1031 Exchange: The exchange, under Section 1031 of the Internal Revenue Code, of a real property held for investment or used in a trade or business, for a similar property; it allows the property holders to defer capital gains.

1031 Replacement Property: A property purchased with the proceeds from the sale of another property recently sold by the buyer, so as to qualify the sale and subsequent purchase as a 1031 exchange.

Additional Income: Building revenue resulting from sources other than primary property type rents. Examples include rent revenue from space that is part of the building but is of a different rental type (i.e. ground floor retail in an office building), and income from vending machines, parking garages, billboards/signage, gym and other facilities fees, telephone or ATM access fees, and roof antennas.

Affiliated Parties: A buyer and seller who are related by blood, marriage or corporate structure, such as a parent and sibling or a corporation and its subsidiary.

Amortization: The process of retiring a debt or recovering capital investment through scheduled systematic repayment of the principal.

Anchor Lease Length (years): The average term (in years) currently being quoted for new anchor leases in this submarket.

Anchor Tenant: The tenants that generally occupy the largest spaces in terms of square footage and serve as the primary draw of customers in a shopping center. Typical anchors are supermarkets, drug stores and department stores.

Annual Cash Flow: Net Cash Flow generated by the subject property during the indicated period; typically, a full year, except in the first period which is a remainder of-year amount.

Annual Credit Cost (Expected Loss): The product of Annual Probability of Loss and Loss Given Default, this is a number that expresses the average or expected credit cost each year of the loan.

Annual Probability of Loss/Default: Calculated as $1-((1-C)^{(1/m)})$, where C is the Cumulative Probability of Loss/Default and m is the number of years through scheduled maturity.

APD: Indicates that the sale price has been apportioned based on the size of each building included in a multiple property transaction. When information on total units is not available, sale price is apportioned based upon the square footage of all buildings included in the transaction.

APX: Indicates that the sale price is approximate.

Area Median Income (AMI): In reference to Affordable Housing, AMI is the income limit based on the US census from every geographic location calculated annually by HUD. The AMI is the middle number of all the incomes in a given area.

Arms Length Transaction: A transaction between unrelated parties under no duress.

Asking Rent % Change: Percent change in asking rent from the previous time period.
**Asking Rent**: For RETAIL and INDUSTRIAL properties, rent is a weighted average quoted as annual NNN rent per square foot. OFFICE properties are a weighted average quoted as an annual gross rent per square foot. SELF-STORAGE, rent is quoted as a monthly gross rent per unit. For APARTMENT & STUDENT HOUSING properties, rent is a weighted average quoted as monthly gross rent per unit. SENIORS HOUSING is quoted as a gross monthly rent plus average level of care fee. AFFORDABLE HOUSING rents are quoted on a gross basis that includes a utility allowance except for telephone.

**Asset Class**: An overall indicator of both a property’s physical condition and operating performance, where A properties tend to be the best in the market, have above average design, construction and finish, minimal or no deferred maintenance, superior locations, achieve the highest rents, and have tenants of strong credit quality; B properties tend to be in good to above average condition, have adequate construction but do not have design and finish reflective of the latest standards and preferences, have above average locations, are generally well maintained, and command average rents; C properties tend to be in average condition, exhibit some deferred maintenance, provide functional space for tenants, have less desirable locations, are usually managed by small local companies with limited experience, command below average rents, and have tenants of lower credit quality that provide a less stable income stream.

**Assisted Living (AL)**: Also known as personal care, elderly, convalescent or rest homes. These properties are for residents where their health has progressed to a point where they need more help with ADL’s (activities of daily living). These properties offer dressing, grooming, bathing, ambulatory services, etc. They often have kitchenettes instead of full kitchens, but will also have a communal dining area. Residents are required to pay base room rates and additional “levels of care fees” as needed. This type of property is typically rented by the apartment OR by the bed.

**Average Household Income**: The average income per household as defined by the US Bureau of the Census. Reis uses a mean rather than median value in our reports.

