



Building Upgrade Value Calculator

Financial Results

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According to the U.S. EPA, investing in energy performance can improve the financial performance of commercial real estate. For the energy efficiency measures you entered, EPA estimates that if all the benefits were to flow to the bottom line, your property would:

- Reduce annual operating expense by: \$ 81,876
- Improve net operating income by: \$ 81,876
- Enhance asset value by: \$ 1,364,600

Financial Summary

Net Investment Cost	\$ 168,178
Net Investment Cost per SF	\$ 0.39
Simple Payback Period (SPP)	2.05 years
Return On Investment (ROI)	49%
Net Present Value (NPV)	\$381,217
Internal Rate of Return (IRR)	48%
Potential Impact on Net Operating Income (NOI)	\$ 81,876
Potential Impact on Asset Value	\$ 1,364,600

Energy Project Summary

	Before Upgrade	After Upgrade	Estimated Savings
ENERGY STAR Rating	95	95	0 points
Annual Energy Cost	\$ 826,440	\$ 780,243	\$ 46,197
Annual Energy Cost per SF	\$ 1.92	\$ 1.82	\$ 0.11

Annual Energy Savings Summary

	Garage Lighting Retrofit	Labor and Supplies Savings	Net Operating Expense Reduction	Operating Expense Reduction per SF
Year 1	\$46,197	\$35,679	\$81,876	\$0.19
Year 2	\$46,197	\$35,679	\$81,876	\$0.19
Year 3	\$46,197	\$35,679	\$81,876	\$0.19
Year 4	\$46,197	\$35,679	\$81,876	\$0.19
Year 5	\$46,197	\$35,679	\$81,876	\$0.19
Year 6	\$46,197	\$35,679	\$81,876	\$0.19
Year 7	\$46,197	\$35,679	\$81,876	\$0.19
Year 8	\$46,197	\$35,679	\$81,876	\$0.19
Year 9	\$46,197	\$35,679	\$81,876	\$0.19
Year 10	\$46,197	\$35,679	\$81,876	\$0.19

For more information on the financial value of improving the energy performance of commercial real estate or to learn about other ENERGY STAR tools and resources, please visit ENERGY STAR at: <http://www.energystar.gov/>
 For questions or comments about this calculator, please email: buildingscalculators@energystar.gov