



What Is The Best Property Wellness Certification For Commercial Owners?

Introduction

The world of property certifications has exploded in the last decade or so. Not too long ago, even sustainability certifications were a new, relatively unknown thing pursued by only the most forward-looking, green-minded property owners. Now, though, there is a growing number of certifications that measure practically every part of building design, construction, maintenance, and redevelopment.

Although sustainability-focused options are certainly the most widespread property certifications out there, there is a growing number of wellness certifications out there as well. There are now a growing number of certifications that help occupants understand a building's impact on health by qualifying attributes like air quality, lighting, access to nutritious food, connectivity with local transit systems, and healthy noise levels, that contribute to the general level of health and wellbeing of building occupants.

In order to provide owners of commercial space with insight into this field as they consider pursuing wellness certifications, we put together this report. In it, we'll explore the current state of wellness certifications by diving into five of the principal names in the field, deliver recommendations as to

which certifications to pursue, and outline the costs and requirements of each of them.

Executive Summary

Wellness certifications measure the health and wellbeing of different types of properties for their occupiers. These certifications are meant to verify and validate the efforts of the many properties out there that were designed and built with wellness principles and occupier wellbeing at the front of mind, as well as to encourage other properties to strive for a similar level of attainment. Wellness certifications rely on predetermined criteria across various wellness metrics and goal points to verify the attainment of properties that go through the process.

For many owners considering wellness certifications, the comparison to sustainability certifications like LEED will be obvious. However, there are some notable differences between wellness and sustainability certifications. For one thing, it can be hard to determine what a truly sustainable building really is, across different dimensions like energy use, water consumption, and waste generation. Nonetheless, the fact that every part of a sustainable building (emissions, waste generation, and beyond) is measurable means that verification of green characteristics can

be more straightforward than verifying for wellness.

According to Joana Frank, President & CEO for The Center for Active Design, which offers the Fitwel certification, "People are starting to think more about the individuals in a building, if you care about them then you care about health. There is no way you are going to get people back into buildings unless they trust buildings and the design and protocols of the building tell the people everything about trust."

It's true that we have spent many decades determining what the best buildings to work in are. Generations of designers and developers have refined floor plans, iterated lighting solutions, and identified certain approaches to maximizing ventilation, minimizing noise pollution, and keeping spaces mentally stimulating. But beyond these building details, property wellness relies on a sense of human physiology and psychology that goes beyond the purely material. Sure, developers can work to ensure that outside noise is kept to a certain level, or a certain amount of lighting is provided, or that airborne contaminants are filtered out to a particular standard, but understanding what the right number, baseline, or goal for each of these wellness metrics as well as all the rest goes beyond building science into human science.

Certifications in a Nutshell



The RESET Standard is an air quality-focused certification unique in its emphasis on sensors for data collection. Collecting data via sensors allows for real time data aggregation, potentially helping owners make wellness decisions more quickly.



GreenGuard is a certification for low-emission products, goods, and finishes. Property owners cannot attain it themselves, but they can choose to purchase GreenGuard-certified materials for their buildings.



Fitwel is a leading wellness certification, initially developed with the CDC. It offers both a mainstream general wellness certification as well as a virus response-focused certification aimed at validating the COVID-era sanitation and safety measures taken by buildings.



The Living Building Challenge offers several wellness and sustainability certifications with varying levels of intensity. The highest level option, the Living Certification, has stringent requirements aimed at wellness, ecology, and regenerative design.



The WELL Standard is perhaps the most well known wellness certification out there, in no small part due to the advertising campaign it recently launched for its building health and safety certification offering.



BOMA 360 is a certification focused on building operations and management, and it includes a number of criteria focused on wellness. It is a relatively attainable certification that awards points for properties that are also certified by other providers.



That's what wellness certifications aim to provide. These certifications, developed by scientists, designers, and other experts, answer the question of what the right number or level is for each of those variables and track the ability of properties to provide it.

While wellness certifications were already increasing in importance, COVID-19 put a fire under owners to adopt them, or otherwise to somehow communicate to occupiers that measures were being taken to properly clean and sanitize surfaces and appropriately filter the air. By now, these virus response-focused factors have been incorporated into some wellness certifications, and split off into their own certifications by others.

