

RESOURCES



Absorption (Office market)

Refers to the integration of space into the market. Space that has been leased or occupied is absorbed (positively). Absorption applies only to existing buildings, thus pre-lease activity is not accounted for in absorption statistics. Only immediately available space is unabsorbed, thus sublet space is not counted in statistics. Absorption represents a change in space status over time from non-existing to existing and available; leased and unavailable to available; and available to not available (CoStar). For net absorption, see Net Absorption.

Buildings

GSA defines a building as a roofed walled structure built for permanent use (GSA).

Class A Office Building

A building meeting this criteria is considered to be a landmark, either historical, architectural or both. It may have been built within the last 5-10 years but if it is older, it has been renovated to maintain its status and provide many amenities. Buildings of this stature are generally one-of-a-kind with unique shape and floor plans, notable architectural design, excellent and possibly outstanding location. It will have the best quality materials and workmanship; expensive trim and interior fittings. Class A buildings have first-rate maintenance and management, and are usually occupied by prestigious tenants. They are most eagerly sought by investors willing to pay a premium for quality and are often designed by architects whose names are immediately recognizable (CoStar).

Class B Office Building

This is generally considered to be a more speculative investment. Offers utilitarian space without special attractions. Ordinary design, if new or fairly new; good to excellent space and design if an older non-landmark building. Average to good maintenance, management and tenants. Class B buildings are less appealing to tenants, may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on lower price to attract tenants and investors (CoStar).

Class C Office Building

This is a no-frills older building that offers basic space. Below-average maintenance and management. Mixed or low tenant prestige. Inferior elevators and mechanical/electrical systems. As with Class B buildings, they lack prestige and must depend chiefly on lower price to

attract tenants and investors (CoStar).

Class A Rental Apartment

Class A product is defined by Delta Associates as generally built in 1988 or later and offering a separate clubhouse, decorated model units, two bedroom/two bath units, and a large community amenity package most often including a fitness center and swimming pool. The tenant pays gas and/or electric in addition to telephone and cable television. The projects are typically 200+ units except in submarkets where quality product is scarce (Delta Associates).

Civilian Labor Force

The civilian labor force refers to the total number of private industry and state and local government workers who are either employed or unemployed. These individuals are civilians (not members of the Armed Services) who are age 16 years or older, and are not in institutions such as prisons, mental hospitals, or nursing homes. Each person is counted only once, even if he or she holds more than one job.

Consolidated metropolitan statistical area (CMSA)

A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies. An area becomes a CMSA if it meets the requirements to qualify as a metropolitan statistical area, has a population of 1,000,000 or more, if component parts are recognized as primary metropolitan statistical areas, and local opinion favors the designation.

Consumer Price Index

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The CPI cannot be used to measure differences in price levels or living costs between one place and another; it measures only time-to-time changes in each place. A higher index for one area does not necessarily mean that prices are higher there than in another area with a lower index. It merely means that prices have risen faster since their common reference period.

Covered Employment

Employment for workers covered by unemployment insurance (based on D.C. unemployment insurance tax reports of employers subject to unemployment insurance laws). Jobs that are exempt or otherwise not covered by unemployment insurance are not included in covered employment (D.C. Department of Employment Services).

Disposable Income

The amount of income left to an individual after taxes have been paid, available for spending and saving.

Employed

Employed includes all civilians 16 years old and over who were either (1) “at work” — those who did any work at all during the reference week as paid employees, worked in their own business or profession, worked on their own farm, or worked 15 hours or more as unpaid workers on a family farm or in a family business; or (2) were “with a job but not at work” — those who did not work during the reference week but had jobs or businesses from which they were temporarily absent due to illness, bad weather, industrial dispute, vacation, or other personal reasons. Excluded from the employed are people whose only activity consisted of work around the house or unpaid volunteer work for religious, charitable, and similar organizations; also excluded are people on active duty in the United States Armed Forces. The reference week is the calendar week preceding the date on which the respondents completed their questionnaires or were interviewed. This week may not be the same for all respondents.

Effective Rent

Effective rent deducts from face rent any concessions or rent specials for any unit type offered at a surveyed project (Delta Associates).

Establishment

The physical location of a certain economic activity, for example, a factory, mine, store, or office. Generally a single establishment produces a single good or provides a single service. An enterprise (a private firm, government, or non-profit organization) could consist of a single establishment or multiple establishments. A multi-establishment enterprise could have all its establishments in one industry (i.e., a chain), or could have various establishments in different industries (i.e., a conglomerate).

Foreign born

People who are not U.S. citizens at birth.

