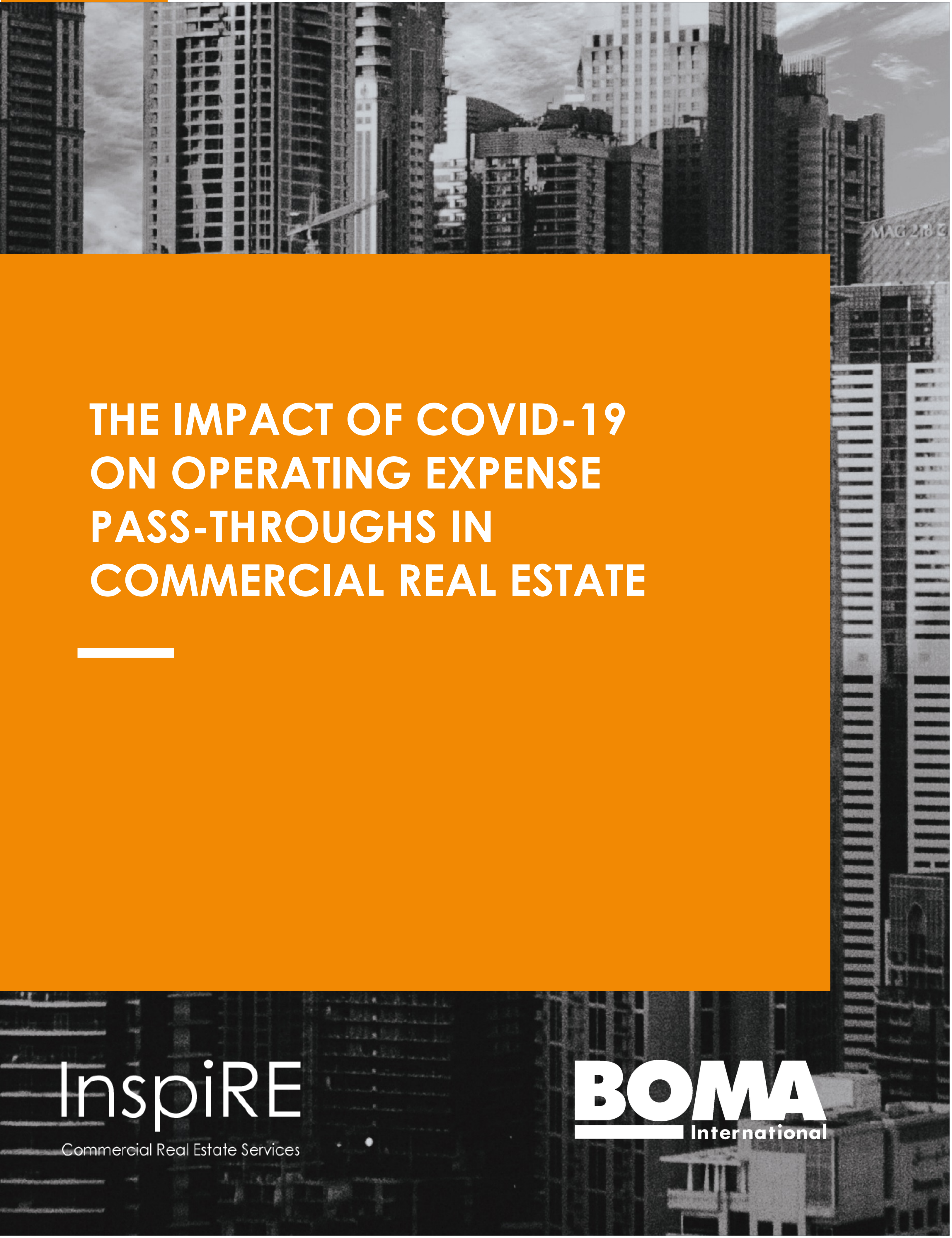

THE IMPACT OF COVID-19 ON OPERATING EXPENSE PASS-THROUGHS IN COMMERCIAL REAL ESTATE

InspiRE

Commercial Real Estate Services

BOMA International

EXECUTIVE SUMMARY

When we first heard about a *novel coronavirus* that had been identified in Wuhan, China, in late 2019, none of us could likely have imagined the global impact this microscopic invader would have in 2020 – and beyond. What was eventually named Severe Acute Respiratory Syndrome coronavirus 2 (SARS-CoV-2) – more commonly known as COVID-19 – not only created a global pandemic, but it also precipitated the worst financial meltdown since the Great Depression more than 90 years ago.

The pandemic–induced recession that is the result of COVID-19 is unlike any other previous economic downturn. The impact of COVID-19 has been unique in its global reaction and reach. Entire countries, regions, and cities have instituted shelter in place orders or have been locked down. This abrupt change in the way we work has required a massive shift to remote working and significant lifestyle changes. These converging factors – which are likely to be with us for a sustained period – will have significant and lasting implications for the CRE industry.

We are now in the midst of "budget season" – the annual process for building owners and managers to prepare business plans for the coming year. Simultaneously, these real estate professionals are reforecasting income, operating expenses, and capital expenses to predict the property's financial performance at the end of this year. In finalizing their reforecasts, the managers are also recalculating projected operating expense pass-throughs to tenants for the current year.

Significant vacancy had an unintended impact on the operating expense calculations. It is all about fairness. Under a gross lease scenario, the landlord and the tenant are incentivized to compare "apples to apples" when calculating the base year and when reconciling operating expenses against the base year in subsequent years. If the comparison is not "apples to apples," one of the parties will be negatively impacted.

To solve this problem, commercial leases typically include a "gross-up" provision, which allows a landlord to project operating costs for a building with significant vacancy as if it were fully occupied. The clause allows the property manager to "**gross-up**" operating expenses to a predetermined occupancy level – often 95%. The goal is to normalize the operating expenses to estimate the expenses of the building accurately had it been at least 95% occupied.