Owners tend to pursue wellness certifications for a range of reasons, including competitive differentiation, the addition of an additional attractive marketing point when looking to lease space, and as a result of corporate policies favoring modern approaches to ESG (Environment, Society, and Government). Research indicates that these certifications are responsible for notable single-digit boosts to attainable rent rates, for the properties that adopt them. Occupiers too often put a priority on buildings that can demonstrate a commitment to occupier health and wellness, since these elements are critical for ensuring high worker productivity, a top

priority for companies of all types.

Understanding Certifications

There is a growing number of wellness certifications available today, but the reality is that there is still a limited number of options when compared to the large number of sustainability certifications out there. In terms of pure sustainability certifications, the WELL Building Standard and Fitwel are the undeniable market leaders. However, there are several other certifications that cover wellness issues and are also worth discussing.

The logo for WELL, consisting of the word "WELL" in a bold, sans-serif font with a small trademark symbol (TM) to the upper right of the final "L".

WELL Building Standard

If LEED is the biggest name in U.S. property sustainability certifications, WELL is the largest force in the wellness certification space. Offered since 2014 by the International Well Building Institute, the WELL Building Standard certifies buildings for the level of health and wellbeing of occupants, and is applied at over 4,000 properties.

WELL gained particular renown this year due to a substantial advertising campaign replete with a

multitude of associated celebrities including Spike Lee and Lady Gaga, originally positioning the certification as a source of reassurance in COVID-19 times. Like LEED, WELL provides accreditations for professionals in addition to the building certifications at the core of its offering.

The core of WELL, the Building Standard, is applicable to all types of buildings that have regular occupants, like offices, schools, and multifamily properties with five or more units. The standard itself is broken down into two categories: Owner Occupied, for projects where the project (not necessarily building) owner is the main building occupant, and the WELL Core, which targets properties where the project owner is an occupier in a building but leases a substantial amount of space to other tenants as well. This includes most examples of properties where the project sponsor is the building owner.

Now on its second version, WELL awards points resulting in awards from Bronze to Platinum level, properties across several areas:

Air: Focuses on indoor air quality

Water: Focuses on water quality and distribution

Nourishment: Reflects availability of healthy food, in particular fruits and vegetables

Light: Emphasizes healthy exposure to light sources

Movement: Promotion of opportunities for physical activity

Thermal comfort: Targets optimal HVAC and climate settings

Sound: Prioritizes acoustical comfort within buildings

Materials: Reduction of exposure to harmful chemicals

Mind: Policies and programs that benefit occupier mental health

Community: Focuses on engaged communities and access to essential healthcare

Innovation: Novel concepts and innovative approaches not otherwise defined by WELL

These are the criteria categories by which every WELL property is measured. However, there is some opportunity for variance given the holistic and variable nature of wellness as a concept. Project sponsors can elect to pursue various “optimizations” that impact the weighting of these categories.

WELL Health-Safety Rating

According to the Well Building Institute, a Well certification will take a property to around 70 percent of what is necessary for a LEED certification. In WELL’s first iteration, GBCI was the only possible project assessor. Now, in v2, GBCI can conduct assessments as well as a number of other WELL

Performance Testing Organizations. Notably, GBCI still provides training for these independent assessors.

With the WELL Building Standard as the core offering, WELL also offers several other certification programs. The WELL Health-Safety Rating has been the focus of the most intense advertising in recent times, and it applies a number of mainline WELL concepts, tailored to the needs of a society grappling with COVID-19, to provide a seal of approval for businesses and spaces that meet a number of criteria across areas like sanitation, emergency preparedness, and indoor air quality.

With the large advertising push meant to encourage public awareness of the program, the WELL Health-Safety Rating is meant to clearly denote to occupiers and visitors that the business in question is doing all it can for the sake of occupier safety. Single location pricing starts at \$4,200 or \$2,730 for small businesses, and discounts are available for portfolios and larger properties.