Gross rent (Residential Market)

The amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid for by the renter (or paid for the

renter by someone else). Gross rent is intended to eliminate differentials which result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

Gross State Product

GSP is the value added in production by the labor and property located in a state. GSP for a State is derived as the sum of the gross state product originating in all industries in a State. In concept, an industry’s GSP, referred to as its “value added”, is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported). Thus, GSP is often considered the state counterpart of the nation’s gross domestic product (GDP).

Group quarters

The Census Bureau classifies all people not living in households as living in group quarters. There are two types of group quarters: institutional (for example, correctional facilities, nursing homes, and mental hospitals) and non-institutional (for example, college dormitories, military barracks, group homes, missions, and shelters).

Hispanic or Hispanic origin

A self-designated classification for people whose origins are from Spain, the Spanish-speaking countries of Central or South America, the Caribbean, or those identifying themselves generally as Spanish, Spanish-American, etc. Origin can be viewed as ancestry, nationality, or country of birth of the person or person’s parents or ancestors prior to their arrival in the United States. Spanish/Hispanic/Latino people may be of any race.

Homeowner vacancy rate

The homeowner vacancy rate is the proportion of the homeowner housing inventory which is vacant for sale. It is computed by dividing the number of vacant units for sale only by the sum of owner-occupied units and vacant units that are for sale only, and then multiplying by 100.

Household

A household includes all the people who occupy a housing unit as their usual place of residence. The count of households or householders always equals the count of occupied housing units.

Household type and relationship

Households are classified by type according to the sex

of the householder and the presence of relatives. Examples include: married-couple family; male householder, no wife present; female householder, no husband present; spouse (husband/wife); child; and other relatives.

Housing unit

A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. (People not living in households are classified as living in group quarters.) Both occupied and vacant housing units are included in the housing unit inventory.

Income

“Total income” is the sum of the amounts reported separately for wages, salary, commissions, bonuses, or tips; self-employment income from own non-farm or farm businesses, including proprietorships and partnerships; interest, dividends, net rental income, royalty income, or income from estates and trusts; Social Security or Railroad Retirement income; Supplemental Security Income (SSI); any public assistance or welfare payments from the state or local welfare office; retirement, survivor, or disability pensions; and any other sources of income received regularly such as Veterans’ (VA) payments, unemployment compensation, child support, or alimony.

Industrial Classification

The Economic Census classifies establishments according to the new North American Industry Classification System (NAICS). NAICS codes replace the Standard Industrial Classification (SIC) codes used in previous censuses. NAICS classifies industries using 2-, 3-, 4-, 5-, and 6- digit levels of detail. 2-digit codes represent sectors, the broadest classifications. 6-digit codes represent individual industries in the U.S.

Labor force

The labor force includes all people classified in the civilian labor force, plus members of the U.S. Armed Forces (people on active duty with the United States Army, Air Force, Navy, Marine Corps, or Coast Guard). The

Civilian Labor Force consists of people classified as employed or unemployed.

Leased Building Area (Office Market)

Leased Building Area is defined by GSA as a measure of the tenant’s rentable area in square feet. The rentable area includes the usable floor area plus a pro-rata portion of common and support areas in the building, but typically excludes vertical shafts, such as elevators, stairs, mechanical risers, etc. However, measurements for establishing rentable area may vary by community and building (GSA).

Mean

This measure represents an arithmetic average of a set of numbers. It is derived by dividing the sum of a group of numerical items by the total number of items in that group. For example, mean family income is obtained by dividing the total of all income reported by people 15 years and over in families by the total number of families.

Median

This measure represents the middle value (if n is odd) or the average of the two middle values (if n is even) in an ordered list of data values. The median divides the total frequency distribution into two equal parts: one-half of the cases fall below the median and one-half of the cases exceed the median.

Metropolitan statistical area (MSA)

A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban. MSAs in New England are defined in terms of minor civil divisions, following rules concerning commuting and population density.

Multi-unit structure

A building that contains more than one housing unit (for example, an apartment building).

Native born

People born in either the United States, Puerto Rico, or a U.S. Island Area such as Guam or the U.S. Virgin Islands, or people born in a foreign country to a U.S. citizen parent(s).

New England County Metropolitan Area (NECMA)

A county-based alternative to the city-and-town-based metropolitan statistical areas (MSAs) and consolidated metropolitan statistical areas (CMSAs) of New England. (Outside of New England, all MSAs and CMSAs are county-based.).

Net Absorption

For existing buildings, the measure of total square feet leased (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given period of time. Sublet space and lease renewals are not factored into net absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in net absorption. Pre-leasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in net absorption until actual move in, which by definition may not be any earlier than the delivery date (CoStar).