**Bankruptcy**: Indicates that the seller was operating under Chapter 7 or 11 bankruptcy protection at the time of sale.

**Bed-to-bath parity**: Indicates that for every bedroom in a unit, there is one bath.

**Building Area**: The total area of the building(s) included in the transaction, expressed in square feet. May represent Net Rentable Area, Gross Leasable Area or unspecified building area.

**Buyer**: The person or entity to whom property rights were transferred; the grantee.

**Buyer’s Broker**: An intermediary in the transaction who represented the interests of the buyer.

**Capital Reserve**: An allowance that provides for the periodic replacement of building components that wear out more rapidly than the building itself and must be replaced during the building’s economic life.

**Center Type**: Shopping center type as generally defined by ICSC and NAREIM, PREA, NCREIF Real Estate Information Standards.

**Climate Controlled Units (CC)**: Self Storage area that is specifically designed to regulate the temperature and humidity by a heating and cooling system.
**Community Shopping Center:** A retail property offering a wider range of apparel and general merchandise than a neighborhood center; examples include discount department stores like Wal-Mart, Kmart and Target. The gross leasable area generally runs from 100,000 square feet to 350,000.

**Competitive Inventory:** The total square footage or total number of units of market rate space which meets Reis inclusion criteria. For Office: multi- and single-tenant 10,000+ sqft; Retail: neighborhood and community shopping centers 10,000+ sqft; Industrial: warehouse/distribution and flex/r&d space 10,000+ sqft properties; Apartment: 40+ units (tertiary markets and markets within California and Arizona, REIS includes apartment complexes of 20+ units).

**Completions:** The amount of new space added to market inventory during the time period indicated.

**Compliance:** In reference to Affordable Housing, the act of meeting the conditions specified under the law and the LIHTC Program requirements.

**Compliance period:** The 15-year period during which a LIHTC property must comply with federal LIHTC requirements in order to avoid recapture of the tax credits.

**Condominium Building:** A multi-unit structure or property in which persons hold “Title” to individual units and an undivided interest in common areas.

**Construction/Absorption:** Completions during the time period divided by absorption during the same time period.

**Contract Rent Discount (CRD):** The average percent discount offered by building owners/managers from the market asking rent to finalize a deal.

**Credit Loss:** The total amount of rent due that the landlord is unable to collect due to tenant default.

**Cumulative Market Share:** The percentage of anticipated deliveries based on the running total of projects for the listed submarkets.

**D:** In reference to Retail records, D Indicates that tenant is a drug store.

**Date Placed in Service (PIS):** The date an eligible tax credit family could occupy a unit. For new construction, the PIS date generally coincides with the date on the Certificate of Occupancy (C of O) issued by the local inspector. Once a unit is in service a full calendar month, it can begin producing an LIHTC when occupied by an LIHTC-qualified resident.

**Deed Reference:** A filing number that provides a means of retrieving the deed in the public record. Usually in the form of the book number and page number under which the deed has been filed by the recorder.

**Distance from Subject:** Distance, in miles, from the peer property to the subject property.

**Distance to CBD:** Distance, in miles, to the Metro’s Central Business District.

**Distance to Highway:** Distance, in miles, to the closest US Highway.

**Distance to Landmark:** Distance, in miles, to a Reis defined landmark such as a geographical point, airport or local attraction.
**Downside Scenario 1:** Moderate downside forecast for the indicated years. The primary inputs to the forecast are Reis’s comprehensive monitoring of new construction projects, our deep history of property and market performance through several business cycles, and the Moody’s “deep second recession” downside forecast.

**Downside Scenario 2:** More severe downside forecast for the indicated years. The primary inputs to the forecast are Reis’s comprehensive monitoring of new construction projects, our deep history of property and market performance through several business cycles, and the Moody’s “protracted slump” downside forecast.

