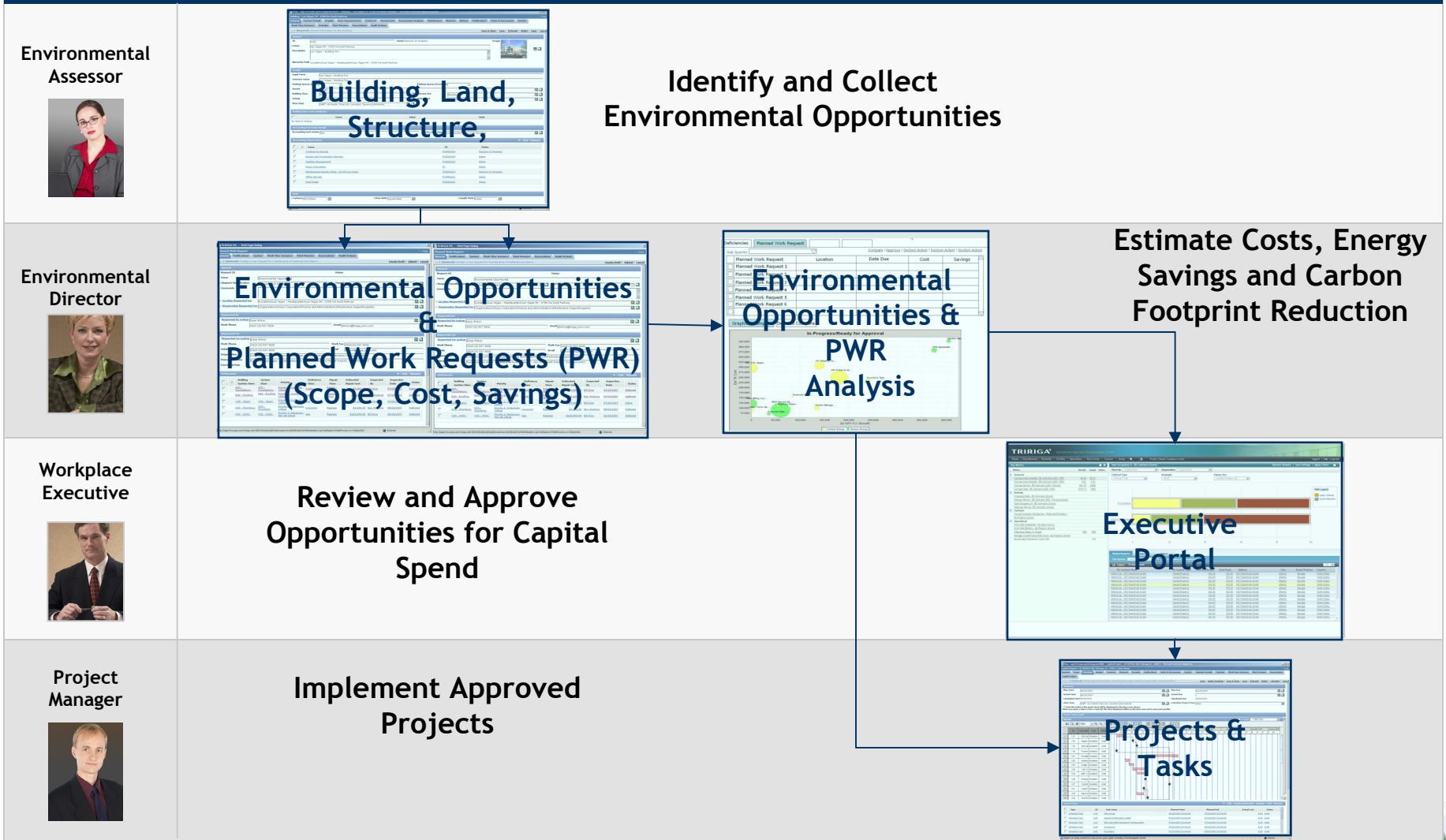
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Value Proposition:

Prioritizes capital spend to improve performance of real estate assets and operations

Evaluate and Assess Environmental Opportunities

Environmental Opportunity Analysis and Assessment Process



Polling Question #2

How do you measure and calculate energy consumption and carbon footprint today?

