

Offices

Terms and Measurement Guide

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2017

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Offices Terms and Measurement Guide

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1. INTRODUCTION

With this terms and measurements guide, ACI aims to provide one consistent language for the real estate sector.

Although generally speaking real estate professionals are perfectly aware of the concepts and definitions used in the office sector, this guide aims to clarify any questions that may arise when speaking about today's market.

The Terms and Measurements Guide is divided into two main sections: a glossary, detailing the most frequent concepts applied in the office sector in alphabetical order, and a measurements section, including the measurement standards that are most commonly adopted in the Spanish office market.

We hope this reference document will be a useful aid to all parties involved in the sector.

2. GLOSSARY

2.1 KEY MARKET INDICATORS

Aa

Average Rent

The average of all the closing rents signed in the lettings completed in a market during the subject period. It is expressed in square metres per month (€ per sqm /month).

Average Weighted Rent

This is the average rent weighted by the area of the lettings signed or by any other weighting method that better reflects the market reality, thereby balancing out the skewing effect of small lettings, which are normally signed at very high rents and are fairly unrepresentative. It is expressed in square metres per month (€ per sqm /month).

Dd

Direct / Gross Investment

Total value invested, during a specific period of time, in purchasing properties in order to subsequently let them, i.e. the purchaser/investor expects the property to be income producing. A property is considered sold when either a public or private sale and purchase agreement has been signed. Properties that have been acquired with a view to applying for a change of use or for owner-occupation are not included. Acquisitions of land for their subsequent development are also not included, unless the investor acquiring the land has signed an agreement with an end client. It is expressed in euros (€).

Ff**Nn**

Future Available / Supply Under Construction

Office space under construction or on which construction is due to begin, and where the completion date specified by the developer is before the end of the subject period. This includes all new-build properties, refurbishment projects (where the office is not in use during the works), and turn-key developments. Once the construction works have been completed, the asset's area is included as stock and, if vacant, as available stock. It is expressed in square metres (sqm).

Net Take-Up

The difference between space occupied by new tenants (including extensions) and space vacated, including both new-build speculative space and existing space. It is the variation in the amount of space occupied within a market during the subject period. It can be positive or negative. It is expressed in square metres (sqm).

Pp

Prime Rent

The highest (rental) value that could be paid for a prime property (location, quality, landmark status, tenant, lease). It is referenced to lettings signed in the market that involve average-sized spaces. There do not necessarily have to have been lettings signed for properties with this exact rent in the subject period to obtain this figure. If this is the case, the value will be estimated by experts based on their experience and on market trends. Lettings that are small and not representative of the market are not included. It is expressed in square metres per month (€ per sqm /month).

Prime Yield

The relationship existing between the income that an investor will obtain from letting a prime property (location, quality, landmark status, tenant, lease) and the financial investment made to obtain the property. This yield is referenced to transactions that have taken place on the market with an average surface area. There do not necessarily have to have been any transactions closed in the subject period to obtain this figure. If this is the case, the value will be estimated by experts based on their experience and on market trends. It is expressed as a percentage (%).

Ss

Stock

This is the total area of office space, both occupied and available, more specifically it includes the following:

1. Sole-use office buildings.
2. High-Tech/Semi-Industrial/Business Services buildings with an “office use classification” built or refurbished since 1985.
3. Civic buildings and buildings used by Public Authorities:
 - Including office buildings occupied and let by Public Authorities (Central Government, Autonomous and Local Authorities).
 - Including office/civic-use buildings owned by Public Authorities and let to private tenants (i.e. not a Public Authority).
 - Including offices owned and occupied by Public Authorities, and acquired after 1985.
 - Including office/civic-use vacant buildings owned by Public Authorities and which could enter the market in the short term with a use other than that of a Public Administration (buildings that meet the average office

market standards in terms of quality/ buildings that do not require a full-scale refurbishment to bring them into line with market standards: if this were the case, and if they were subsequently refurbished, they would then form part of the office stock).

It excludes:

1. Mixed-use buildings.
2. Historical civic-use buildings and buildings used by Public Authorities. It would therefore not include, historical and prestigious buildings owned and occupied by Public Authorities since before 1985 or vacant and that have not been on the market since 1985.

It is expressed in square metres (sqm).



Take-up

Total area of office space let or acquired during the subject period. This calculation includes any area that is associated with a binding agreement, regardless of whether the space will be occupied immediately or at a future date (pre-let). Take-up is registered to the period in which the agreement is signed. It is expressed in square metres (sqm).



Vacancy

Total area ready to be occupied either immediately or in the short term (within 12 months of the end of the subject period) and that can therefore be actively offered to new tenants. It is expressed in square metres (sqm).

Vacancy rate

The current relationship between available space (as defined above) and the total stock. It is expressed as a percentage (%)

2. GLOSSARY

2.2 OTHER DEFINITIONS

REASONS FOR RELOCATING

- **New companies:**
Companies that did not previously operate in the country/city where they are letting space.
- **Relocation to upsize:**
A tenant that relocates in order to let a larger space.
- **Relocation to downsize:**
A tenant that relocates in order to let a smaller space.
- **Relocation:**
A tenant that relocates without upsizing or downsizing.
- **Consolidation:**
Reduction of space let to better optimise space or combine spaces that were previously separated.
- **Expansion - same building:**
A tenant that increases the amount of space they occupy within a building that they are already partially occupying
- **Expansion - another building:**
A tenant that lets additional space in another building without vacating the offices that they already occupy.

BUSINESS SECTOR ACCORDING TO CNAE

- Agriculture
- Extracting and Manufacturing Industry
- Energy
- Distribution
- Construction
- Automotive
- Transport
- Restaurants and Bars
- Telecoms
- Finance - Banking and Insurance
- Real estate
- Science
- Administration and Auxiliary Services
- Public Authorities
- Education
- Health
- Art and Entertainment
- Professional Services - Consultancy
- Professional Services - Law
- Administrative and Auxiliary Services
- Other

3. MEASUREMENTS

3.1 CONVERSION TABLE

Length

Old English *lengthu*,
of Germanic origin

1. The measurement or extent of something from end to end; the greater of two or the greatest of three dimensions of an object.

Area

From Latin, literally “*vacant piece of level ground*”

2. The extent or measurement of a surface or piece of land, as measured in square units.

3. MEASUREMENTS

3.2 MEASUREMENT STANDARDS

It is difficult to apply one single measuring criteria across several markets given the amount of variables that must be taken into consideration, so much so that over the years many attempts to apply one have been abandoned. The International Property Measurement Standards Coalition (IPMSC) has successfully produced the international measurement standards for office buildings.

Adapting to new guidelines in a market is often a lengthy and above all confusing process. At ACI, we have compared and contrasted the three standards that are currently used in Spain. We believe that establishing a logical relationship between all three standards can make for a much smoother transition to the international standards.

IPMS

International Property Measurement Standards

The International Property Measurement Standards Coalition (IPMSC) was formed on 30 May 2013. Its aim is to guarantee the unification of the national property measurement standards via the creation and adoption of agreed international standards for the measurement of Buildings. The IPMS are the international standards that came into force on the market in February 2016.

AEO

Spanish Office Association (AEO)

In 2014, the Spanish Office Association published its AEO Standards, aimed at establishing clear guidelines for measuring office buildings in the Spanish real estate market.