North American Industry Classification System (NAICS)

NAICS classifies industries using 2-, 3-, 4-, 5-, and 6-digit levels of detail. Two-digit codes represent sectors, the broadest classifications. Six-digit codes represent individual industries in the U.S. The North American Industry Classification System was developed by representatives from the United States, Canada, and Mexico, and replaces each country's separate classification system with one uniform system for classifying industries. In the United States, NAICS replaces the Standard Industrial Classification, a system that federal, state, and local governments, the business community, and the general public have used since the 1930s

Occupied housing unit

A housing unit is classified as occupied if it is the usual place of residence of the person or group of people living in it at the time of enumeration

Owned Building Area (Office Market)

Owned building area is defined by GSA as a measure of the building's gross area in square feet. Gross area is

defined as the building's floor area within the outside faces of the exterior walls (GSA).

Owner-occupied housing unit

A housing unit is owner occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid for.

Personal income

Personal income is a measure of before-tax income received by all persons in a state. It is the total net earnings by place of residence, rental income, personal dividend income, personal interest income and transfer payments. The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

Per capita income

Average obtained by dividing aggregate income by total population of an area.

Primary metropolitan statistical area (PMSA)

A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies. If an area meets the requirements to qualify as a metropolitan statistical area and has a population of one million or more, two or more PMSAs may be defined within it if statistical criteria are met and local opinion is in favor. A PMSA consists of one or more counties (county subdivisions in New England) that have substantial commuting interchange. When two or more PMSAs have been recognized, the larger area of which they are components then is designated a consolidated metropolitan statistical area.

Rental vacancy rate (Residential Market)

The proportion of the rental inventory which is vacant for rent. It is computed by dividing the number of vacant units for rent by the sum of the renter-occupied units and the number of vacant units for rent, and then multiplying by 100. For stabilized vacancy rate please see Stabilized Vacancy Rate.

Rentable Building Area (Office Market)

Rents are based upon this space. It is the space the tenant will occupy in addition to the common areas of the building such as the lobby, hallways, etc (CoStar).

Renter-occupied housing unit

All occupied units which are not owner occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter-occupied.

Smithsonian Visitation

Because the Smithsonian museums are free Smithsonian guards use hand clickers to count everyone entering the museums through public entrances during the hours the museums are open. The counts sometimes include staff, as well as visitors who leave the museum and return. A person visiting three Smithsonian museums on any given day will be counted three times.

Stabilized Vacancy Rate

Stabilized Vacancy as used herein is the rate of “available units” in stabilized properties. Once a property achieves 95% occupancy, it is considered “stabilized” and stays in the pool of stabilized properties even if it falls below 95% at a subsequent reporting date (Delta Associates).

Standard Industrial Classification (SIC)

Industry classification system that was used in Economic Censuses prior to 1997. This system identifies establishments by the principal activity in which they are engaged. SIC has been replaced by North American Industry Classification System (NAICS) in the 1997 Economic Census.

Unemployed

All civilians 16 years old and over are classified as unemployed if they (1) were neither “at work” nor “with a job but not at work” during the reference week, and (2) were actively looking for work during the last 4 weeks, and (3) were available to accept a job. Also included as unemployed are civilians who did not work at all during the reference week, were waiting to be called back to a job from which they had been laid off, and were available for work except for temporary illness.

Units in structure

A structure is a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof. In determining the number of units in a structure, all housing units, both occupied and vacant, are counted.

Vacancy Rate (Office Market)

The percentage of all existing space that is currently

unoccupied (vacant) and immediately available for lease in existing buildings divided by the RBA (CoStar).

Vacancy status (Residential Market)

Unoccupied housing units are considered vacant. Vacancy status is determined by the terms under which the unit may be occupied, e.g., for rent, for sale, or for seasonal use only.

Vacant housing unit

A housing unit is vacant if no one is living in it at the time of enumeration, unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

Wages and Salaries

Wages and salaries are defined as the monetary remuneration of employees. This remuneration includes the compensation of corporate officers; commissions, tips, and bonuses; voluntary employee contributions to certain deferred compensation plans, such as 401(k) plans; and receipts in kind, or pay-in-kind. Wages and salaries are measured before deductions, such as social security contributions and union dues.

Year structure built

The data on year structure built were obtained from both occupied and vacant housing units. Year structure built refers to when the building was first constructed, not when it was remodeled, added to, or converted. The data relate to the number of units built during the specified periods that were still in existence at the time of enumeration.