3. Reduce

Reduce Energy Consumption and Report Results

RealFoundations Services: Add Sustainability Management Services

- ✓ Implement identified improvement initiatives
- ✓ Project manage environmental initiatives
- ✓ Provide post-implementation and installation assessment
- ✓ Assess impact of environmental initiatives to capital plan and goals
- ✓ Prioritize next steps

TRIRIGA Software: Add TREES Operations and Projects

- ✓ Allocate capital spend to prioritized environmental opportunities across portfolio
- ✓ Automate projects and operational processes based on approved environmental opportunities
- ✓ Track project cost, scope and schedule of environmental projects
- ✓ Project manage LEED certification
- ✓ Provide reporting to track actual costs and impact to capital plan
- ✓ Provide reporting for certification and compliance: Tripe Bottom Line, Carbon Disclosure

Value Proposition:

- Achieve peak efficiencies and achieve environmental sustainability goals

Case Study - Major Commercial Developer



Scope:

- West Coast based land and property developer
- 400+ office buildings, 40 retail centers, 75+ apartment communities, along with hotels, marinas and golf

Environmental Advisory Services

Level 3:

- Energy Assessment, Capital Planning and Sustainability Management Services

Improvement Opportunities

- Improve business intelligence around the energy and building automation systems
- Improve operational efficiency of real estate assets

Timeline

3 - 9 months

Projected Savings

\$3 million annually + \$550k reduction in annual water penalties

ROI

Reduced utility bills by 3 - 5%

Case Study - Nationwide Shopping Center Owner



Scope:

- 70+ retail centers
- Over 75 Million square feet
- Concentrations in high-cost California, NYC Metro, and suburban Washington DC regions

Environmental Advisory Services

Level 3:

- Energy Assessment, Capital Planning and Sustainability Management Services

Improvement Opportunities

- Replace utility management systems
- Implement business intelligence surrounding energy tracking and monitoring

Timeline

120 Days

Projected Savings

\$11 million

ROI

37%

3. Reduce

Reduce Energy Consumption and Report Results

RealFoundations Services: Add Sustainability Management Services

- ✓ Implement identified improvement initiatives
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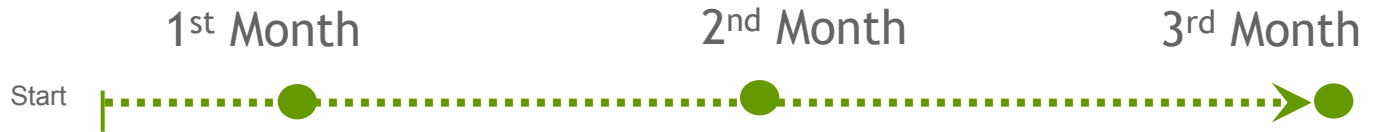
Value Proposition:

- Achieve peak efficiencies and achieve environmental sustainability goals

Summary: Integrated Software and Service Solutions

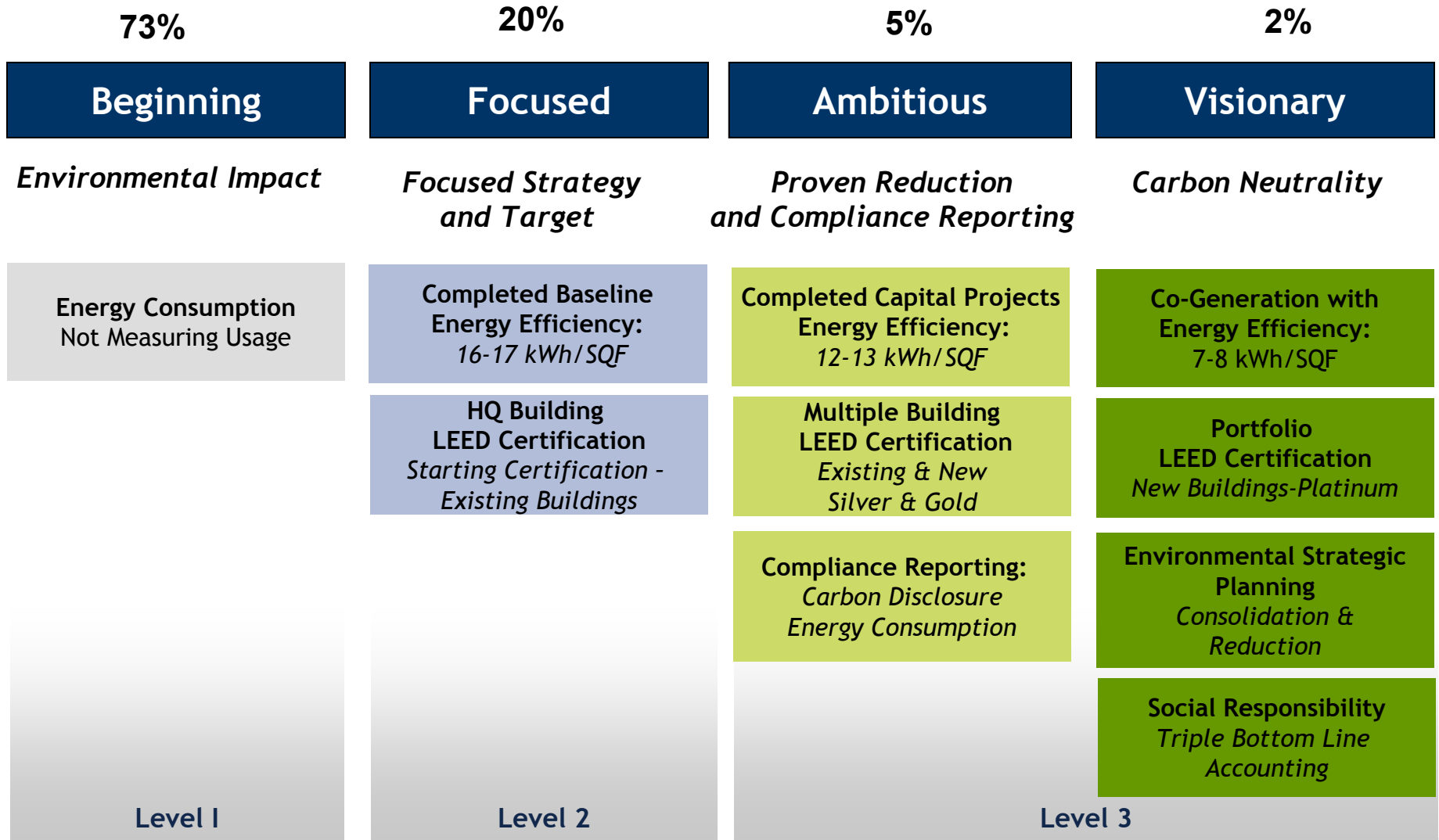
Level 1: Measure	Level 2: Measure & Manage	Level 3: Measure, Manage & Reduce
Energy Assessment	Energy Assessment	Energy Assessment
TREES Measurement and Assessment Solution	Capital Plan	Capital Plan
	TREES Measurement and Assessment Solution	Sustainability Management
	TREES Facility Assessment	TREES Suite: TREES Measurement and Assessment Solution TREES Facility Assessment TREES Operations TREES Projects
90 Days	120 days	180-360 days

90 Day Offer and Timeline: Level 1- Measure



<p>RealFoundations Services</p>	<ul style="list-style-type: none"> • Inventory building systems • Review operational procedures 	<ul style="list-style-type: none"> • Collect and organize energy consumption data 	<ul style="list-style-type: none"> • Analyze and benchmark asset condition and energy consumption data
<p>TRIRIGA Software</p>	<ul style="list-style-type: none"> • Create hosted site and install TREES applications 	<ul style="list-style-type: none"> • Implement TREES Measurement and Assessment Solution • Configure system: roles, metrics, reports, portals 	<ul style="list-style-type: none"> • Upload portfolio & energy data into system

Environmental Sustainability Maturity Curve



Polling Question #3

**Where are you on the Environmental Sustainability
Maturity Curve?**

To get started today: contact information



TRIRIGA®

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real  foundations

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