**Effective Rent:** Office & Retail: The rent after the concessions of CRD, Tenant Improvements and Free Rent are netted out of the asking rent. Flex R/D and Warehouse/Distribution: The rent after the concessions of CRD and Free Rent are netted out of the asking rent. Apartment: The rent after the concession of Free Rent is netted out of the asking rent.

**Effective Rent % Change:** Percent change in effective rent from the previous time period.

**Efficiencies:** Apartment units with an efficiency, or studio, configuration (no separate bedrooms).

**Enclosed Shopping Center:** A center which has a walkway or mall that is enclosed, heated and cooled, insulated and lighted. The mall corridor has storefronts on one or both sides.

**EST:** Indicates that the sale price is estimated.

**Estimated Completion (Month):** Month of anticipated completion.

**Estimated Completion (Year):** Year of anticipated completion.

**Estimated Going-in Cap Rate:** An overall capitalization rate obtained by dividing the projected net operating income for the first full calendar year of ownership by the purchase price.

**Expected Amount:** In reference to Seniors Housing, the average of the property’s next rent change, expressed as a percentage.

**Expenses:** The average annual cost, per square foot or per unit, of operating buildings in the REIS submarket survey sample, including property taxes, energy, janitorial service, insurance, general building maintenance, management and leasing fees, and other expenses. Apartment it is expressed as a percentage in Submarket Expense Ratio.

**Extremely Low Income:** A household income level equal to 30% of Area Median Income (AMI). This amount varies by area and the number of persons in the households and is adjusted annually.

**Fair Market Rent (FMR):** The rent including the cost of utilities (except telephone) that would be required to obtain safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the Federal Register.

**Federally Subsidized:** An apartment property at which some, or all, of the units are occupied by tenants who participate in Federal programs, such as Section 8.

**Financing Details:** Information regarding how funding was obtained for the purchase; may include lender, loan amount, interest rate and term.
**Foreclosure Sale:** A sale resulting from the exercise of the optional right of the mortgagee or lending institution to sell mortgaged property if the mortgagor fails to make payment, applying proceeds from the sale toward the outstanding debt.

**Free Rent Concessions:** The total dollar amount or number of months of free rent granted by the landlord per lease term; 12 months in apartment properties, lease terms vary for more traditional commercial properties.

**Flex/R&D:** An industrial building with a minimum total office percentage of 25% and consisting of either Warehouse/Distribution and/or specialty industrial space; such as Research & Development and High-Tech space. Other building characteristics will be consistent with Warehouse/Distribution properties such as loading docks, dock-high doors, and high clear heights, with an addition of high-tech characteristics such as non-medical labs, showrooms, and retail. Excluded are Office Showroom, Light Manufacturing, Medical Research Laboratories, Incubator Laboratories, Medical Centers/Offices, Retail Showrooms, Data Storage Centers.

**G:** In reference to Retail records, G Indicates that tenant is on a ground lease at the peer property.

**GBA:** Gross Building Area of the building(s) included in the transaction, expressed in square feet.

**Households:** The number of occupied housing units, as defined by the U.S. Bureau of the Census.

**In Place Rent:** Weighted average rent of all existing leases in a property during the indicated year.

**Independent Living (IL):** This is the beginning to a catered retirement living lifestyle. These properties have communal dining areas and have amenities such as planned activities, meals, transportation, housekeeping, and full kitchens. This type of property is typically rented to adults 62 years or older. Care is not provided at any level. If care is needed you must seek services personally. This type of property is typically rented by the apartment.

**Industrial Employment:** The total number of persons employed in construction, manufacturing, transportation, and public utilities.

**Interest Purchased:** The share of the property that was purchased in the transaction. A figure of less than 100% indicates purchase of a fractional interest.

**Inventory (Buildings):** Estimated total number of competitive properties based on the REIS database.

**Inventory (Units/Sq. Ft.):** Estimated total square footage or units in competitive properties based on the REIS Database.

**Inventory Growth %:** Percent change in total inventory from the previous time period.

**Lease Term:** The average term currently being quoted for new commercial leases (in years); one year is standard for Apartment properties.

