



Real Estate Information Standards (REIS)

REIS NEWS
March, 2011

Highlights:

- Open letter from REIS Board highlights progress and future direction for REIS
- All are invited to attend Handbook webinar to be held at 2 PM Eastern on April 28

REIS Board Letter

Dear Industry Participant:

This month's REIS News is an open letter from the REIS Board, focused on an update on our strategic thinking, discussing our progress and requesting your help.

Strategic Thinking

Few would dispute that we are in an era of unprecedented regulation. Our industry is gradually emerging from the economic downturn and the pace of change in government regulation and REIS foundational standards of accounting, performance measurement and valuation is accelerating. Our technical team led by the REIS Council and supported by many industry participants, works diligently to not simply keep up, but to get ahead of the curve. This sometimes results in time spent on a matter that never progresses beyond discussion. Often, that's the most important work.

Our standards have existed in one form or another since the early 1990's. Today, they are more important than ever. Here's why. During the downturn, investors focused on real estate reports seeking a detailed understanding of economic results and performance drivers. This highlighted differences in underlying policy selection made by investment managers. All of these selections were within the rules, but differences sometimes produce varying results under similar circumstances. One of our goals is to provide a foundation for fair performance comparisons of both investment managers and investment vehicles.

Your independent board is focused on facilitating comparisons between investment products and managers and increasing the homogeneity of information submitted to various databases which comprise the industry benchmark tools managed by NCREIF. We are trying to look beyond foundational standards compliance and improve the utility of industry reporting.

Progress

A fulcrum element of our effort is the proposed [REIS Handbook](#) recently issued and available for comment until June 1. This represents a restructuring of our documentation, including a series of checklists, which will facilitate measuring compliance. In addition, on April 28 at 2 PM Eastern, the REIS Council will be hosting a webinar to highlight changes

REIS News is published monthly and provides a status report of significant developments within REIS and the foundational standards' bodies on which it depends (USPAP, U.S. Fair Value GAAP, and GIPS). More detailed information can be found at www.reisus.org.

made and to obtain feedback on key issues. Additional information will be posted on the [REIS web site](#).

Investor interest in, and direct support of REIS is growing. REIS efforts have been bolstered by the recent formation of an Investor Committee, which works closely with both the PREA Plan Sponsor Council and the NCREIF Plan Sponsor Committee.

Role of industry participants

You can help our process by testing the checklists against your existing and proposed products, analyzing the results and including that information in your comments on the handbook which are due on or before June 1.

Thank you

We are fortunate to have strong industry sponsorship (NCREIF and PREA). However, our real strength is the determination, dedication and diligence of our volunteer network drawn from the NCREIF and PREA memberships. They consistently address difficult issues with candor, grace and style, seeking only to do the right thing for the industry. This is important and often difficult work. We thank these individuals and their organizations for supporting industry standards.

We would be pleased to discuss our progress and learn your views about REIS. Our Chairman, John Baczewski can be reached at 978.887.3750 or jib@refiduciaries.com.

Sincerely,
The REIS Board