Green Lease Leaders



TEAM TRANSACTION REFERENCE **GUIDE**

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Developed by:

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TRANSFORMATION

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The purpose of this award is to recognize green leasing transactions. With a Team Transaction award, several parties can be a part of this recognition. For example, a landlord, tenant and broker or consultant can all earn recognition for their work together on one lease transaction.

For landlords and tenants, the Team Transaction award is meant to be a stepping stone to Landlord and Tenant Green Lease Leaders recognition. Particularly for landlords and tenants who are starting their green leasing journeys and may not have a standard green lease form or standard green leasing process yet, the Team Transaction award can serve to validate a green leasing approach.

For brokers and consultants, the Team Transaction award is a way to demonstrate to your clients that your organization has expertise in industry leading green leasing practices and can help create green leases that align with the client's efficiency goals.

How is this award different from a Landlord or Tenant Green Lease Leaders award?

The Team Transaction award recognizes one single lease transaction whereas the Landlord and Tenant Green Lease Leaders awards recognize the larger portfolio. This award celebrates and acknowledges the collaboration between all parties to achieve win-win outcomes.

Several parties can earn recognition for one transaction. Since a standard green lease form is not a requirement for this award, the Team Transaction award can be used to validate a single green lease transaction and inform future green leases and a long-term green leasing strategy. **The intent is for participating landlords and tenants to move on to earn Landlord or Tenant Green Lease Leaders recognition the following year if they have put their green lease clauses into their standard lease form**.

There is only one level of recognition for a Team Transaction award. Recognition is valid for one year, as compared to the Landlord and Tenant three-year recognition.

ACKNOWLEDGEMENTS

Thank You to Our 2027 Supporting Partners

Green Lease Leaders is made possible through the contributions of our Supporting Partners. Our Champion, Teammate, and Friends' financial support directly fund the Green Lease Leaders program and resources to ensure that the industry has access to green leasing knowledge. Our Allies' promotional efforts help us spread awareness of the value of green leasing.

Champion

YARDI

Teammate

USL TECHNOLOGY SUSTAINABLE. SMART.

U.S. GREEN BUILDING COUNCIL USGBC

Friends

retech A LEGENCE Company

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Allies

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Additional Programs

Green Lease Leaders wishes to highlight other exceptional programs to help your company responsibly lease, manage, and operate buildings.

Corporate Engagement Opportunities (CEO)

IMT's CEO program is a subscription-based policy-tracking program that seeks to prepare businesses and their clients for builidng performance policy requirements and understand the risk of noncompliance.

Building Innovation Hub

IMT's Building Innovation Hub helps building industry professionals in and around Washington, DC create and operate high-performing buildings.

Better Buildings Partnership (BBP)

The Better Buildings Partnership is a UK-based collaboration of leading property owners who are working together to improve the sustainability of commercial buildings.

The Chancery Lane Project

The Chancery Lane Project helps organizations reduce emissions using the power of legal documents and processes.

Common Terms & Definitions

The list of terms below is used throughout this reference guide. To see the Green Lease Leaders Frequently Asked Questions, please visit our website.

Corporate Policy

A corporate policy is a company approved statement about company standard values and/or procedures. A corporate policy must be shared internally within the company or externally and have gone through a chain of approvals in order to be accepted as documentation for a Green Lease Leaders application. Examples of acceptable corporate policies include a company Environmental Social Governance policy, annual sustainability report, or standard procedure documents.

Resource: USGBC Corporate Policy Guide for High-Performance Buildings

Energy Performance Score

This score or rating can provide insight into a building's energy efficiency performance and compare a building's energy efficiency against similar buildings. For example, ENERGY STAR is a common U.S. energy performance score. Green Lease Leaders will also accept other similar energy performance scores in the application process.

Executed Lease

An executed lease is a binding agreement between both the tenant and landlord involved in the transaction. Green Lease Leaders will accept an executed lease from the past 12 months. For Gold & Platinum applications, please provide the full executed lease and highlight the language relevant to the prerequisites and credits that you're applying for. Use the same executed lease for each prerequisite and credit in your application. This is to demonstrate that one executed lease incorporates all of the prerequisites and credits.