ACI

Association of Real Estate Consultants (ACI)

In May 2015, ACI published its Office Measurement Standards, aimed at clarifying the practice for measuring in Spain. Taking into consideration the experience of its associated specialists and paying special attention to market events, these standards are a true reflection of the current measurement practices for offices in the Spanish market.

IPMS 1

The sum of the areas of each floor level of a building measured to the outer perimeter of external construction features and reported on a floor-by-floor basis.

IPMS 1 - Offices	OBSERVATIONS IPMS	ACI	OBSERVATIONS AEO	AEO
USE IPMS 1 is used for measuring the area of a building including external walls.	For planning purposes or the summary costing of development proposals.	Measurement of the total constructed floor area of buildings. Clarification of the size of vertical penetrations that are excluded. Total built floor area of the building for calculating buildable area.	For planning purposes or the summary costing of development proposals.	According to the definition of GEA in the document, it is used to measure the floor area of a building, including the external walls.
DEFINITION The sum of the areas of each floor level of a building measured to the outer perimeter of external construction features and reported on a floor-by-floor basis.	Gross floor area or built floor area with communal areas.	The total built floor area (gross floor area) of the building. The gross floor area is the built floor area including communal areas (total floor area on the as-built drawings).	Gross floor area or built floor area with communal areas.	GEA. Gross External Area This is the Unit of Measurement with a Boundary Line* that coincides with the external face of the building's external wall on any floor, measured at the height of the finished floor level.
INCLUSIONS - INCLUDING	Includes floors above ground and floors below ground, differentiating them according to current regulations and legislation in the specific location of the building.	The sum of the areas of each floor level of a Building, measured to the outer perimeter of external and internal construction features, and the centre-line of common walls, if relevant (in the event they cannot be measured, a thickness of 30 cm is assumed). Covered courtyards that are part of general lobbies or atria, only measured on their lowest floor. Vertical shafts/voids with a floor area of more than 0.5 m ² , including lift shafts, stairwells and penetrations for building services.	The thickness of external walls are treated in the same manner; an estimate of 30 cm is used for basement and common walls. Treated in the same manner as they are elements within the perimeter of the building. Treated in the same manner. Treated in the same manner. DIFFERENCE: In the AEO document, it is included in the calculation and it is not stated or specified that it should be measured separately.	<ul style="list-style-type: none"> • Thickness of external walls. • Thickness of common walls: half the thickness is used for the calculation; if it is not possible to measure the thickness, it is assumed to be 30 cm. • Floor area occupied by internal walls. • Columns, pillars. • Double-height atria and entrance lobbies: only included on the lower level. • Chimneys, stairwells, lift shafts and similar. • Stepped floors: treated as one level, measured in the horizontal plane. • Horizontal floor area, whether or not it can be accessed, under stepped or inclined floors. • Interior balconies and mezzanines with permanent use and access. • Loading bays. • Areas with headroom of less than 1.5 m.
ON ROOFS			DIFFERENCE: In the AEO document, it is included in the calculation and it is not stated or specified that it should be measured separately.	<ul style="list-style-type: none"> • Lift motor rooms, machine rooms, storage rooms, tanks, fuel tank rooms that are housed under a permanent roofed structure above roof level.
ON FLOORS BELOW GROUND		Basements and semi-basements. The following are stated separately: built floor areas above ground, built floor areas below ground, and in the case of semi-basements with the same use as the main building, built floor areas of the semi-basement.	Treated in the same manner.	<ul style="list-style-type: none"> • On floors below ground, if the thickness of the walls cannot be measured, it is assumed to be 30 cm.
MEASUREMENTS INCLUDED BUT STATED SEPARATELY:	There is a distinction between private, shared and freehold use; in all events, for purposes of measurement, they are measured in the same manner. in enclosed room on the roof.	The area of balconies, terraces, porches and other similar elements, when roofed, are measured to the external face of the external wall (and are stated separately from the enclosed built area).	DIFFERENCE: In contrast to the IPMS and ACI guidelines, in the AEO document, it is not specified that the measurement of the various elements must be stated separately.	
<ul style="list-style-type: none"> • Balconies. • Covered galleries. • Generally accessible rooftop terraces. • Lift/elevator motor room. 				

