



Real Estate Information Standards (REIS)

REIS NEWS July, 2009

Highlights:

- REIS Board invited to discuss REIS strategic initiatives with Plan Sponsor Council during October PREA Plan Sponsor Conference
- REIS Council delivers generally supportive response to FSP FAS 157-g
- REIS Council approves prospectus for development of Performance Measurement Manual

REIS Strategic Initiatives

Members of the REIS Board will discuss REIS strategic initiatives with the Plan Sponsor Council during the October [PREA Plan Sponsor Conference](#) in Beverly Hills, California. Feedback received from the investor community will be critical to the long-term success of our goal of promoting full, comparable and transparent financial information to our industry which is not currently achievable through existing standard setting initiatives.

Response to FSP FAS 157-g, *Estimating the Fair Value of Investments in Investment Companies That Have Calculated Net Asset Value per Share in Accordance with the AICPA Audit and Accounting Guide, Investment Companies*

The [REIS Response](#) to FSP FAS 157-g supported the recommendation which would allow investors in private real estate investment funds to use their share of fund net asset value as the practical expedient for reporting the value of their investment. The REIS response also recommended expanding the scope to include other real estate investment funds that trade or report on net asset value (NAV), but follow the fair value precepts of FASB 35 or GASB 25 which are similar in nature to those scoped into this FSP. The REIS Board and Council will continue to respond to its foundational standard setting bodies' requests for comment.

Performance Measurement Manual

In response to requests from preparers of performance information for our industry, the REIS Council has recommended that the REIS Board approve a prospectus for the development of a performance measurement manual. Members of the NCREIF Performance Measurement Committee will spearhead the effort to develop this much needed guidance. Guidance for the calculation and disclosure of performance metrics included within the REIS Standards, such as time-weighted returns, investment multiples and IRRs will be included in the document. The manual is expected to be made available during the first quarter of 2010.