COVID-19 is expected to have a significant impact on operating expense pass-throughs for 2020 – and perhaps several more years into the future:

Certain property-related expenses are likely to increase, including:

- COVID-related deep cleaning and disinfecting costs
- Additional janitorial service as buildings reopen (high touch point cleaning)
- COVID-related re-occupancy costs (signage, partitions, hand sanitizer, etc.)

Certain other expenses are likely to decrease because of the period of reduced occupancy:

- Trash removal
- Overall janitorial expenses
- Utilities

Some operating expenses are likely to remain the same:

- Service contracts
- Proactive maintenance

- Landscaping (although some property managers might have deferred certain landscaping costs – like flower rotations – because of reduced occupancy)
- Real estate taxes

Although the impact of the global pandemic came on quicker and more profound than anyone could have predicted, it will take quite some time to return to "normal" again. Economist's predictions differ on when we will recover from the Recession of 2020. Some say the recovery will occur in 2021, and others suggest it will take a few years to claw ourselves out of such a deep recession.

"We are in this together" has become a popular catchphrase in the COVID-19 era – one that will indeed be tested as tenants and landlords sit down at the virtual negotiating table. The pain is being felt at all levels – from the consumer up to the lender. Will this result in mutually beneficial lease and loan workouts? In this continually evolving environment, only time will tell.

COVID-19

When the Waterford Crystal ball reached New York City's Times Square on New Year's Eve in 2019, the commercial real estate (CRE) industry was in a strong position. Balance sheets were strong, there was plenty of capital available, and leasing and sales in most markets were healthy. By most accounts, C-Suite executives in CRE companies expected 2020 to be a banner year.

Along Came COVID-19

When we first heard about a *novel coronavirus* that had been identified in Wuhan, China, in late 2019, none of us could likely have imagined the global impact this microscopic invader would have in 2020 – and beyond. What was eventually named Severe Acute Respiratory Syndrome coronavirus 2 (SARS-CoV-2) – more commonly known as COVID-19 – not only created a global pandemic, but it also precipitated the worst financial meltdown since the Great Depression more than 90 years ago.

