

## Market SOP Drives New BOMA Standard

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Most real estate professionals know by now that BOMA released in 2010 a new version of its iconic standard method for measuring floor area in office buildings.

When I am asked “Will the new BOMA Standard change the rentable area of my property or tenants?”, my response is always “It depends.” Did the person who previously measured the property fully understand and strictly adhere to the previous BOMA Standard? Or did that person just use the BOMA Standard as a general guideline, ignoring some of its provisions where they seemed to conflict with Standard Operating Practices (SOP) of the local market, or of the owner, for measuring floor area?

Measurement practices tend to evolve over time, regardless of the provisions of the BOMA Standard. That is why the American National Standards Institute (ANSI), which certifies the BOMA Standard as an American National Standard, requires that BOMA review its Standards every five years.

The BOMA Office Standard Task Group determined that there were four areas (among others) where SOP had diverged from the 1996 BOMA Standard. They are:

- External circulation
- Certain ground level egress corridors
- Tenant Storage
- Single Load Factor Method

The 2010 BOMA Standard includes updates to bring it into conformance with SOP and best practices in these areas. If a property’s measurements strictly followed the 1996 BOMA Standard, then applying the 2010 BOMA Standard will result in a change in rentable area of the property and its tenants. However, if a property’s measurements followed SOP, then little change in rentable area of a property can be expected by adopting the 2010 BOMA Office Standard.

Let’s look at each of these four areas to understand their impact on rentable area.

In warmer parts of the country, it is common to design low-rise office buildings without internal corridors for access and egress to tenants suites, providing instead unenclosed perimeter walkways, or **e ternal circulation**. Unfortunately, these perimeter walkways, because they are unenclosed, could not be included under the 1996 BOMA Standard as floor common area, the way internal corridors normally are. This did not stop many landlords from doing so, and it was SOP to include perimeter walkways as floor common area in many southern states. The 2010 BOMA Standard legitimized this practice. Therefore, in properties that excluded external

circulation as required by the 1996 BOMA Standard, their rentable area will increase by adopting the 2010 Standard.

In some buildings, a **ground level egress corridor** is necessary to get tenants from a fire stair in the building core to its perimeter. If there is no fire door between this corridor and the fire stair, then the provisions of the 1996 BOMA Standard technically require that the egress corridor be measured as part of the area of the fire stair, which is a “major vertical penetration” that must be excluded from the rentable area of a property. These egress corridors can occupy significant square footage, so it became SOP to include them as building common area. The 2010 BOMA Standard recognized this practice. Therefore if the provisions of the 1996 standard were strictly followed, then adoption of the 2010 BOMA Standard will increase the rentable area of the property.

**Tenant storage** is space that is usable only for storage because it usually lacks windows and other things required to make it usable as office space, such as air conditioning, adequate lighting, power, finishes and sometimes code-required egress. Typically located on a basement level and demised by steel wire partitions, it has long been SOP to lease tenant storage space on the basis of its usable area, without the application of a load factor. The 2010 BOMA Standard adopted this SOP, segregating tenant storage areas from the rentable area of a property. This does not change the rentable area of a property compared to the 1996 BOMA Standard, but it increases the rentable area of the tenants because the building service and amenity areas are distributed over a smaller base than that required by the 1996 standard.

Finally, the **single load factor method** of the 2010 BOMA Office Standard offers a consistent method of leasing space on all floors of a building using the same load factor. Called “Method B”, this optional modified set of calculations redistributes the rentable area of a building among its floors without changing the total rentable area of the building. When an existing property is converted from the 1996 to the 2010 BOMA Standard, Method B, the rentable area of most tenants will change as much as 5% up or down, depending on the floor and the design of the building.

These four incorporations of SOP into the 2010 BOMA Standard can have an impact on the rentable area of a property and its tenants, but only if previous measurements adhered to the strict provisions of the 1996 BOMA Standard.

The reader is advised to consult *Office Buildings: Standard Methods of Measurement*, published by BOMA International and available online at [www.BOMA.org](http://www.BOMA.org).

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