DATA Nimbus Maps MEES analysis

One in five commercial properties set to fail MEES regulations

BY EMANUELA BARBIROGLIO

With less than three months to go before the new Minimum Energy Efficiency Standards (MEES) come into force, almost one in five commercial properties in England and Wales are below the minimum 'E' rating required, reveals exclusive analysis by Nimbus Maps.

Under the MEES regulations, it will be unlawful for landlords to let commercial and domestic buildings in England and Wales that do not achieve an EPC rating of E or above. According to the Nimbus Maps data, 18% of commercial properties will be unlettable if they do not improve their rating by 1 April.

In some areas, that figure is far higher. Kensington and Chelsea tops the table, with one third of commercial properties rated below E, and it is one of three London boroughs in the top 10 worst-rated councils. More than a quarter of commercial properties in Bath and north-east Somerset, Shropshire and Wyre Forest are also rated below E.

Nimbus Maps co-founder Simon Davis adds that the true picture could ultimately be even worse as the data excludes properties that currently have an E rating, which could over time fall into the F or G category as the property's condition deteriorates.

Given the financial risk to owners of commercial buildings that do not meet the new regulatory standards, it is essential that landlords gain a clear understanding of the energy efficiency of all their assets before the standards come into force, he says.

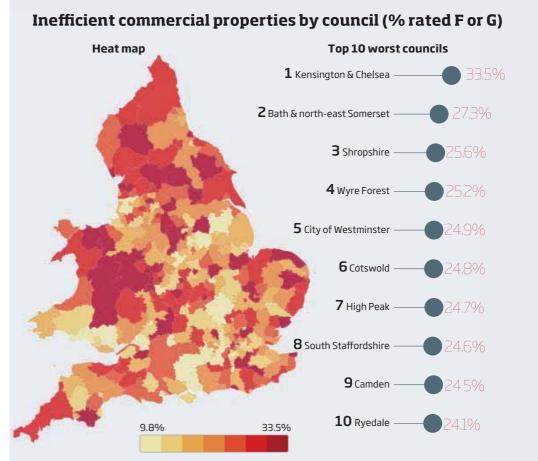
"The costs of refurbishment and upgrading, along with the likely tenant void, will need to be assessed by owners and occupiers alike," Davis adds, warning: "Property values may well be affected by the new regulations, although by linking minimum energy standards to the 'Green Deal' government is hoping it will provide a financial solution to support energy efficiency and the refurbishment of existing buildings."

Landlords cannot afford to be complacent, he continues. "Around 60% of today's commercial buildings will still exist in 2050, representing around 40% to 45% of total floorspace. While standards to tackle the performance of new buildings have been in place for some time, minimum standards to drive improvements in the performance of the existing stock through energy efficiency upgrades are essential going forward to tackle energy use and reduce emissions across commercial stock."

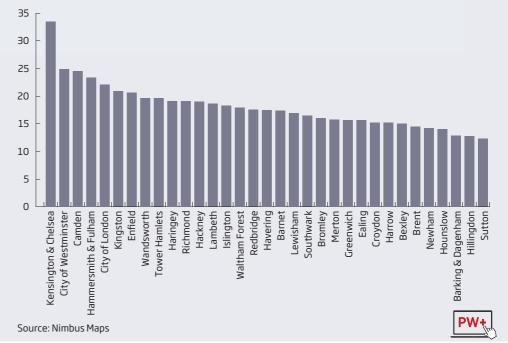
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Inefficient commercial properties in London (% rated F or G)



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