WELL Portfolio

WELL Portfolio is meant to provide a pathway for scalability for larger groups of properties. However, pursuing the WELL Portfolio program is not the same as certifying every property within a portfolio

to the WELL Building Standard. Instead, this option is meant for owners or large portfolios who wish to demonstrate a large scale move toward occupier wellness. Enrollment in the program costs \$25,000 and annual participation costs \$0.01 per square foot per year, to a range of \$25,000-\$250,000.



Fitwel

Fitwel is a wellness certification originally created by the CDC and the U.S. General Services Administration. Today, Fitwel is operated by the Center for Active Design, a nonprofit which seeks to use architecture and urban planning concepts to benefit public health.

In addition to assessing properties for their level of wellness attainment, Fitwel also benchmarks properties not against competitors, but against themselves over time. Fitwel awards properties one to three stars based on their performance across a number of categories. These categories focus around a number of strategies that Fitwel has identified as leading to positive building and occupier outcomes, such as reduced absenteeism and higher

sense of well-being. The focus categories are:

- Location**
- Building Access**
- Outdoor Spaces**
- Entrances and Ground Floor**
- Stairwells**
- Indoor Environments**
- Workspaces**
- Shared Spaces**
- Water Supply**
- Cafeterias and Prepared Food Retail**
- Vending Machines and Snack Bars**
- Emergency Procedures**

Registration costs \$500 and certification fees range based on size, with a 500,000 to 749,999 square foot building costing \$7,500. Recertification, required every three years, costs \$500. The certification process relies on two independent assessors who each conduct their own assessment of participating properties.

Beyond its main certification, Fitwel also introduced a Viral Response Certification aimed at helping properties demonstrate their commitment to COVID-safe practices and adaptations. The certification can be delivered to a single property or to an entire company, and then delivered to compliant properties at a later point in time.

The Viral Response Certification has been a priority for Fitwel since its introduction. According to Joana Frank of the Center for Active Design, it is “an overlay to the main Fitwel certification, targeting mitigating infectious respiratory disease. The module has minimum requirements unlike main certification. There are things you need to do as a baseline to minimize infectious respiratory disease, like enhance your indoor environment, and encourage behavior change.”

Registration for the Viral Response Certification costs \$500, and certification costs \$4,500 per year. While this seems high, individual properties can then be certified for only \$200 per building.

RESET Standard

RESET is a building certification dating back to 2013. This certification focuses on using sensors and performance metrics to track building effectiveness. RESET plans to offer five different building standards in total: Air, Materials, Water, Energy, and Circularity. Out of the entire list, only Air is fully developed and offered at present. The intention of this certification is to use sensors to provide continuous data flows aimed at helping properties quickly make changes to benefit the health and wellbeing of occupants.

RESET Air focuses on Indoor Air Quality (IAQ)

monitoring for occupant health. The standard tracks five different factors: PM2.5 (particulate pollution), TOV (Total Organic Volatile compounds), CO2, temperature, and relative humidity.

RESET's use of sensors to inform property certification allows it to apply its criteria in unique ways. It breaks down its requirements into three broad focus areas. These are Completeness, Quality, and Performance. Completeness reflects the certification's use of live data as opposed to periodically transmitted data to provide a fuller picture of property functioning. Quality reflects data accuracy, which RESET verifies by ensuring sensors, referred to as monitors, are properly installed and maintained, and confirming that data is reported in the appropriate manner. Finally, Performance represents the actual performance targets needed to be hit to gain RESET certification.

Alongside the standards themselves, RESET offers a wide range of services. It provides professionals certified in its methodology to projects, provides RESET-related data, delivers air quality sensors accredited in RESET measurements, audits properties, documentation, and data, and offers cloud-based analytics and benchmarking too.



GreenGuard

Since GreenGuard is not offered to entire properties but rather the materials and products that are within them, we'll briefly discuss the certification and what it means to property owners. GreenGuard has been offered since 2001 but was bought by UL, formerly Underwriter Laboratories, in 2011. It provides a measure of materials, products, and finishes, and it focuses primarily on Indoor Air Quality (IAQ).