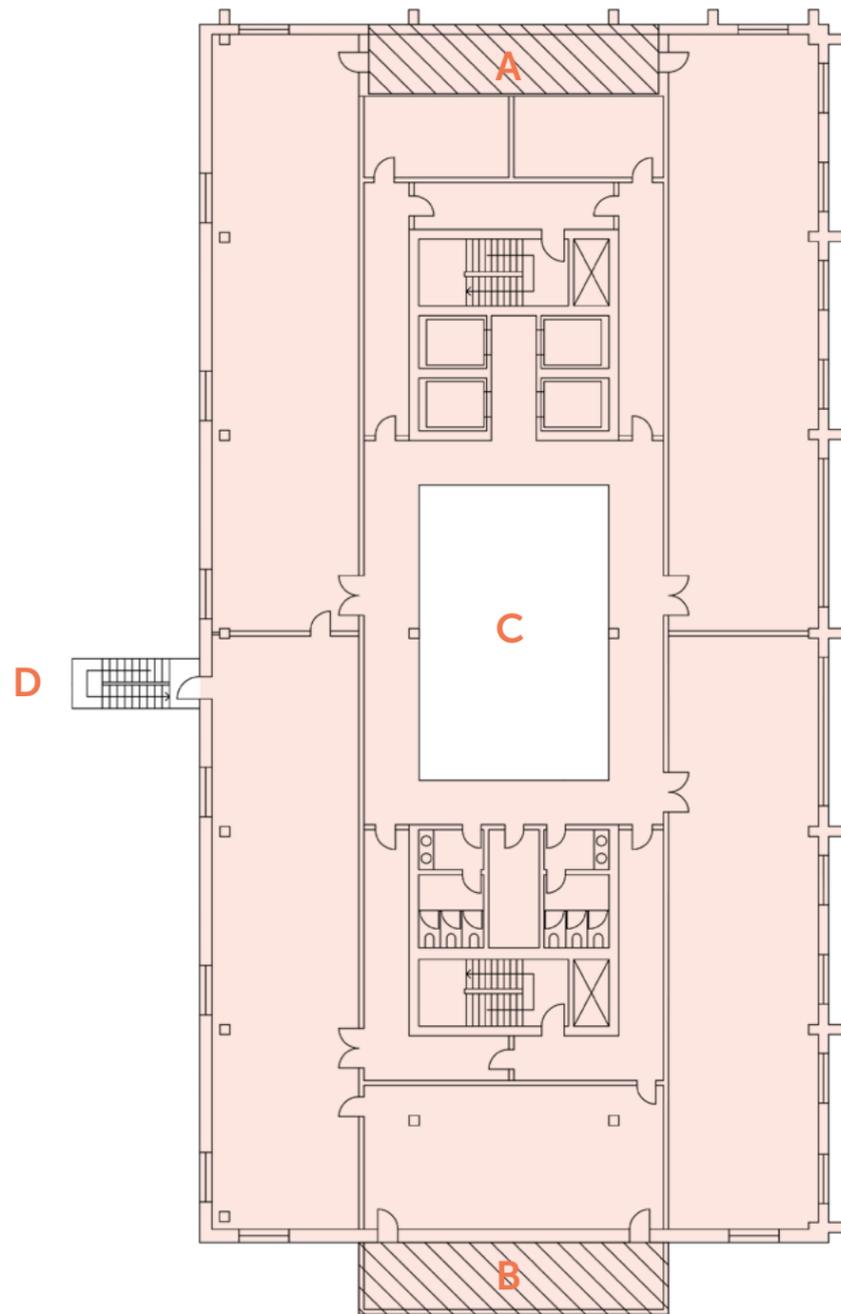
*See definition on page 33

IPMS 1 - Offices		OBSERVATIONS IPMS	ACI	OBSERVATIONS AEO	AEO
DEFINITION	EXCLUSIONS - NOT INCLUDING	Can be measured and noted separately		Can be measured and noted separately	
		Treated in the same manner.	Space in plan between the second skin of office buildings and the external wall.	Treated in the same manner.	Areas of external walls through which external air circulates freely.
	<ul style="list-style-type: none"> • Open light well/upper level void of atrium. • Courtyards and roofs at ground level. 	Floor areas of an open or roofed atrium.	Open courtyards. Double height vertical penetrations.	Treated in the same manner.	Double-skin external walls, where the space between the two skins is ventilated, where external air circulates freely or which is designed for building maintenance, and which is more than 25 cm wide: the Boundary Line of the Gross External Area will coincide with the external face of the inner skin. Open courtyards.
	<ul style="list-style-type: none"> • Open external stairways that are not an integral part of the structure. • Equipment courtyards. • Heating and cooling units. 	Fire stairs, e.g. metal structure attached to the façade.	Open external stairways that are not an integral part of the structure.	Fire stairs, e.g. metal structure attached to the façade.	Voids over stepped spaces or double height spaces. Open external stairs that are not an integral part of the structure (external fire stairs).
	<ul style="list-style-type: none"> • External car parking. • Refuse areas. • Other ground level areas that are not fully enclosed. 	Vertical building services conduit, not included.	Not included.		
	Treated in the same manner.	External car parking and other areas (that form part of the premises, but are not part of the building).	Treated in the same manner.	External car parking.	
		Projections and spaces that do not affect the inner face of the external wall.	Treated in the same manner.	Fuel storage areas. Greenhouses, store rooms and other similar buildings located within the plot but outside the building. Open balconies. Covered galleries and walkways. Awnings, canopies.	

*See definition on page 33

Diagram 1. IMPS 1

Upper floor level

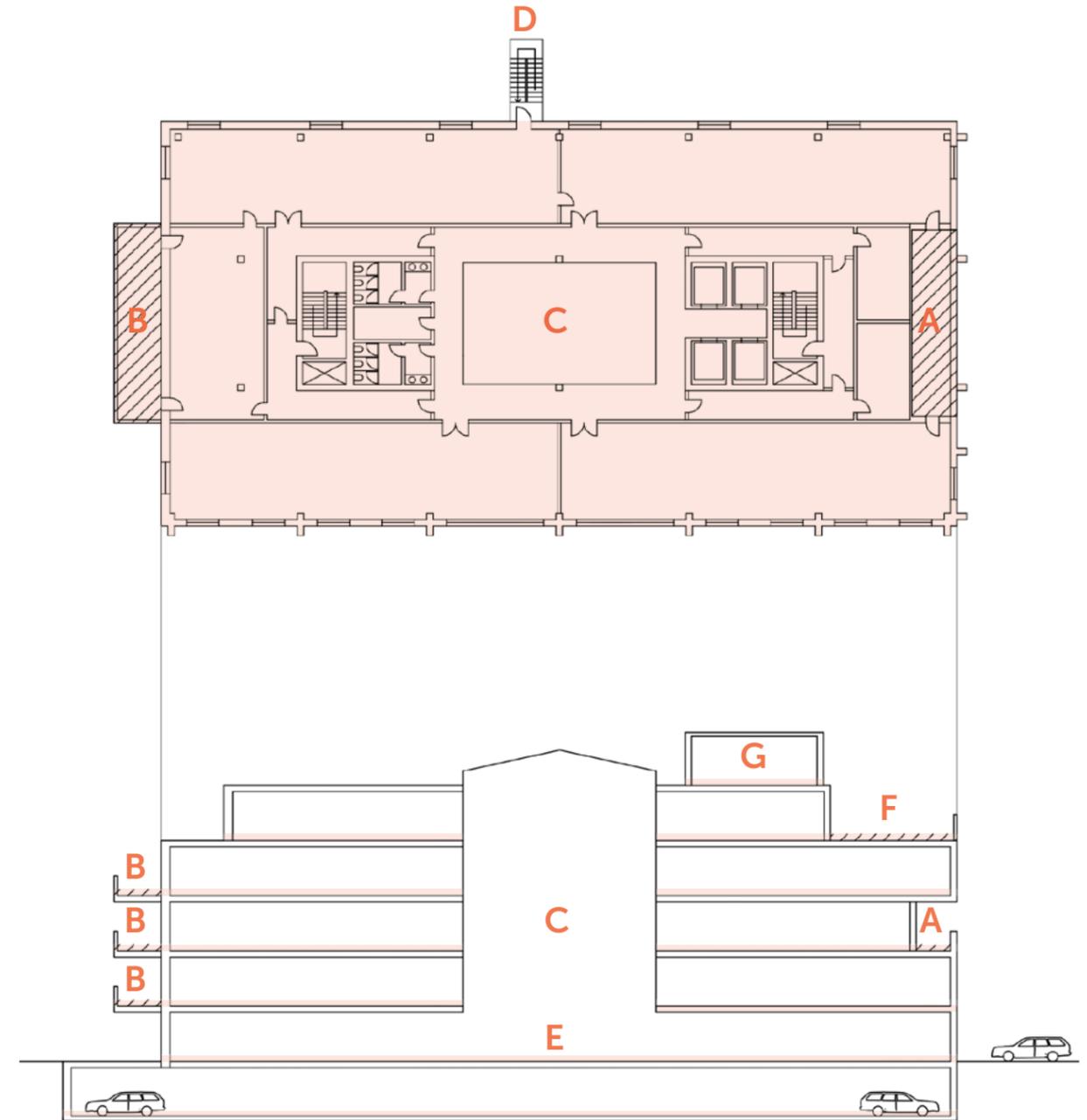


- A. Covered gallery.
- B. Balcony.
- C. Open light well/upper level void of atrium.
- D. Open external stairway (not an integral part of the structure).

*Hatched areas are to be stated separately

Diagram 2. IMPS 1

Plan and section



- A. Covered gallery.
- B. Balcony.
- C. Open light well/upper level void of atrium.
- D. Open external stairway (not an integral part of the structure).
- E. Atrium ground level.
- F. Roof terrace.
- G. Lift/elevator motor room.

*Hatched areas are to be stated separately

IPMS 2

The sum of the areas of each floor level of an office building measured to the Internal Dominant Face and reported on a component-by-component basis for each floor of a building.