Portfolio

A portfolio is the group of leased spaces to which the participant's green leasing practices apply. Participants should strive to define the portfolio as all leased spaces.

Standard Lease Form

A standard lease form is your base lease language or starting point for going into any leasing transaction. A standard lease form is nonbinding. For your Green Lease Leaders application, please provide the full standard lease form and highlight the language relevant to the prerequisites and credits that you're applying for. Many tenants do not have their own standard lease form. If this is the case for your organization, please provide your leasing memo, list of leasing requirements, or similar document that guides your standard leasing practices in place of the standard lease form requested in fulfilling each prerequisite or credit.

Submetering

Utility submetering is a system that measures the utility consumption of each tenant within a multi-tenant building.

Overview of Requirements

This award recognizes one specific transaction, so an executed lease must be provided as the main form of documentation. Depending on the transaction's situation, the following documentation may be acceptable. If there are questions about acceptable equivalent documentation, please email GreenLeaseLeaders@imt.org.

Executed lease (or equivalent document, see guidance below) used in transaction. Provide documentation based on the scenarios below:

1. There is a fully executed lease (preference) - provide the executed lease.
2. The landlord has developed a LEED building and has a tenant(s) prospect, but still in negotiations - the landlord can have the tenant prospect(s) sign a letter of intent that they will keep in the green clauses in the landlord's lease form AND provide the lease form for that building.
3. The tenant is the one driving the green lease clauses for their space (LEED ID+C) but the lease is not signed yet – the landlord can sign a letter of intent that they will include a specific list of lease clauses.

Prerequisites

All applicants must address the three prerequisites.

1. Sustainability Contact
2. Cost Recovery Clause
3. Narrative Questions

Credits

All applications must address 5 credits of your choice. For example lease language, please see Green Lease Guide and Language Examples 2026.

1. Track Energy Use
2. Track Water Use
3. Track Waste Generation
4. Energy Transparency
5. Water Transparency
6. Waste Transparency
7. Green Leasing Training for Transaction Management Teams/Leasing Agents
8. Innovation

PREREQUISITE 1

Sustainability Contact

Aligns with Landlord PR1 and Tenant PR1

Intent

Both parties share sustainability/dedicated contacts with each other to ensure that each party can easily communicate with the correct person within the organization if there is a need to discuss building efficiency or performance requirements.

Requirements

- Provide evidence of a clause or statement noting the landlord sustainability/utility efficiency contact(s) and/or where information can be found on the landlord's sustainability program in **one of the following**:
    - Executed lease of this transaction OR
    - Welcome packet provided in this transaction OR
    - Online resource for the tenant of this transaction team, such as a tenant portal
- **AND**
- Provide evidence of a clause or statement noting the tenant sustainability/utility efficiency contact(s) and/or where information can be found on the tenant's sustainability program in **one of the following**:
    - Executed lease of this transaction OR
    - Online resource provided specifically for the landlord of this transaction team

PREREQUISITE 2

PR2 Cost Recovery Clause

Aligns with Landlord PR2a and Tenant CR10

Intent

Depending on the specific lease type, the split incentive can manifest in different ways. Overcoming the split incentive will depend on the lease structure. There is significant opportunity to address the split incentive in a way that can reduce risk and result in in cost reductions and other benefits for both landlords and tenants.

In one example, when landlords incur capital expenses while making energy retrofits to their buildings, tenants directly receive the monetary benefits attributed to the decrease in utility consumption, creating a split-incentive problem. This leaves landlords with little incentive to make such efficiency improvements. Tenants also have little incentive to invest in efficiency for their space. Since they do not own the property, it is difficult for tenants to financially justify a capital investment. In both cases, landlords and tenants can work together to achieve win-win outcomes. One way to overcome this split incentive, landlords and tenants can agree to a cost recovery clause allowing landlords to amortize and recover capital costs for efficiency improvements made that will reduce the tenant operating expenses. Both parties can then equitably share in the cost and benefits of capital efficiency investments.

