Moody's CRE Building Emissions Policy Data

Get Ahead of Regulatory Changes with Building Emissions Policy Data

There is an ongoing proliferation of building performance standards across the country, setting emissions limits and disclosure requirements for buildings. However, these laws are at the local level, varying by state and city. Understanding the status of building emissions policies is critical for investors, lenders, brokers and other CRE professionals navigating the current and future landscape of real estate. Through Moody's CRE, we've mapped comprehensive information on building emissions policies[1], to properties across the U.S., empowering our clients to make informed decisions, assess risks and opportunities, and align their strategies with current and future environmental standards.

Key Features Include:

→ Identification of policy name, type, and year enacted

→ Details on performance metrics and targets

→ An overview of compliance timelines, pathways, and penalties for non-compliance

→ Information on submission costs, as well as audit, tune-up, and verification requirements

Understanding how a real estate asset may be impacted by building emissions policies is essential for several reasons:

Cost Forecasting
Projecting the expenses associated with adhering to regulations or the fines for violations is crucial for determining the accuracy of investment return estimates.

Reputation Impact
A property's environmental footprint influences its attractiveness to the market; non-compliance can harm, while exceeding standards can enhance reputation.

Strategic Planning
Understanding the global shift towards more stringent environmental regulations is essential for effective long-term strategy development in CRE.

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[1] Data sourced from the Institute for Market Transformation (IMT)

Lenders and investors utilize building emissions policy data in various stages of their workflows. It serves as a critical component in risk assessment, helping identify environmental and regulatory risks that could impact a property's value and the borrower's repayment capacity. During due diligence, this data aids in evaluating a property's sustainability and long-term viability. It helps inform strategic planning, influences portfolio management decisions, impacts loan pricing and terms, and aligns investment with ESG goals.

For more information on Moody's CRE differentiated data, products and solutions visit cre.moodysanalytics.com.