IPMS 2 - Offices		OBSERVATIONS IPMS	ACI	OBSERVATIONS AEO	AEO
USE	IPMS 2 - Office is for measuring the interior area and categorising the use of space in an office building.	For purposes of making direct floor space comparisons between data from different market practices.	Measurement of the leasable floor area of buildings. Clarification of the size of vertical penetrations that are excluded. In Spain, this is the space for offices for private use, plus a proportional part of circulation spaces.	For purposes of making direct floor space comparisons between data from different market practices.	Used to measure the internal floor area and categorise the use of space in an office building.
DEFINITION	The sum of the areas of each floor level of an office building measured to the Internal Dominant Face and reported on a component-by-component basis for each floor of a building.	Gross Internal Area.	The total leasable floor area of the building. Composed of spaces used for working and spaces that are not expressly used for working, but are necessary for business activity.	Gross Internal Area.	GIA Gross Internal Area This is the Unit of Measurement with a Boundary Line* that coincides with the perimeter of the inner face of the building's external wall, measured at the height of the finished floor level.
	INCLUSIONS - INCLUDING				
	<ul style="list-style-type: none"> Internal walls. Covered void areas such as atria are only included at their lowest floor level. Enclosed walkways or passages between separate buildings, available for direct or indirect use. 	Treated in the same manner.	The sum of the areas of each of the building's floors designated for office use, as well as spaces for circulation and general use of the building tenants, measured within the limits defined by the external perimeter lines (external walls are included), both of external walls and interior walls, and the centre-line of common walls, if relevant (in the event they cannot be measured, a thickness of 30 cm is assumed).	Treated in the same manner.	<ul style="list-style-type: none"> Floor area occupied by internal walls. Columns, pillars. Double-height atria and entrance lobbies: only included on the lower level. Mezzanines that are permanently used and accessible. Internal balconies. Mezzanines permanently used and accessible. Stairwells, lift shafts, chimneys and similar.
		More precise specifications for vertical penetrations and headroom.	Vertical shafts/voids with a floor area of more than 0.5 m ² , including lift shafts, stairwells and vertical shafts for building services. Spaces with headroom of less than 1.5 metres.	More precise specifications for vertical penetrations and headroom.	<ul style="list-style-type: none"> Spaces with headroom of less than 1.5 metres. Stepped floors: treated as one level, measured in the horizontal plane. Horizontal floor, whether or not it can be accessed, under stepped or inclined floors. Loading bays. Lift motor rooms, machine rooms, storage rooms, fuel tank rooms that are housed under a permanent roofed structure, including above roof level.
MEASUREMENTS INCLUDED BUT STATED SEPARATELY:	<ul style="list-style-type: none"> Balconies. Covered galleries. Rooftop terrace. 	Treated in the same manner.	The area of balconies, terraces, porches and other similar elements, when roofed, are measured to the external face of the external wall (and are stated separately from the enclosed built area).	DIFFERENCE: In contrast to the IPMS and ACI guidelines, in the AEO document, it is not specified that the measurement of the various elements must be stated separately.	
EXCLUSIONS - NOT INCLUDING		Can be measured and stated separately		Can be measured and stated separately	
		Floor areas below ground that cannot be used as offices.	Floor areas below ground, with the exception of semi-basements or other spaces that fulfil the conditions required for an activity licence for office use.	There is no specific mention of this aspect, only Below Ground and Above Ground are mentioned. ACI and IPMS do not consider them to be included areas; they require these areas to be measured separately. AEO does not include them in the measurement, and does not specify if they should be included separately, however, it appears these areas should be measured separately:	<ul style="list-style-type: none"> Total thickness of all the leaves of the external walls. Open balconies. Covered walkways. External fire stairways. Awnings, canopies.
	<ul style="list-style-type: none"> Open light wells/atria voids at upper levels. Courtyards and roofs at ground level. Equipment courtyards. Heating and cooling units. 	Courtyards and roofs that are not part of the building structure.	Not included.	Courtyards and roofs that are not part of the building structure.	<ul style="list-style-type: none"> Open light wells/atria voids at upper levels. Courtyards and roofs at ground level. Equipment courtyards.
			Areas for machinery or general building services that are located on the roof.		

*See definition on page 33

IPMS 2 - Offices		OBSERVATIONS IPMS	ACI	OBSERVATIONS AEO	AEO
DEFINITION	<ul style="list-style-type: none"> • Refuse areas. • External car parking. 		External car parking and other areas (that form part of the premises, but are not part of the building).	Treated in the same manner.	<ul style="list-style-type: none"> • External car parking. • Terraces and similar. • Voids over double-height stepped spaces. • Greenhouses, storage rooms, fuel storage rooms and other similar areas, located on the premises.
	<ul style="list-style-type: none"> • Other areas at ground level that are not completely enclosed. 				
IPMS 2 SUMMARY = SUM OF THE FOLLOWING EIGHT AREAS:		THE SUM OF THESE EIGHT AREAS:			
		<i>Corresponding with concepts agreed by ACI:</i>			
Component Area A	Vertical Penetrations Stairs, lift/elevator shafts and ducts, but any penetration of less than 0.25 m ² is to be disregarded.	Similar definition, varying in the dimensions of shafts that should not be included in the calculation.	Vertical shafts/voids with a floor area of more than 0.5 m ² , including lift shafts, stairwells and vertical penetrations for building services.	Similar definition, varying in the dimensions of shafts that should not be included in the calculation.	S Lift and Service Shaft Unit of Measurement with a Boundary Line delimiting a shaft or vertical void, destined for lift circulation or distribution of building services: S - A Lift Shaft in which a mechanical lift circulates, with shared private use by all users of the building. S - B Building Services Shaft for distribution of shared building services to all users of the building, with a diameter of more than 10 cm (e.g. HVAC ducts and conduits, electrical cables, plumbing, waste pipes, etc.).
Component Area B	Structural Elements This comprises all structural walls and columns that are to the inside of the Internal Dominant Face.	Equivalent definition.	Area measured within the limits defined by the exterior perimeter lines (external walls are included), both of external and internal walls, and the centre-line of common walls, if relevant (if they cannot be measured, a thickness of 30 cm is assumed).		
Component Area C	Technical Services Areas Plant rooms, lift/elevator motor rooms and maintenance rooms.	Equivalent definition.	Areas for machinery or general building services, located on the roof and on each floor.	Equivalent definition.	CBA Common Building Areas: Spaces that can be used by all tenants, with unrestricted use, or that provide light, comfort, security and/or habitability to their private areas: CBA - B Building Services Spaces that contain systems that provide the building with a comfortable environment, light and security. HVAC, electricity, water installations, etc.
Component Area D	Hygiene Areas Toilet facilities, cleaners' cupboards, shower rooms and changing rooms.	Equivalent definition.	The area on each of the building's floors destined for office use, as well as those for circulation and general use by the building's tenants.	Equivalent definition.	CBA - C Services The areas destined for use by the personnel and/or equipment of the building's operational services: maintenance, cleaning, security, reception, changing rooms, gardening, etc.
Component Area E	Circulation Areas This comprises all horizontal circulation areas.	Equivalent definition.		Equivalent definition.	CBA - A Circulation Areas used freely by all tenants that permit communication and interconnection between the common areas of the building and areas that allow access to service areas and building services installation areas within the building. (main entrance lobby of the building, main reception on the street entrance floor and main stairs of the building).
Component Area F	Amenities Cafeterias, day-care facilities, fitness areas and prayer rooms.	Equivalent definition.	Area of spaces that are not expressly for office use but are necessary for the operation of the business activity, or are auxiliary to that use.	Equivalent definition.	SM Service Module: Unit of Measurement with a Boundary Line that delimits an amenity space in the building. It may be for the private use of only one tenant. Gyms, restaurants, cafés, conference rooms and any other "pay per use" activity that may exist in the building and that the building owner could rent to a private operator to manage the amenity. (The following are not included in SM: circulation areas, building services installation areas, reception areas, lobbies, socialising areas and in general all zones that can be used without restriction by all the tenants, and that provide comfort, security and/or habitability to the private tenant areas).
					TM Tenants Module: Unit of Measurement with a Boundary Line delimiting a space for the private use of a particular tenant. Includes all spaces that are for the private use of the tenant: toilets, filing rooms, machine rooms, stairs (if they communicate between the tenant's own areas and are exclusively used by this tenant), etc.