In a different example, such as a gross lease, the tenant has little visibility into their utility consumption if they are not submetered. Since the utility costs and contributions to capital expenditures are allocated per rata share (or similar), improving efficiency may or may not reduce tenant operating costs, resulting in little incentive for the tenant to reduce utility consumption. In this case, the landlord providing the tenant with their utility consumption data, such as submetering or a more transparent data sharing platform, and a mechanism for the tenant to better understand and see the savings from reducing their utility consumption are the first steps towards overcoming the split incentive. A cost recovery clause for this situation could include language that the tenant's contribution to a capital investment will not exceed the expected utility savings of the project and the cost of the project would be amortized over a fair time frame.

Requirements

- Provide evidence of a cost recovery clause allowing the landlord to amortize and recover capital costs from tenants for efficiency improvements made to the building which benefit tenants in the **executed lease of this transaction**.

PREREQUISITE 3

Narrative Questions

Intent

These narrative questions provide a space for the team to describe how all parties collaborated to execute the green lease. Responses to all narrative questions are required. These questions are not scored. They are meant to provide insight into the leasing process for this specific transaction.

PR3.1 Standard lease form

If a standard lease form was used, please indicate which party provided the standard lease form.

Landlord or tenant

PR3.2 Green lease clauses

Does the standard lease form include green lease clauses?

Yes or no

PR3.3 Current green lease program

Does one party already have a green lease program? If yes, which party?

Yes, landlord

Yes, tenant

No

PR3.4 Transaction process

Describe the partnership between all parties that resulted in the execution of this lease. Is green leasing new to any party involved in the transaction? How did green leasing become a part of this specific lease? What was the goal of using a green lease for this transaction?

(Free text response between 250 – 500 words)

PR3.5 Sustainability expert

Did this transaction engage a third-party sustainability expert or bring your sustainability team to the leasing process? If no, please describe how the transaction team was able to incorporate green leasing terms without additional experts. If yes, please describe the process of bringing in the sustainability expert/team and the lessons learned from this process.

(Free text response between 250 – 500 words)

PR3.6 Plan to execute green lease

What actions or plans are in place to make sure that the terms of the lease will be acted upon during the 1) lifetime of the asset and 2) term of the lease? What systems are in place to enable utility data tracking and sharing between parties?

(Free text response between 250 – 500 words)

CREDIT 1

Track Energy Use

Aligns with Landlord CR1 or Tenant CR1

Intent

Tracking energy use across a portfolio or across all leased spaces is the first step towards managing energy performance and reducing waste.

For landlords, the purpose of this credit is tied to the landlord collecting whole building energy data whenever feasible. At a minimum, landlord should be tracking common area energy data and/or collecting energy data from tenants in triple-net lease situations.

For tenants, the purpose of this credit is tied to the tenant collecting energy use information in their space. If the tenant does not own the data, the tenant should demonstrate:

- Working with the landlord to obtain the data,
- Submetering to obtain data, or
- Any other data tracking methods will be reviewed on a case by case basis

Requirements

Option 1: Provide evidence of the landlord tracking monthly, at minimum, energy use at the building within one of the following:

- Executed lease of this transaction OR
- Sharing information about the utility data tracking platform/process that building will be tied into. For example, leases can be executed far before tenants occupy the building. In these cases, if building utility data tracking is not yet available, provide information about the platform or process that will be executed at the property once the tenant occupies the leased space.

Option 2: Provide evidence of the tenant tracking monthly, at minimum energy use for their leased space at the building within one of the following:

- Executed lease of this transaction OR
- Sharing information about the utility data tracking platform/process that leased space will be tied into. For example, leases can be executed far before tenants occupy the building. In these cases, if utility data tracking is not yet available, provide information about the platform or process that will be executed at the leased space upon tenant occupancy.

CREDIT 2

Track Water Use

Aligns with Landlord CR2 or Tenant CR2

Intent

Tracking water use across the portfolio enables both tenants and landlords to understand consumption patterns, identify water-saving opportunities, and evaluate the effects of water-saving measures.

For landlords, the purpose of this credit is tied to the landlord collecting whole building water data. At a minimum, landlord should be tracking common area water data and/ or collecting water data from tenants in triple-net lease situations.

