



Real Estate Information Standards (REIS)

REIS NEWS
October, 2009

Highlights:

- REIS Board approves FASB Topic 820 implementation document – next steps planned
- New REIS website launched
- 2010 Strategic initiatives developed-focus on increased industry awareness and compliance with REIS
- REIS presentation to be made at PREA Plan Sponsor Council meeting in October

FASB Topic 820 Implementation Document Approved

On October 20, 2009, the REIS Board approved the [FASB ASC Topic 820 Implementation Guidance for Real Estate Investments](#) document. The document describes two different approaches for the valuation of secured debt which are used within our industry. These different approaches will likely result in different net asset values in cases where the economics of transactions are essentially the same. The document recommends disclosures which will detail the impact of debt valuation on the financial statements, thus facilitating comparability.

Development of the implementation document began after a 2008 a task force of the REIS Council surveyed the industry and found it was divided as to whether all debt should be valued consistent with the REIS Standard. The industry requested guidance on how debt should be valued prior to considering a change to the REIS Standard. A task force of the REIS Council is expected to reassess the valuation standard now that the document has been approved. In addition, the REIS Council plans webinars which will address these important issues surrounding debt valuation.

New REIS Web Site

In order to increase industry awareness and further promote alliance with its sponsors, NCREIF and PREA, a REIS web site has been developed and is available at www.reisus.org. We would appreciate any comments or suggestions you may have which would improve its utility for the industry.

2010 Strategic Initiatives

The REIS Board approved the 2010 strategic initiatives for REIS. The primary goal for 2010 is to increase industry awareness and compliance with REIS. The REIS hierarchy will be clarified and the document re-written to emphasize investor reporting and facilitate compliance. In addition, an industry outreach program has been initiated which includes enhanced communication and education.

PREA Plan Sponsor Council

On October 27, Michael Giliberto, REIS Board member, is making a presentation to the PREA Plan Sponsor Council during the [PREA Plan Sponsor Conference](#) in Beverly Hills, California. The presentation addresses the investor community's need for REIS and its support for current and future REIS initiatives.