*See definition on page 33

IPMS 2 - Offices		OBSERVATIONS IPMS	ACI	OBSERVATIONS AEO	AEO
DEFINITION	Component Workspace Area G The area available for use by personnel, furniture and equipment for office purposes.	Equivalent definition.	Spaces that are destined for work use, computer rooms, meeting rooms, reception, etc.	Equivalent definition.	UA Usable Area: This is the zone of the Net Area on which it is possible to walk and place floor-supported furniture or elements that belong to the tenant. The following areas are excluded: areas occupied by structural elements, HVAC elements, or residual spaces with dimensions of less than 0.25 m or a headroom of less than 2 m.
	Component Other Areas Area H Balconies, covered galleries, internal car parking and storage rooms.	Including above ground and below ground spaces used as filing rooms, storage rooms and garages.	The floor area of balconies, terraces, porches and other similar elements that are roofed. The different uses (as office, storage room, filing room and car parking) are categorised separately.	Treated in the same manner.	
INTERNAL DOMINANT FACE	MEASUREMENTS OF THE INTERIOR- INTERNAL DOMINANT FACE (SEE GRAPHICS) The Internal Dominant Face is the inside finished surface comprising 50% or more of the surface area for each Vertical Section forming an internal perimeter.	If there is no Internal Dominant Face... the measurement should be to the wall-floor junction.	The IPMS guidelines relating to the measurement of these elements is consistent with the current manner of measuring them in Spain, therefore, there are no significant differences.	The AEO document has practically the same guidelines as IPMS and ACI, see relevant graphics in the document.	The inside finished surface comprising 50% or more of the surface area for each vertical section forming an internal perimeter.
	<ul style="list-style-type: none"> • Skirting boards and decorative elements are not classified as being part of a wall. • The existence of columns is ignored. • Window frames and mullions are deemed to form part of the window. • Ignore: <ul style="list-style-type: none"> - Air conditioning units. - Ducting bulkheads. - Cornices. 	Do not consider (IGNORE).	ACI recommends following the same guidelines.		<ul style="list-style-type: none"> • Skirting boards and decorative elements are not classified as being part of a wall. • The existence of columns is ignored. • Window frames and mullions are deemed to form part of the window. • Ignore: <ul style="list-style-type: none"> - Air conditioning units. - Ducting bulkheads. - Cornices.
			Factors to take into account regarding IPMS 2: <ul style="list-style-type: none"> • The total leasable area is the same, independent of whether the building is destined to be occupied by one user or several users. • In the case of multi-occupancy, the common areas will be apportioned depending on the percentage of the total leasable floor area of the building that is used privately by each tenant. • There may be tenants whose areas are not linked to common areas (usually commercial premises on the ground floor); typically, these areas will not be allocated a portion of the building's shared spaces. • The spreadsheet of a building's leasable floor areas must include, as a minimum, the following sections: <ul style="list-style-type: none"> - Private floor area for office use for each floor, as well as the total. - General circulation areas for each floor, as well as the total. - Common use areas (atrium, café, childcare facility, meeting rooms, etc.), toilets, maintenance areas, etc., for each floor as well as the total. 	Similar references.	LEASABLE MODULE The Leasable Module is the privately used area of a particular tenant or amenity, plus a proportional part of the areas (both on the specific floor and in the building generally) that can be used without restriction by all the tenants, and that provide comfort, security and/or habitability to the private area. LM = TM (or SM) + PPCFA + PPCBA Leasable Module Tenant Module or Service Module + proportional part of Common Areas for Floor + proportional part of Common Areas for Building.