For tenants, the purpose of this credit is tied to the tenant collecting water use information in their space. If the tenant does not own the data, the tenant should demonstrate:

- Working with the landlord to obtain the data,
- Submetering to obtain data, or
- Collect pro rata data on a regular basis, if collecting consumption data is not feasible

Requirements

Option 1: Provide evidence of the landlord tracking quarterly, at minimum, water use at the building within one of the following:

- Executed lease of this transaction OR
- Sharing information about the utility data tracking platform/process that building will be tied into. For example, leases can be executed far before tenants occupy the building. In these cases, if building utility data tracking is not yet available, provide information about the platform or process that will be executed at the property once the tenant occupies the leased space.

Option 2: Provide evidence of the tenant tracking quarterly, at minimum, water use for their leased space at the building within one of the following:

- Executed lease of this transaction OR
- Sharing information about the utility data tracking platform/process that leased space will be tied into. For example, leases can be executed far before tenants occupy the building. In these cases, if utility data tracking is not yet available, provide information about the platform or process that will be executed at the leased space upon tenant occupancy.

CREDIT 3

Track Waste Generation

Aligns with Landlord CR3 or Tenant CR3

Intent

Tracking waste generation and diversion rates across your leased spaces enables tenants and landlords to understand patterns and potential opportunities to reduce waste and divert materials from landfills.

For landlords, the purpose of this credit is tied to the landlord collecting whole building waste generation and diversion rates whenever feasible.

For tenants, the purpose of this credit is tied to the tenant collecting waste generation and diversion rates in their space whenever feasible.

Requirements

Option 1: Provide evidence of the landlord tracking annual, at minimum waste generation and diversion rates at the building within one of the following:

- Executed lease of this transaction OR
- Sharing information about the utility data tracking platform/process that building will be tied into. For example, leases can be executed far before tenants occupy the building. In these cases, if building utility data tracking is not yet available, provide information about the platform or process that will be executed at the property once the tenant occupies the leased space.

Option 2: Provide evidence of the tenant tracking annual, at minimum, waste generation and diversion rates for their leased space at the building within one of the following:

- Executed lease of this transaction OR
- Sharing information about the utility data tracking platform/process that leased space will be tied into. For example, leases can be executed far before tenants occupy the building. In these cases, if utility data tracking is not yet available, provide information about the platform or process that will be executed at the leased space upon tenant occupancy.

CREDIT 4

Energy Transparency

Aligns with Landlord CR4 or Tenant CR4

Intent

Energy performance visibility allows landlords and tenants to make smart decisions about their operations and identify opportunities for consumption and cost savings. The intent of this credit is to encourage collaboration and energy data transparency. **This credit is tied to both parties having access to the data they need, in the form that is useful for each party.**

For example, a tenant under a gross lease may need utility data for their annual greenhouse gas inventory. In this case, a landlord who controls the whole building data can share the tenant's pro rata utility consumption to fulfill the intent of this credit. A landlord sharing only the whole building performance rating would not meet the intent of this credit, as the tenant needs the data in a different format.

If the tenant controls the data for their space that the landlord needs for their reporting requirements, to fulfill the intent of this credit, the tenant would also provide the data for their space to the landlord in an agreed upon timeframe and format.

Requirements

- Provide evidence that energy performance be disclosed to between landlord and tenant, in an agreed upon format, such as a performance rating or consumption data, within the **executed lease of this transaction**.

CREDIT 5

Water Transparency

Aligns with Landlord CR5 or Tenant CR5

Intent

Water performance visibility increases transparency, encourages collaboration between landlords and tenants, and allows tenants to better understand their water performance in the context of the whole building and how the landlord is managing building efficiency in general. The intent of this credit is to encourage collaboration and water data transparency. **This credit is tied to both parties having access to the data they need, in the form that is useful for each party.**

For example, a tenant under a gross lease may need utility data for their annual reporting. In this case, a landlord who controls the whole building data can share the tenant's pro rata utility consumption to fulfill the intent of this credit. A landlord sharing only the whole building performance rating would not meet the intent of this credit, as the tenant needs the data in a different format.

If the tenant controls the data for their space that the landlord needs for their reporting requirements, to fulfill the intent of this credit, the tenant would also provide the data for their space to the landlord in an agreed upon timeframe and format.