**Leasing Commission:** An amount paid to a real estate broker in exchange for bringing a tenant and landlord together to form a lease agreement. Usually paid in the form of a percentage of the yearly rent.

**Leasing Incentive:** Given to students to entice them to move into a Student Housing property. Typically in the form of a gift card, free parking, electronics, and/or gaming console.
Level of Care: Fee associated with tiered services provided to the resident of a Seniors Housing facility. Some facilities include these fees into their rental rates, while others provide “levels” or a la carte type services that are additional charges to a tenant’s base rent.

Lot Size: The total area of all land included in the purchase, expressed in square feet and acres.

Lstg: Indicates that the broker was the listing broker in the sale.

Market Rate Rental: An apartment property with no restrictions barring a good credit tenant from entering into a lease agreement; excludes rent regulations and government subsidies.

Market Rent % Change: The percent increase or decrease in the market rent rate between REIS survey periods.

Market Share: The submarket’s share of the entire market’s anticipated deliveries.


Mean: Average value for the applicable variable.

Median: Median value (50th percentile) for the applicable variable.

Memory Care (MC): Also known as Alzheimer or Dementia care. This type property is for residents with early to advanced memory loss. Most residents in these properties require direct, and at times, heavy supervision because they can possibly wander to unsecure places. These properties do not have kitchenettes or full kitchens, but do have a communal dining area. Similar to Assisted Living, residents are required to pay base room rates and additional “levels of care fees” as needed. This type of property is typically rented by the apartment OR by the bed.

Metropolitan Area: Geographical division of the United States encompassing a major city and its surrounding communities/counties.

Neighborhood Shopping Center: A shopping complex typically centralized around a supermarket and/or drug store as the only anchor tenant(s). It provides for the sale of convenience goods and personal services for the day to-day living needs of the immediate neighborhood. The gross leasable area typically ranges from 10,000 square feet to 150,000 square feet.

Net Absorption: Net change in occupied space during the applicable time period. Pre-leased space in buildings under construction is not included in order to avoid double counting of tenants in the process of moving within the market.

Net Operating Income: Effective gross revenue less operating expenses and capital reserve.

Non-Anchor Lease Length (years): The average term (in years) currently being quoted for new non-anchor leases in this submarket.

Non-Climate Controlled Units (NCC): Self Storage units that have no heating or cooling system but may have humidity controls.

Non-Purpose Built: Buildings not constructed for the purpose of renting exclusively to students; non-purpose built properties could rent to students as well as professionals.

NRA: Net Rentable Area of the building(s) included in the transaction, expressed in square feet.
Number of Bldgs.: The total number of buildings included in the particular property at a single location. Does not include buildings at other locations, which might have been purchased simultaneously as part of a portfolio.

Number of Floors: The total number of floors, or stories, comprising a building. For sales involving multiple buildings, the total number of floors of the tallest structure included in the sale.

O: In reference to Retail records, O Indicates that tenant is located on an outparcel at the peer property.

Occupied Stock: Amount of leased inventory at the end of the applicable time period.

Office Employment: The number of persons employed in the finance, insurance and real estate (FIRE) industries as service industries.

Operating Expenses/Ratio: Expenditures for ongoing costs of operating a building, including maintenance and repairs, insurance, administrative fees and real estate taxes; expressed as an annual dollar amount or as a percent of potential rent revenue.

Operating Subsidy: This is a type of subsidy going to property owners to reduce the management, maintenance and utility costs of housing. It is needed for projects housing extremely low-income residents who can't afford rents covering the actual costs of housing.

Other Broker: An intermediary in the transaction, where it is unclear whether they represented the interests of the buyer, seller, or both.

Parcel Number: A code number that serves as an abbreviation of, or replacement for, a parcel’s legal description.

Pedestrian to campus: Term used to indicate a property’s walking proximity to campus.

Population: Total number of inhabitants in the defined geographic area as defined by the U.S. Bureau of the Census.