The process of attaining GreenGuard certification requires a performance-based evaluation that reviews air quality and in particular property emissions (such as volatile organic compounds, which cause a range of health problems). GreenGuard is offered as a single-level certification, with GreenGuard Gold offered as a separate certification aimed at measuring emissions of chemicals that children are sensitive to, for schools, daycares, and healthcare facilities.

Property owners are not responsible for GreenGuard certifications. Rather, that responsibility falls on the shoulders of the product and device manufacturers

themselves. Consequently, the greatest relevance of GreenGuard to owners is the opportunity to pursue products that bear the certification.



BOMA 360

BOMA 360 is a certification offered by Building Owners and Managers Association International, a leading industry group, to occupied commercial and industrial buildings. The 360 certification reflects property operation and management, but some of its principles and measured activities are very relevant to building occupant wellness. The six focus areas of BOMA 360 are as follows:

Building operations and management

Life safety, security and risk management

Training and education

Energy

Environmental/sustainability

Tenant relations/community involvement

BOMA identifies a differentiator of their 360 certification as the holistic nature of covering such a broad range of property factors instead of just energy, management, or sustainability. Each of

these categories has a number of available points that properties can attain, many of which do indeed reflect highly holistic practices like simply having a building insurance plan, green purchasing plan, or professional designations held by the property's primary contact.

Some of these categories, like Energy or Training and education, don't connect directly to wellness, but categories 2, 5, and 6 are directly connected to wellness within properties. Category 2 focuses largely on the provision of emergency planning and equipment, like AED kits, while category 5 awards points for attaining other certifications, including sustainability options like LEED or BREEAM, as well as the two major wellness certifications, WELL and Fitwel. This category also focuses on other wellness options like transit-friendliness and IAQ. Category 6 is very general, focusing on property activities, amenity spaces such as gyms, occupier newsletters and communication, and other tenant experience elements.

With points awarded for properties that attain various other types of certifications, BOMA 360 makes sense for owners that are considering several different certifications at once. BOMA 360 also links closely with ENERGY STAR, which we discuss in our report on building sustainability certifications. BOMA 360 uses that other certification's Portfolio Manager

energy monitoring tool to validate its energy requirements.

Fees to complete BOMA 360 certification are assessed on a per-property basis and reflect the size of the building. Additionally, members of BOMA are eligible to receive substantial discounts. For instance, an office building of 600,000+ square feet costs \$1,800 to certify as a BOMA member, and \$2,280 for nonmembers. It requires renewal and fee payment every three years. Full fee breakdowns are available [here](#).



Living Building Challenge

The Living Building Challenge is a certification that toes the line between wellness and sustainability, and is meant for any type of building project from single family housing to laboratories, and of course both new and existing offices. Offered by the nonprofit International Living Future Institute, it is meant to certify buildings that use regenerative design practices aimed at actually benefiting the world, not just reducing emissions or limiting waste. Founded in 2016, the highest level Living Building Challenge certification requires a large number of rigorous

goals to be achieved, and it has only been attained by a few dozen properties. It frequently refers to the analogy of a flower, with seven “petals” representing that holistic categories that buildings must demonstrate success in to gain the certification.

These petals are:

- Place**
- Water**
- Energy**
- Health + Happiness**
- Materials**
- Equity**
- Beauty**

Across each of these areas, some requirements vary based on whether the project is existing or new construction, and are also modified by different “transects,” the landscape into which properties are built, such as natural preserve, rural zone, or urban core zone.

Some petals are quite intuitive, but others deserve explanation. Place focuses on ecology, design, and urban agriculture. Health + Happiness includes both metrics of building health, like IAQ, but also access to nature. Equity targets universal access, meaning buildings cannot have negative externalities to things like light and water in the area, and inclusion. Beauty focuses on design, biophilia (the use of natural

processes as inspiration to design), and serving as an inspiration for other projects. Additionally, even the “common” petals like Energy and Water require net positive impacts, not just reduction of consumption.