The term "unprecedented" is often overused. However, in the case of the COVID-19 pandemic, "unprecedented" is an effective descriptor of the intensity by which this coronavirus has permeated our lives.

While the medical, psychological, and financial impact of the COVID-19 pandemic continues to unfold globally, the rapid pace at which the pandemic is spreading – and the global actions that have been put in place to curtail it – are resulting in unprecedented changes to our lives and livelihoods.

PUTTING IT INTO PERSPECTIVE

According to an article published by C|NET on August 29, 2020:

- The US economy shattered records when it plunged 32.9% in the second quarter, according to data released by the Department of Commerce in August.
- US unemployment soared to 10.2% - with more than 30 million people receiving unemployment benefits.
- The vast majority of economists fear a "double dip" recession – meaning there could be another downturn until the country recovers.

The pandemic–induced recession that is the result of COVID-19 is unlike any other previous economic downturn. The impact of COVID-19 has been unique in its global reaction and reach. Entire countries, regions, and cities have instituted shelter in place orders or have been locked down. This abrupt change in the way we work has required a massive shift to remote working and significant lifestyle changes. These converging factors – which are likely to be with us for a sustained period – will have significant and lasting implications for the CRE industry.

For several reasons, the commercial real estate (CRE) industry historically lags about six months behind the broader economy when entering a recession – and then again when starting to recover from one. However, the expansive depth and the unprecedented reach of the global COVID-19 pandemic has impacted the commercial real estate industry much sooner – and much more severely.

COVID-19 AND BUSINESS PLANS

We are now in the midst of "budget season" – the annual process for building owners and managers to prepare business plans for the coming year. Simultaneously, these real estate professionals are reforecasting income, operating expenses, and capital expenses to predict the property's financial performance at the end of this year. In finalizing their reforecasts, the managers are also recalculating projected operating expense pass-throughs to tenants for the current year.

Even in a typical year, creating accurate business plans and reforecasts can be challenging. However, once again, the term "unprecedented" is applicable here. Property managers have never had to create business plans and reforecasts in the face of such unprecedented uncertainty. No one knows what the rest of 2020 will look like – much less what will happen in 2021.

During this budget season, property managers have to take into consideration:

- Drastic reductions in occupancy at some properties – which will drive reduced costs for many variable operating expenses
- At retail properties where tenants pay rent based on a percentage of gross sales ("percentage rent"), the results could go either way
    - For tenants that have been forced to curtail their business, gross sales are likely much lower than usual – which will translate into dramatic reductions in their rent payments.
    - Some tenants have seen their businesses skyrocket during the pandemic. To the extent they are required to pay rent based on gross sales, the landlord will receive higher than anticipated rent payments.
- Deferred rent payments
    - The manager will also have to make assumptions about when (if ever) those deferred rent obligations will be repaid.
- The potential for tenants to go out of business before the economy improves
- Dramatic swings – both up and down – in specific expense categories
- Systems-related cost changes
    - Utility costs from running HVAC equipment for an extended period and water/sewer costs from flushing the potable water system
    - HVAC costs from purchasing higher-quality air filters and from increased air filter replacement frequency

It will be a challenge to create accurate reforecasts for the remainder of 2020. And, given the unprecedented levels of economic uncertainty we are currently experiencing, preparing 2021 business plans will be even more challenging.

COVID-19 AND OPERATING EXPENSES[1]

COVID-19 is expected to have a significant impact on operating expense pass-throughs for 2020 – and perhaps several more years into the future:

Particular property-related expenses are likely to increase, including:

- COVID-related deep cleaning and disinfecting costs
- Additional janitorial service as buildings reopen (high touch point cleaning)
- COVID-related re-occupancy costs (signage, partitions, hand sanitizer, communication to tenants to prepare to return to work, etc.)

