

REIS NEWS **October, 2008**

Highlights:

- Debt Valuation Task Force will present findings and preliminary conclusions from industry interviews to explore compliance with and appropriateness of REIS Standard to report all debt liabilities at fair value in early November.
- REIS Board addresses issue of standards vs. guidance within REIS.
- Performance Measurement Task Force to provide guidance for determining discretion for real estate.
- REIS Council will hold March 2009 meeting during PREA conference in Washington, DC.

Debt Valuation

The Task Force formed by the REIS Board to address the issue of debt liability valuation has nearly completed its interviews of plan sponsors and investment managers. To date, approximately 23 of the largest plan sponsor investors and 32 of the largest investment advisory firms have been interviewed. The Task Force will document its findings and present its recommendation to retain, modify or eliminate the current REIS Standard requirement to report all debt liabilities at fair value. A final report should be available by December.

Standards vs. Guidance

In order to continue to promote the notion of compliance and verifiability of the REIS Standards and to provide guidance to the industry on a timely basis, the REIS Board began to consider policies and procedures for the issuance of REIS guidance. The REIS Board is expected to finalize a policy on guidance development during the next few months.

Guidelines for Determining Discretion for Real Estate

The Performance Task Force established by the REIS Board and Council has presented a draft document which provides guidance for determining discretion for real estate. These guidelines will supplement guidelines for determining discretion contained within the Global Investment Performance Standards (GIPS). The guidelines document will assist an investment manager in its evaluation of whether or not its firm retains discretion in the management of each of its accounts. The performance associated with the discretionary accounts is included in GIPS compliant presentations. At the request of the REIS Board, the Performance Task Force will continue to solicit feedback from the CFA Institute prior to final distribution of the guidelines. It is expected that these guidelines will be available by year-end.

March 2009 REIS Council Meeting

The REIS Council holds open monthly teleconference meetings on the third Wednesday of every month except during months where a NCREIF conference is held and the Council meets at the conference site. (See www.ncreif.org/reis for a complete meeting schedule and call in information.) In March, 2009, the REIS Council meeting will be held during the PREA conference in Washington DC. Details will be made available in the near future.