*See definition on page 33

Diagram 3. IMPS 2
Internal dominant face

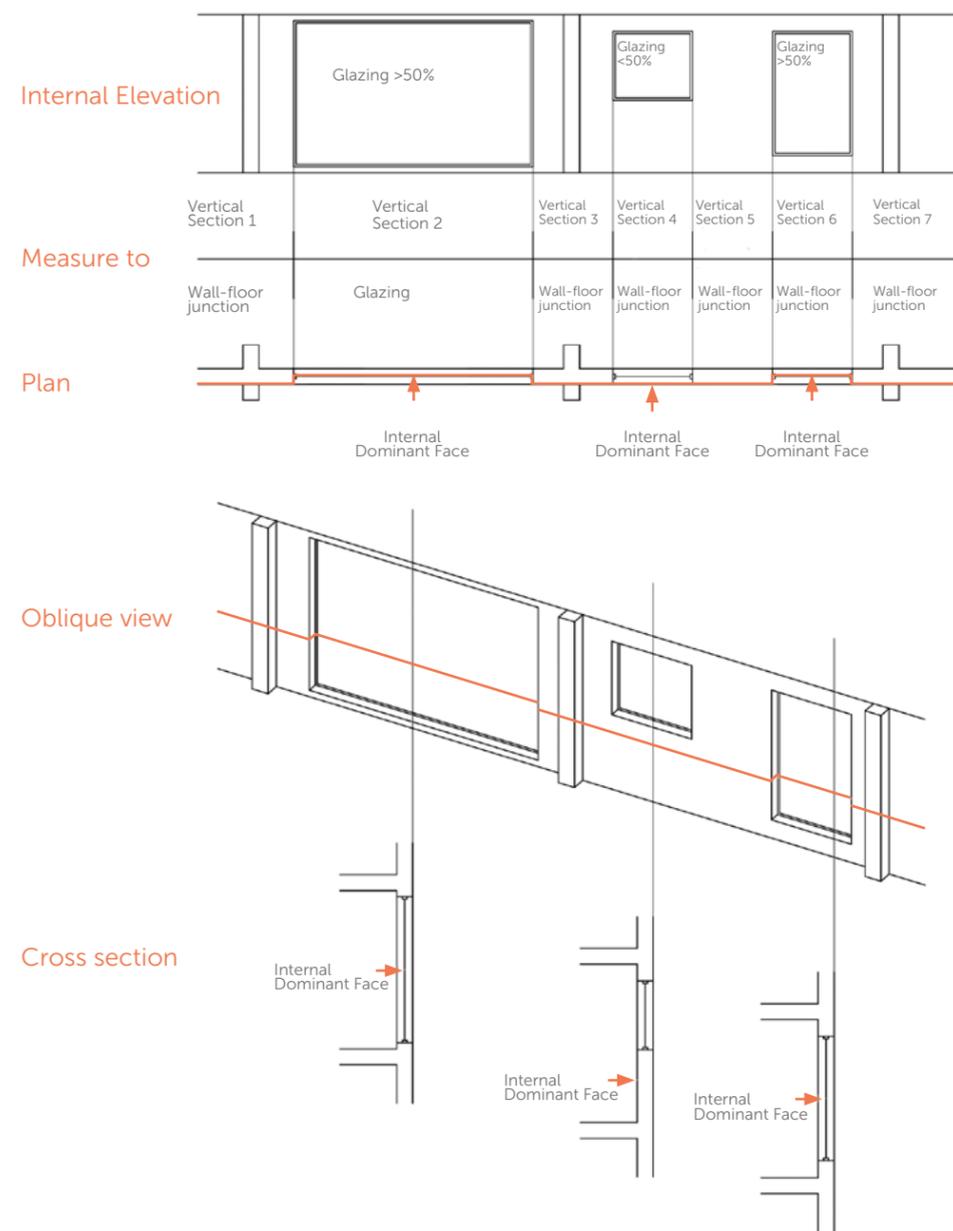
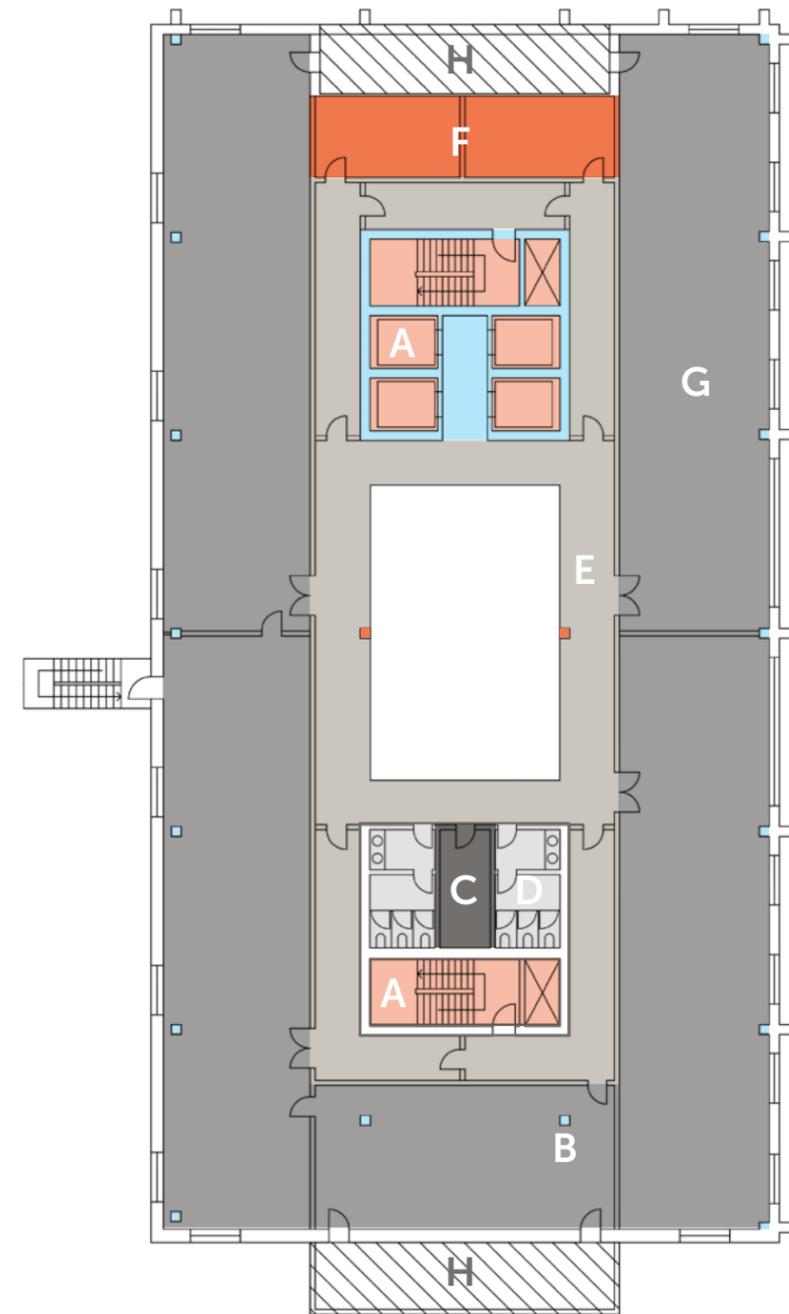


Diagram 4. IMPS 2
Office. Component areas



- Component Area A. Vertical Penetrations.
- Component Area B. Structural Elements.
- Component Area C. Technical Services.
- Component Area D. Hygiene Areas.
- Component Area E. Circulation Areas.
- Component Area F. Amenities.
- Component Area G. Workspace.
- Component Area H. Other Areas.

IPMS 3

Horizontal area exclusively available for a user (excluding normal shared areas and shared circulation areas) and calculated for each user or for each floor of the building.

IPMS 3 - Offices		OBSERVATIONS IPMS	ACI	OBSERVATIONS AEO	AEO
USE	IPMS 3-Office is for measuring the occupation of Floor Areas in exclusive use. It can be used by parties such as agents and occupiers, asset managers, facility managers, property managers, researchers and Valuers. IPMS 3 - Office is not directly related to IPMS 1 or IPMS 2 - Office, neither is it a Component Area within IPMS 2 - Office. Within an office building there could be a single IPMS 3 - Office area for the entire building or there could be numerous separate IPMS 3 - Office areas.	Calculated on a floor-by-floor or occupier-by-occupier basis. It is the net leasable floor area.	Measurement of areas of office elements that do not occupy a complete floor of a building. Can be used when there is more than one tenant per floor, or if there is only one tenant per floor. Clarification of the size of vertical penetrations that are excluded. In Spain, this is the space for offices for private use, plus a proportional part of circulation spaces.	Distinguishes between the area per floor and the area for the whole building. It is the net leasable floor area.	LEASABLE FLOOR AREA The Leasable Area is the area within the external perimeter of the building's external walls, measured at the finished floor height, less the area of shafts or vertical voids destined for lift circulation or building services installations.
DEFINITION	Horizontal area exclusively available for a user (excluding normal shared areas and shared circulation areas) and calculated for each user or for each floor of the building.	States: Standard Facilities are those parts of a building providing shared or common facilities that typically do not change over time, including, for example, stairs, escalators, lifts and motor rooms, toilets, cleaners' cupboards, plant rooms, fire refuge areas and maintenance rooms.	This is the total private usable floor area of a building. It is composed of the spaces that are destined for private use. The same areas are excluded as in IPMS: stairs, escalators, lifts and motor rooms, toilets, cleaners' cupboards, plant rooms, fire refuge areas and maintenance rooms.	Horizontal area exclusively available for a user (excluding normal common areas and shared circulation areas) and calculated for each user or for each floor of the Building. Equivalent.	Leasable Area = Gross External Area - Shafts. LA = GEA - S
INCLUSIONS - INCLUDING					
	<ul style="list-style-type: none"> Internal walls. 	All internal walls and columns within an occupant's exclusive area are included in the measurement. Treated in the same manner.	The sum of the private usable floor area on each of the building's floors, for floors above ground as well as below ground (basements and semi-basements), with legal private use as an office.	All internal walls and columns within an occupant's exclusive area are included in the measurement. Treated in the same manner.	NA Net Area: the space delimited by a Boundary Line, excluding the area occupied by all the building elements that delimit it or are structural. The following do not enter into the calculation: perimeter walls, load-bearing walls, columns, etc. Areas with headroom of less than 1.5 m are also excluded.
	<ul style="list-style-type: none"> Internal columns. 				
			Plant rooms on floors above ground, which house general building service installations for the building and which are not located on the roof, are included for the purposes of leasable floor area.	Equivalent.	TM Tenants Module: Unit of Measurement with a Boundary Line delimiting a space for the private use of a particular tenant. Includes all spaces that are for the private use of the tenant: toilets, filing rooms, machine rooms, stairs (if they communicate between the tenant's own areas and are exclusively used by this tenant), etc.
MEASUREMENT OF THE INTERIOR - INTERNAL DOMINANT FACE					
	The Floor Area is taken to the Internal Dominant Face and, where there is a common wall with an adjacent tenant, to the centre-line of the common wall.				
MEASUREMENTS INCLUDED BUT STATED SEPARATELY:					
	<ul style="list-style-type: none"> Balconies. Covered galleries. Rooftop terraces in exclusive use. 	Must be measured to their inner face and their areas stated separately.	Treated in the same manner. The area of balconies, terraces, porches and other similar elements, when roofed, are measured to the external face of the external wall (and are stated separately from the enclosed built area).		