Power Center: A collection of three or more anchor stores generally located within a retail center larger than 250,000 square feet, and where the total anchor space accounts for 75% or more of the center’s total area.

Price Per Unit or Square Foot: The purchase price of the property divided by the total number of apartment units or square feet included in the sale.

Property Name: When applicable, the name by which the property was known at the time of sale.

Purpose Built: Buildings constructed for the sole purpose of renting to college Students.

Quarter: 1, 2, 3 or 4 to denote the applicable 3-month period or Y for an annualized number.

Rec: Indicates that the sale date is actually a recording date.

Refereed: Indicates that the sale occurred pursuant to a declaration by a judge or arbitrator.

Region: Any of 5 geographical divisions of the US encompassing: Northeast, South Atlantic, Midwest, Southwest and West.

Regional Center: A shopping center whose main attractions are its anchors: traditional department stores (e.g., Macy’s Filenes), mass merchant department stores (e.g., Sears, J.C. Penny), or fashion specialty stores (e.g., Neiman Marcus, Nordstrom). Typically enclosed and connected by a common walkway.
**Rehabilitation:** Rehabilitation may include renovating and converting an existing non-residential or commercial structure for residential use. When the newly-constructed units are located on sites where blighted multifamily housing units previously existed, and when the number of newly-constructed units does not increase the overall housing density of the area of the proposed site, these units will be considered as rehabilitation.

**Reis Cap Rate Analysis Proforma:** An analysis which projects income and expenses for the first full calendar year of ownership of the property after the indicated sale date, and which results in a projected net operating income that is then divided by the sale price to obtain an estimated going-in cap rate. Note that projection of revenue relies largely on a rent roll that Reis estimates based on rents, vacancies and expenses observed during several years of surveys at the property or at nearby properties.

**Rent Regulated:** An apartment property at which most, or all, of the units are subject to local regulations that stipulate the amount of rent that may be charged.

**Rent-Restricted Unit:** A rent-restricted unit is a unit for which the rent charged to tenants is limited to 30 percent of the income limitation applicable under the elected minimum set-aside test.

**Reported Cap Rate, This Sale:** A capitalization rate published by the buyer, seller or other party to the transaction.

**Sale Price PSF:** The purchase price of the property per square foot of net rentable area (indicated by NRA), and/or gross building area (indicated by GBA) and/or unspecified building area (no indicator).

**Sale-Leaseback Transaction:** A financing arrangement in which real property is sold by its owner-user, who simultaneously leases the property from the buyer for continued use by the seller.

**Scheduled Increase:** In reference to Seniors Housing records, it is the period where facilities anticipate increasing their rental rates. Could be one of the any 12 months of the year or the tenant’s anniversary.

**Secondary Type:** Denotes various non-competitive property types similar to the applicable sector, e.g. condominiums, Medical office space, government office space, etc.

**Section 8 Vouchers:** This federal program is administered by local housing authorities. Also known as Housing Choice Vouchers, eligible tenants receive vouchers they can use to help them pay for apartments in the private market. With a voucher, tenants pay between 28 and 40 percent of their household income for rent and utilities, and the housing authority pays the difference between this amount and the amount the landlord requests.

**Self storage:** Facilities offering rentals on a month-to-month basis where the tenant applies the lock and has sole access to the unit. A self storage facility may also have outside parking for boats and motor vehicles.

**Seller’s Broker:** An intermediary in the transaction who represented the interests of the seller. May, or may not, be the broker who obtained the listing contract.
**Senior Housing:** A multifamily property which is designed, configured and operated for occupancy by the elderly. Includes independent living and assisted living facilities.

**Size (Sq. Ft./Units):** The size, in square feet or total number of units, of a property.

**Skilled Nursing (SNF):** Also known as long term care centers, nursing homes or health care centers. This type of property is generally for the oldest residents, many of whom cannot take care of themselves independently. Residents generally have care 24 hours a day 7 days a week. These properties do not have kitchenettes or full kitchens, but do have a communal dining area. This type of property is typically rented by the bed.