The Living Building Challenge Living certification is the most advanced and comprehensive of a series of certifications offered by the Institute. Less comprehensive than the Living Certification is the Petal Certification, which requires properties to achieve certain performance baselines across each area but then complete additional requirements in the Energy, Water, or Materials petals. The Core Green Building Certification is a holistic but less regenerative and perhaps more attainable certification also offered by the institute, and a pair of specialized Zero Energy and Zero Carbon certifications focus specifically on those issues within buildings.

Certification fees are expensive, with an example minimum of \$62,500 for a full Living Certification of a property between 500,000 and 750,000 square feet. This fee includes a variety of services in addition to registration and assessment, such as periodic check-in calls, memberships, and a project team coach. Full fees are available [here](#).

While it is applicable for a very wide range of buildings, including both existing and new construction projects, Living Building Challenge certifications, particularly the Petal Certification and Living Certification, are very in-depth and require both the payment of large fees and extensive project work to ensure completion across all categories. Consider one Energy petal requirement:

“All projects must supply one hundred and five percent of their project’s energy needs through on-site renewable energy on a net annual basis, without the use of combustion.”

This is the heart of net positive and regenerative design, but will likely be a difficult target for all but the most sophisticated project sponsors to attain.

Impacts of certifications

Property certifications are pursued for more than just the value of the plaque they result in. So what exactly are the tangible impacts of pursuing wellness-specific property certifications?

Value

Sustainability certifications often have a “built-in” positive impact on property NOI, and consequently value, because they tend to be awarded for energy efficiency and water use achievements. Reducing

the use of energy and water means a shrinking of operating expenses for property owners, consequently resulting in greater income.

Wellness certifications, although often associated with improvements in those areas, are much different from energy and water efficiency, meaning that this innate cost saving measure is not as notable with these certifications as with sustainability ones. There are other challenges to determining wellness certification value impacts, as well. Despite a substantial volume of literature dedicated to understanding the impact of sustainability certifications like LEED and BREEAM on property values, the world of wellness certifications, as a much newer presence in the market, does not have this same amount of research already completed.

Of the research on wellness certification value that has been performed, the most noteworthy report comes from MIT’s Real Estate Innovation Lab, which used hedonic price analysis to determine the impacts on lease pricing of various components of spaces with data available via CompStak. The report found that, in short, healthy buildings command rents of between 4.4 and 7.7 percent above non-certified competitors.

ESG

ESG considerations are a leading reason for many owners to pursue certifications of various types. Many enterprise occupiers have ESG criteria listed amongst their requirements when searching for space, and some 70 percent of institutional investors have ESG policies as well. While there is a clear relationship between sustainability certifications and the Environmental side of ESG, there is also a connection between wellness certifications and ESG.

According to Savills, some ESG criteria, like air quality under Environment and health, safety, and security under Social, are the exact types of measurables that wellness certifications tend to focus on. And because the field of property wellness is much newer than property sustainability, executing a strong approach within this space could allow properties to stand out when compared to competitors that are only certified for sustainability.

Conclusion

There are less wellness certifications out there than sustainability ones, but identifying the best for a given situation can be challenging. Nonetheless, the certifications discussed in this report represent the most useful wellness certifiers for most property owners.

In most cases, WELL and Fitwel are the certifications most squarely focused on wellness. These ones also have the greatest name recognition amongst property investors and occupiers, and so represent the first wellness certifications most owners should consider. Those seeking an easier achievement would be well served by considering BOMA 360, which has easier requirements and dovetails nicely with other certifications.

The RESET Standard and the Living Building Challenge offerings occupy the deep end of the wellness pool, requiring owners go to greater effort and spend more money. Despite these greater requirements, both of these offerings denote a very high, futureproofed standard of wellness (and sustainability, in the case of the Living Building Challenge) for the properties that attain them.

Property wellness certifications can be a great choice for owners looking to stand out in competitive markets. There are options applicable to property companies at different levels of flexibility and sophistication, meaning that there should be something for everyone. Before deciding on which certification to go with, owners should specify their goals, whether they are to truly futureproof, simply stand out from competitors, or augment other building certifications. Even in the unlikely case that memories of COVID-19 soon fade, the diverse,

holistic nature of wellness certification gives them legitimate staying power as legitimate market differentiators.



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