*See definition on page 33

IPMS 3 - Offices

OBSERVATIONS IPMS

ACI

OBSERVATIONS AEO

AEO

DEFINITION

EXCLUSIONS - NOT INCLUDING

Standard facilities NOTE: standard facilities may vary from floor to floor and will also vary according to how the Building is occupied.

- In the case of a Building in single occupation it has to be assumed, hypothetically, that the Building is in multiple occupation, floor by floor, in order to determine the extent of the Standard Facilities.
- If a floor has two or more occupiers, each is to be measured separately and any shared circulation areas are also excluded.

Can be measured and stated separately

These are the parts of a Building providing shared or common facilities that typically do not change over time, including, for example, stairs, escalators, lifts and motor rooms, toilets, cleaners' cupboards, plant rooms, fire refuge areas and maintenance rooms.

These are those parts of a Building providing shared or common facilities that typically do not change over time, including, for example, stairs, escalators, lifts and motor rooms, toilets, cleaners' cupboards, plant rooms, fire refuge areas and maintenance rooms.

Treated in the same manner.

- Excluding covered courtyards and atria, stairs, corridors and general circulation elements of the building.
- Excluding common use areas (café, childcare facility, meeting rooms), toilets, maintenance areas, etc., by floor as well as the total.

In addition: Private usable areas with headroom of less than 1.5 metres.

Can be measured and stated separately

Equivalent.

Equivalent.

FACTORS TO TAKE INTO ACCOUNT REGARDING IPMS 3:

Measurement to the inside of the external wall must be to the Internal Dominant Face (see IPMS 2).

Equivalent.

The private useable floor area is the measurement within the limits defined by the internal perimeter lines, of external façades, internal wall surfaces and common walls. For walls dividing different users, the area is measured on the centre-line of the wall.

The private use area of balconies, terraces, porches and other similar elements, when roofed, are measured to the internal face of their external wall, but are stated separately from the private usable area of the enclosed built area.

Treated in the same manner.

Treated in the same manner.

CFA

Common Areas for Floor:
Unit of Measurement with a Boundary Line delimiting a space that can be used by all tenants, without restriction, or that provides light, a comfortable environment, security and/or habitability to their private areas. They are only shared on the floor on which they are located.

CFA - B Building Services Installations

Spaces that contain systems that provide a floor with comfort, light and security.
Installations of HVAC, electricity, water, etc.

CFA - C Services

The areas destined for use by the personnel and/or equipment of the building's operations services: maintenance, cleaning, security, reception, changing rooms, gardening, etc.

CFA - A Circulation

Areas used freely by all tenants and that allow communication and interrelationship between the shared areas of a floor and areas that allow access to service areas and building services installation areas on that floor:

(main corridors of the floor, entrance lobby to a Tenants Module or Services Module, stairs for the floor, lift lobbies, floor vending areas and similar)

GEOMETRIC CONDITIONS OF BOUNDARY LINES

The sum of the Service Areas (SM and TM), Shared Areas and Shafts, located on the same floor, coincides exactly with the Gross Internal Area of that floor. Therefore, there is no area of the Gross Internal Area that is not designated as a Module (SM or TM), Shared Area or Shaft.

Therefore, the areas occupied by each of the built elements that separate the different spaces of the Gross Internal Area, will be part of the calculation of one of the Unit of Measurements, and will only be excluded when the Net Area is calculated for the Unit of Measurement.

MEASUREMENT OF STAIRS

Measured in the horizontal plane and only counted once in the calculation.

A stair that communicates between two levels is part of the calculation of the upper level, and is ignored in the calculation for the lower level.

Stairs are always shared circulation areas, and, in accordance with the guidelines above, are categorised as either for the floor or the building.

References to AEO Nomenclature

- UM** The Unit of Measurement (UM) is a portion of the Gross Internal Area, delimited by a Boundary Line.
- S** Shafts.
- TM** Tenant Module.
- SM** Services Module.

