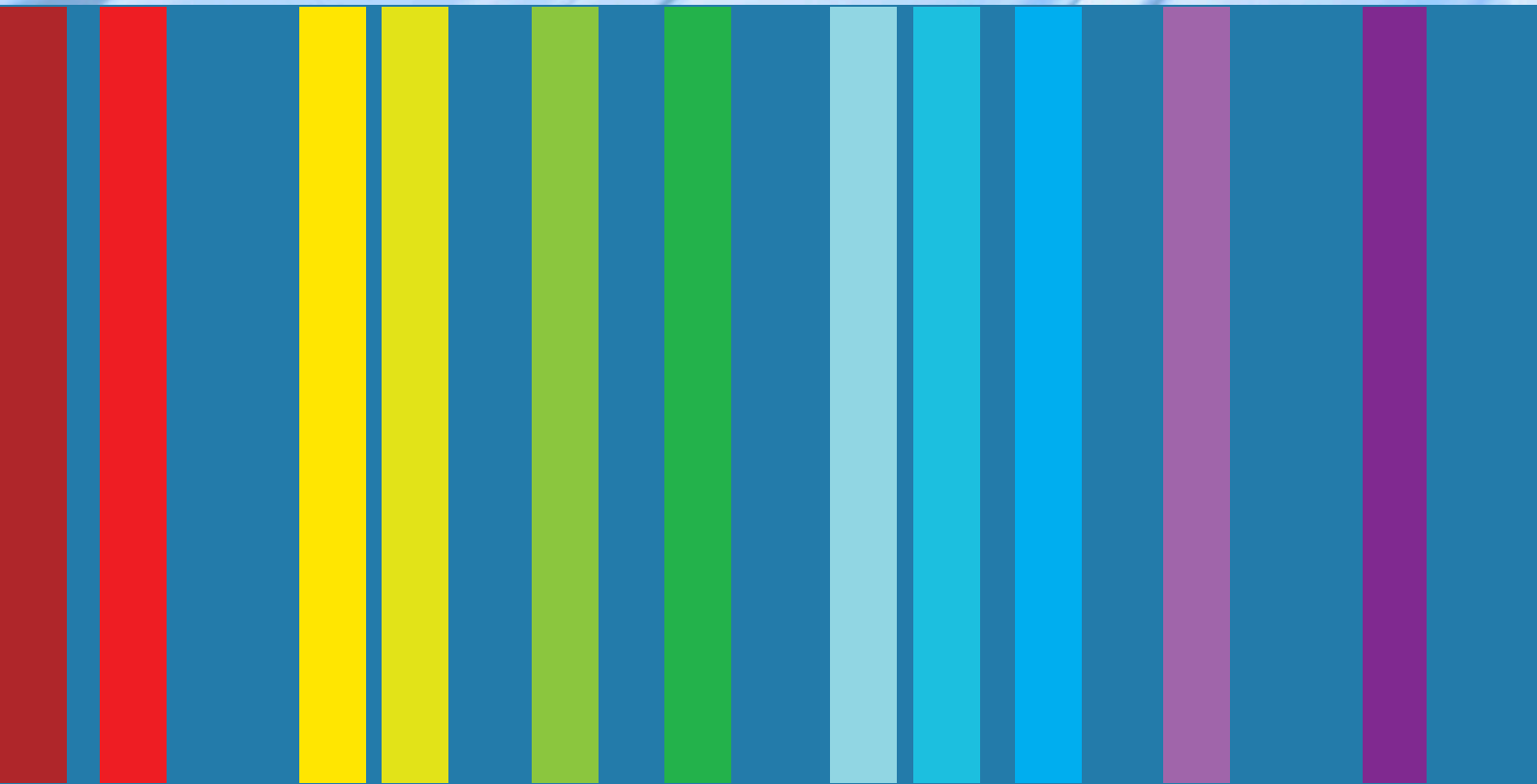


CARBON PLANET CASE STUDY: MCGRATH ESTATE AGENTS





Case Study



Background

McGrath Estate Agents is one of Australia's leading real estate companies, having flourished from a small operation some 20 years ago to a thriving network of 18 offices, and sales for the financial year ending 30 June 2008 of \$3.15 billion, including 1050 property sales of over \$1 million.

The rapidly growing McGrath network is keen to substantially reduce its carbon footprint through carbon measurement, management and minimisation strategies.

The Challenge

As the global real estate industry grows at an exponential rate, agencies' energy consumption, and associated emissions, grows proportionately.

With rapid expansion in the Australian real estate market, McGrath needed to embrace sustainable strategic solutions to reduce its harmful greenhouse gas (GHG) emissions whilst remaining fiscally sound and gaining a competitive edge.





McGrath Estate Agents



The Solution

McGrath is now actively managing their carbon emissions through a carbon measurement, minimisation and offsetting program. Australian based global carbon management and consultancy firm, Carbon Planet Limited, conducted a GHG Emissions assessment for McGrath and its associated subsidiaries, including Oxygen Home Loans and Total Real Estate Training.