Requirements

- Provide evidence water performance be disclosed to between landlord and tenant, in an agreed upon format, such as a performance rating or consumption data, within the executed lease of this transaction. within the **executed lease of this transaction**.

CREDIT 6

Waste Transparency

Aligns with Landlord CR6 or Tenant CR6

Intent

Waste performance visibility allows tenants to better understand their waste performance in the context of the whole building and how the landlord is managing building efficiency in general and demonstrate landlord's willingness to collaborate with tenants who have special waste or recycling needs to meet their ESG waste reporting requirements. The intent of this credit is to encourage collaboration and waste data transparency. **This credit is tied to both parties having access to the data they need, in the form that is useful for each party.**

For example, a tenant under a gross lease may need utility data for their annual reporting. In this case, a landlord who controls the whole building data can share the tenant's pro rata utility consumption to fulfill the intent of this credit. A landlord sharing only the whole building performance rating would not meet the intent of this credit, as the tenant needs the data in a different format.

If the tenant controls the data for their space that the landlord needs for their reporting requirements, to fulfill the intent of this credit, the tenant would also provide the data for their space to the landlord in an agreed upon timeframe and format.

Requirements

- Provide evidence that waste consumption and diversion rates be disclosed to between landlord and tenant, in an agreed upon format, such as a performance rating or consumption data, within the **executed lease of this transaction**.

CREDIT 7

Training for Transaction Management Teams/Leasing Agents

Aligns with Landlord CR7 or Tenant CR7

Intent

Maintaining a team of brokers or leasing agents with sustainability training facilitates negotiations and execution of green lease contracts. The intent of this credit is to ensure that parties involved in the lease negotiation process are knowledgeable about the value of green lease clauses. This is also applicable to outsourced brokers and leasing agents.

Requirements

Provide evidence that the transaction management team for this specific transaction received green leasing training. **Provide a record of the team member's name, date of training, length of training, source of training completed, and expiration date if applicable**. Acceptable training includes the following:

- Current LEED Green Associate or LEED Accredited Professional status
- Completion of one of the following trainings:
    - "The Business Case for High Performance Buildings" OR
    - "Green Leasing 101" OR
    - "A Conversation with Green Lease Leaders" OR
    - "The Chancery Lane Project Training Course: Climate Contracting in Action" OR
    - Other dedicated training that informs on 1) the value of ENERGY STAR ratings or similar energy performance disclosure, 2) energy and water efficiency, 3) green leasing, 4) efficient build outs, and 5) effective tenant and landlord engagement. These trainings should be a minimum of 30 minutes and will be considered on a case-by-case basis.

CREDIT 8

Innovation

Aligns with Landlord CR16 or Tenant CR15

Intent

Responsible leasing practices continue to evolve over time. The right clauses for your particular property and lease type can vary and may not fit neatly into the previous credits. This innovation credit is meant to recognize language that supports your organization's sustainability and/or social goals but does not fit into Credits 1 - 7. **This credit can only be used once in an application**.

Green Lease Leaders is considering lease language for innovation credit in the following categories.

- **Biodiversity:** Working with the landlord to support the biodiversity of the area surrounding the building through native landscaping and initiatives that acknowledge the building's impact on the local environment.
- **Water reduction:** Identifying and implementing ways to reduce water consumption. For example, a multifamily building reclaiming greywater at the building for landscaping irrigation.
- **Waste diversion:** Identifying and implementing ways to further reduce waste or recycle unique waste streams. For example, a retail landlord and tenant working together to recycle polybags.
- **Emissions allocation:** Allocate responsibility for measuring and reporting scope 1, 2, and 3 emissions to reduce the potential of inaccurate or missing reporting of emissions.
- **Circular economy:** Encourage circular economy principals during repair and alterations.
- **Other:** Lease language that does not fit into Credits 1 – 11 or the categories listed above. This language will be considered on a case-by-case basis.

Note: If you apply to this credit, Green Lease Leaders will ask for your permission to share the lease language to demonstrate your company's leadership in responsible leasing. Green Lease Leaders is able to anonymize this language.

Requirements

Provide evidence of the language in the **executed lease of this transaction**.