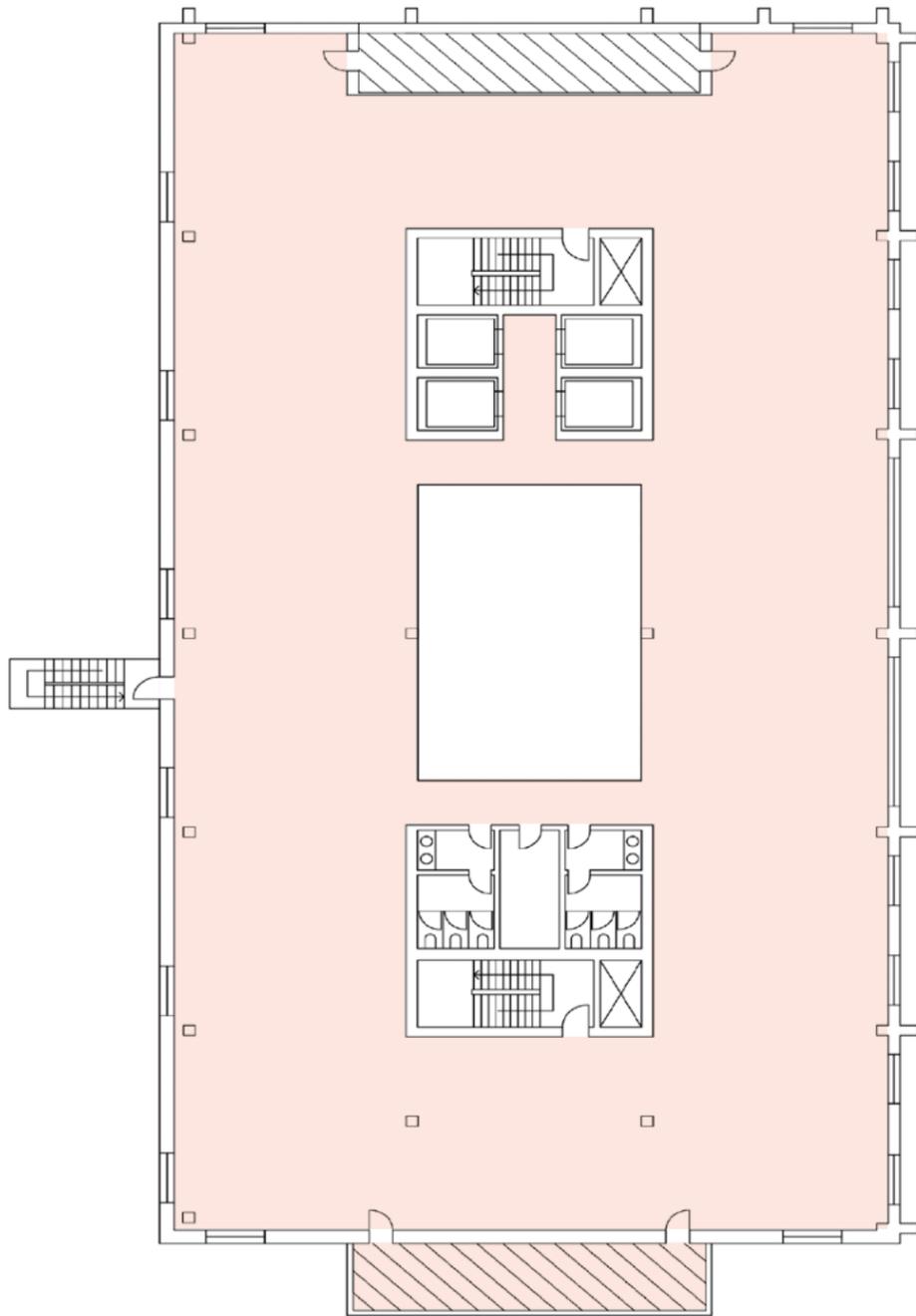
- CFA - CBA** Common Areas on Floor or in Building.
- BL** The Boundary Line is the line or lines of closed polygons that delimit a Unit of Measurement (UM). There are three types of Boundary Line: Internal Line, Middle Line and Outer Line, relating to the inner, middle and outer faces of an external wall.
- A** AREA: the numeric value given to a floor area occupied by a UM, delimited by a Boundary Line and expressed in square metres (sqm).

Observations:

The classifications of AEO are different to those of IPMS and ACI, however, they refer to the same concepts, with slight differences in some cases.

Diagram 5. IPMS 3

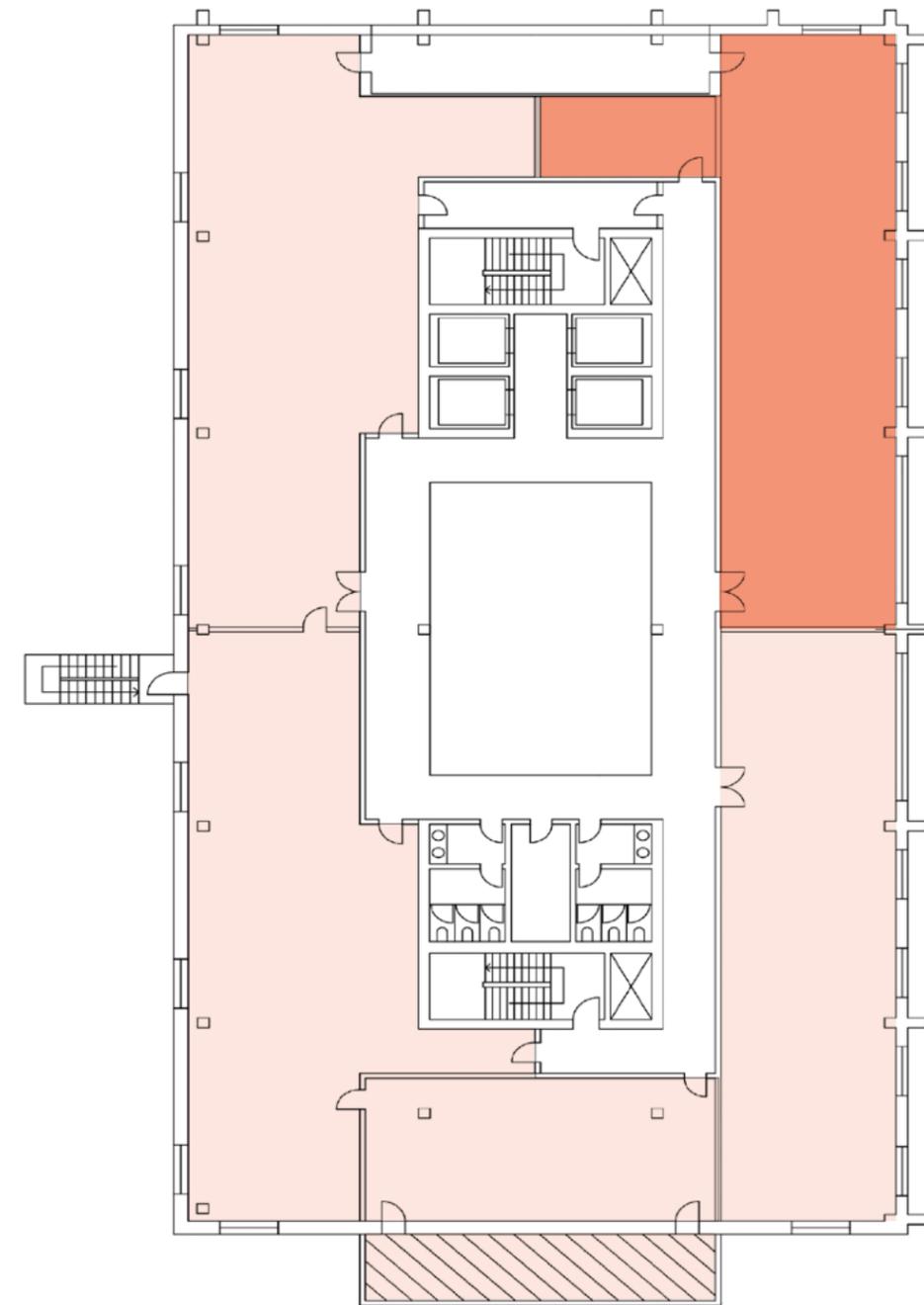
Office. Upper floor, single occupancy



*Hatched areas are to be stated separately

Diagram 6. IPMS 3

Office. Upper floor, multiple occupancy



*Hatched areas are to be stated separately



El valor de la consultoría
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The Spanish Association of Real Estate Consultants (ACI), founded in 2013, brings together leading real estate consultancy firms in Spain, such as Aguirre Newman, BNP Paribas Real Estate, CBRE, Cushman&Wakefield, JLL, Knight Frank and Savills. Together they represent 90% of the market.

The firms that are members of the ACI directly or indirectly employ more than 2,200 specialists in Spain and more than 180,000 worldwide, which indicates the importance of this market in the real estate sector.

Real estate consultancy firms specialise in the offer of integrated professional consultancy services, both transactional and non-transactional, in the real estate sector. They operate in at least half of the industry's sub-sectors (industrial, logistics, retail, residential and hotels), offering at least half of the services required (management, consultancy, agency, project management, capital markets and valuations).

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