**Strip Center:** A shopping center that typically consists of a straight line of stores with a common parking area. Stores are entered individually from the parking lot through outside entrances. The anchor tenant may be a supermarket, discount store, major department store, or a specialty retailer.

**SubID:** Reis code for the applicable submarket.

**Submarket Expense Ratio:** The average annual cost of operating multifamily buildings in the applicable submarket area. Includes property taxes, energy, janitorial service insurance, general maintenance and management. Operating expense information is expressed as a percentage of gross potential revenue.

**Tenant Improvements:** The average value granted to a new tenant by an owner for work done on previously occupied space throughout the REIS submarket survey sample (expressed as dollars per square foot per lease term).

**Total employment:** Total non-agricultural employment; figures reflected in Reis are provided by Moody’s.

**Triple Net Lease:** A lease agreement in which the tenant pays contract rent to the landlord, and, in addition, separately pays the operating expenses of the property.

**Under Construction:** Total size of all projects currently under construction anticipated for completion during the applicable year.

**Unspecified Building Area:** The size of the building in square feet when there is either unclear or conflicting information between various sources as to whether that size represents net rentable area or gross building area.

**Utility Allowance:** The utility allowance is the amount, determined by the Secretary of the Department of the Treasury, to be the average cost of tenant utilities.

**Vacancy Loss:** Loss of potential rent revenue attributable unoccupied space, expressed as a total dollar amount per year.

**Vacancy Rate:** Amount of available space expressed as a percentage of total inventory.

**Vacant Stock:** Amount of available inventory at the end of the time period.

**Verified: Buy Attny:** Indicates that the sale price and other details have been verified with the buyer’s attorney.
**Verified: Buy Brkr**: Indicates that the sale price and other details have been verified with the buyer's broker.

**Verified: Buyer**: Indicates that the sale price and other details have been verified with the buyer.

**Verified: Lstng Brkr**: Indicates that the sale price and other details have been verified with the listing broker.

**Verified: Other Pty**: Indicates that the sale price and other details have been verified with a reliable party to the transaction other than a buyer or seller, or their brokers or attorneys. Such parties include lenders and property managers.

**Verified: Pub Rcrd**: Indicates that the sale price and other details have been verified in an assessor and/or deed recorder record, or in an official public document such as a filing with the Securities and Exchange Commission.

**Verified: Sel Attty**: Indicates that the sale price and other details have been verified with the seller’s attorney.

**Verified: Sel Brkr**: Indicates that the sale price and other details have been verified with the seller’s broker.

**Verified: Seller**: Indicates that the sale price and other details have been verified with the seller.

**Waiting Lists**: Applicable to Affordable Housing, interested renters apply to the housing authority that manages the public housing apartment property they are interested in.

**Warehouse/Distribution**: An industrial building or facility primarily used for storage and/or distribution of goods, including smaller regional warehouses, larger bulk warehouses, and heavy distribution centers. Building characteristics will include loading docks, dock-high doors, drive-in doors, high clearance heights, low percentage of office space--typically below 25% of overall total square footage. Excluded characteristics are cold-storage facilities, self-storage facilities, and truck terminal hubs.

**Y-B**: Baseline forecast for the indicated year. The primary inputs to the forecast are Reis’s comprehensive monitoring of new construction projects, our deep history of property and market performance through several business cycles, and the Moody’s baseline macroeconomic forecast.

**Y-S1**: Moderate downside forecast for the indicated year. The primary inputs to the forecast are Reis’s comprehensive monitoring of new construction projects, our deep history of property and market performance through several business cycles, and the Moody’s “deep second recession” downside forecast.

**Y-S2**: More severe downside forecast for the indicated year. The primary inputs to the forecast are Reis’s comprehensive monitoring of new construction projects, our deep history of property and market performance through several business cycles, and the Moody’s “protracted slump” downside forecast.