The results of the assessment were calculated based on the group's greenhouse gas emissions for the 2006/07 financial year. The scope of the assessment was to assess the environmental impact of selling a property and the day-to-day running of a successful real estate business.

Some of the contributing factors identified as GHG emissions in the course of the sales process were office energy consumption, transportation, promotional media production and distribution, paper usage and third-party services. Total emissions for McGrath Estate Agents was calculated to be 4,508.9 tonnes of CO₂e.

In tandem with the assessment process, McGrath engaged Carbon Planet to conduct a Level 1 Energy Audit, focusing solely on energy consumption at their head office. The audit was designed and executed to ensure that McGrath had a clear definition and tabulation of all on-site energy usage as well as to identify cost saving opportunities.

The report's data revealed that the average annual electricity purchase by McGrath totalled 529,891 kWh; the equivalent greenhouse gas (GHG) emissions is 561.7 tonnes of CO₂e with an estimated cost \$59,933 for electricity during the 2006/07 financial year.

If all the energy saving recommendations in the report are implemented reductions measuring 18,282 kWh would be achieved, representing an on-site GHG emissions reduction of approximately 0.5%.

To subsidise the embedded carbon program, McGrath will incorporate a \$50 contribution fee into the sale of each property, which will be used to buy the

corresponding number of certified carbon credits from Forests NSW.

The Outcome

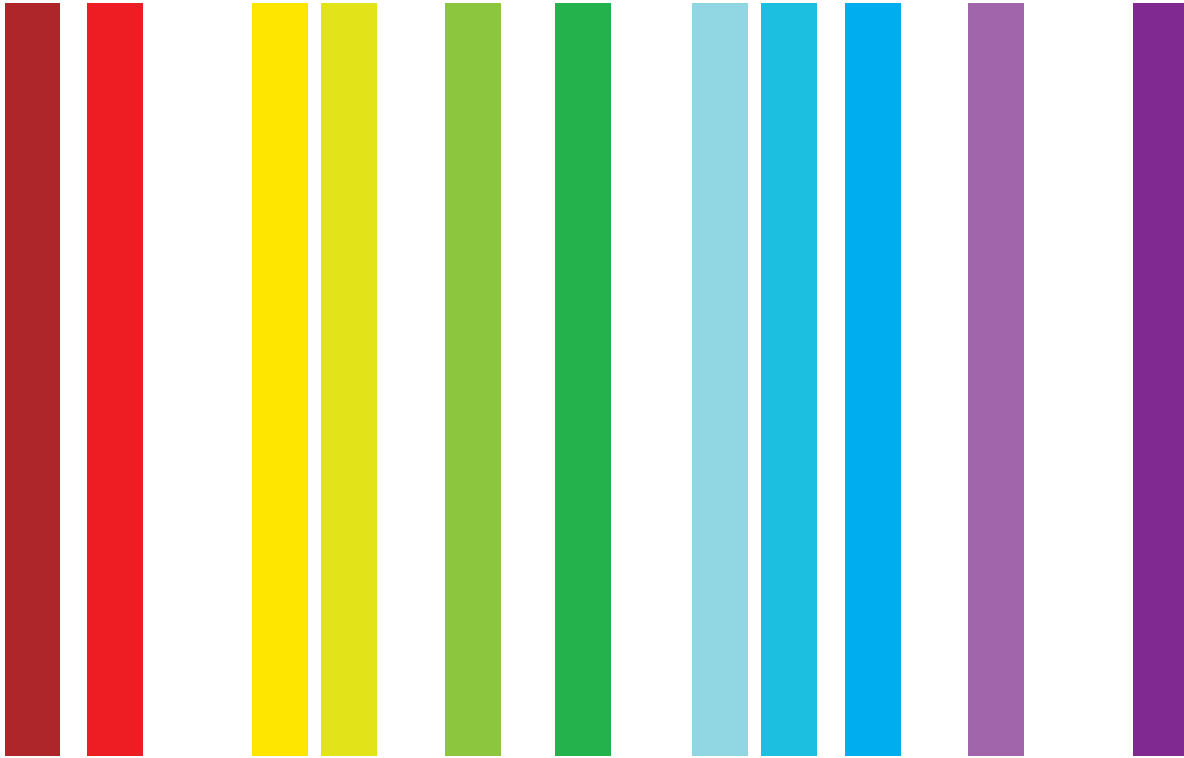
As an established market leader, McGrath is setting a standard within the real estate industry as the first large real estate group to offset its GHG emissions with a built-in fee for carbon credits included within each property transaction. This commitment by a large company like McGrath will serve to raise awareness within other real estate companies, domestically and internationally, and encourage other businesses within this sector to follow suit by measuring and reducing the size of their carbon footprint.

McGrath is fully dedicated to developing a sound, sustainable strategy to ensure they achieve a "green office culture", with involvement at a company wide level.





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