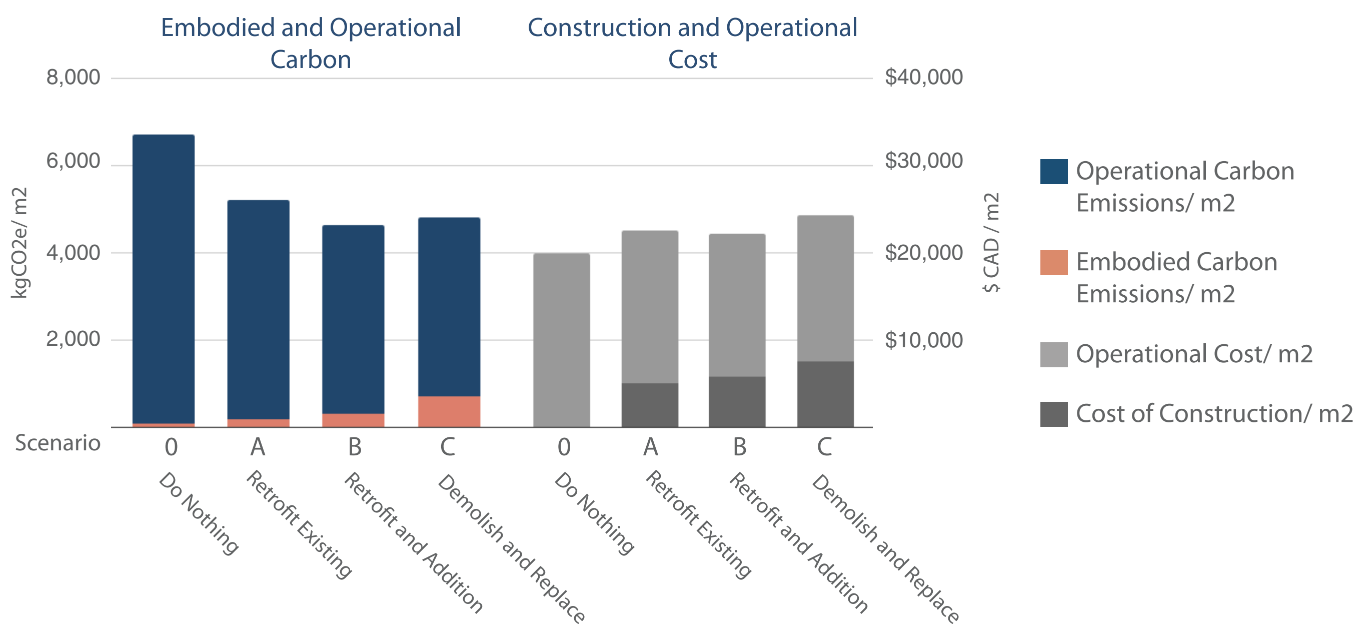
Building Value Through Reuse

Briefing Note 03

Retrofit projects accelerate delivery and offer cost advantages when major structural systems and foundations are retained, which avoids lengthy demolition, excavation, and new structural construction.

The 2025 editions of the National Building Code and National Energy Code of Canada for Buildings introduce dedicated alteration provisions and performance-based compliance pathways that make retrofit a more viable and better-defined regulatory option than before. Retrofit options reduces project scope and schedule risk while allowing investment on targeted upgrades, modern building systems, and new program areas that boost performance and market appeal.



When combined with strategic additions or intensification, retrofit can also unlock additional floor area and new revenue-generating space while preserving the value already embedded in the existing asset. For owners and developers, this approach can transform underperforming properties into higher-value assets, extend building lifespans, and deliver projects faster while aligning with growing market expectations around resource efficiency and carbon performance.

Excerpts from Unlocking the Value of Existing Buildings. This briefing note is part of a series summarizing key insights from *Unlocking the Value of Existing Buildings: a new approach to codes for carbon, culture and cost.*
The full report is available here: cahp-acecp.ca/learning-resources/

Call to Action for Developers and Construction Industry

Improve Project Economics by Leveraging Retrofit

- Retaining existing structures reduces costs associated with demolition, disposal, excavation, and new construction.
- Targeted upgrades allow capital to be focused on improvements that directly increase building performance and tenant appeal.
- Extending the life of existing assets spreads capital investment over longer time horizons and can improve lifecycle returns.

Engage with Financing and Policy Tools

- Make use of retrofit-specific financing instruments: green loans, retrofit tax credits, density bonuses, and expedited permitting programs.
- Factor non-energy benefits, including job creation, heritage value, neighbourhood stability, and tenant appeal into investment analysis. Traditional ROI models consistently undervalue these outcomes.
- Retrofit generates significantly more job-years per dollar invested than new construction, making a meaningful consideration for community benefit agreements and public-private partnerships.

Evaluate Retrofit Early in Feasibility Studies

- Early evaluation reveals opportunities to retain structural systems, foundations, and other major components that represent significant cost and carbon investment.
- Engage heritage professionals early, as their expertise in existing buildings balances conservation, performance, and long-term value.

Add and Intensify to Unlock Asset Value

- Adding floors or expanding building area can improve project viability while preserving the embodied value of the original structure.
- Combining retrofit with densification allows developers to increase usable floor area while avoiding the full cost and environmental impact of demolition and reconstruction.

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