Certain other expenses are likely to decrease because of the period of reduced occupancy:

- Trash removal
- Overall janitorial expenses

[1] To learn more about how operating expenses are calculated and passed through to tenants, InspiRE has created a publication called "Operating Expenses 101." For a complimentary copy of this document, visit www.inspirecre.com.

Some operating expenses are likely to remain the same:

- Service contracts
- Proactive maintenance
- Landscaping (although some property managers might have deferred certain landscaping costs – like flower rotations – because no tenants were in the building to appreciate them)
- Real estate taxes

It is also likely that certain non-operating expenses will increase as well. As an example, many property managers will incur higher than usual legal fees to review lease language, revise property rules and regulations, provide counsel to the landlord for COVID-19-related issues, and respond to tenant concerns. While these do not impact operating expense pass-throughs, these expenses might not be immaterial to some landlords. In some cases, the landlord will also have to incur non-operating costs to prepare newly vacated spaces for leasing, increase marketing to attract new tenants, and maintain those vacancies until they can be re-tenanted in the future.

COVID-19's impact on operating expenses might vary from building to building. As examples:

- **Utilities**
  - Typically, utilities are in direct proportion to building occupancy. With fewer people in the building, electricity use (for HVAC, lighting, plug loads, etc.) is likely to be down from a typical year. And water/sewer charges might also be lower in 2020.
  - However, the landlord might have implemented certain best practices to reduce the chance of COVID-19 transmission in the building, including:
    - HVAC units were operated for more hours (although likely at lower loads) during the pandemic:
      - Building ventilation rates were raised above ASHRAE minimums to increase the amount of outside air brought into the building.
      - Many owners performed building "flushes" by opening the outside air dampers and running the HVAC equipment around the clock to maintain indoor air quality.
    - Due to the potential that standing water in the potable water system would support biofilm growth, many landlords routinely flushed the potable water system. Doing so would incur a cost for the water that was used for flushing and refilling the system.

- **Property management fees**
  - If the tenants continue to pay rent, the property management fees will not change.
  - At many properties, in the face of significant rent abatements, property management fees will be much lower in 2020.
  - If tenants resolve those rent abatements in 2021, the property management fees will be artificially high next year.

- **Management and maintenance staffing costs**
  - Were all management and maintenance staff members retained during the period of reduced occupancy? If not, those expenses will be artificially low in 2020.

- **Property insurance**
  - What will happen to property insurance premiums as claims are processed for pandemic-related losses incurred in 2020?
  - Will landlords increase their insurance coverage to include pandemic-related losses and other provisions (like force majeure)? What impact will this have on insurance premiums?
  - Based on losses incurred in 2020, will insurance premiums increase at renewal?

- **Security guards**
  - If the property has existing security guards, were there any reductions in staffing resulting from the reduced occupancy?
  - Did the property manager add additional services because building occupancy was low?

- **General and administrative**
  - As property management companies pivoted to employees working remotely, did the property incur any costs associated with this change? (As an example, did the property purchase computer equipment for employees to use at home? Is this equipment being passed through as an operating expense?)

It is Fair – But is it Permitted Under the Lease?

It seems logical that, for buildings where COVID-19 impacts the operating expenses, landlords ***should*** gross-up the operating expenses to approximate a typical year.

For many properties, the operating expenses will be significantly lower in 2020 due to decreased occupancy levels due to COVID-19. Not grossing up operating expenses will create artificially low base years (which will impact tenants for the rest of their lease) and/or artificially low operating expense pass-throughs for 2020 (which will impact operating expense recoveries this year).

In some buildings, the actual expenses for 2020 might be roughly equivalent to the property's "normal" operating expenses. This might be the case if occupancy remained high during the period when the stay at home orders were active – or if the COVID-related cleaning costs are substantial.

However, depending upon the lease language, just because the operating expenses are close to projections does not mean the landlord should not gross-up the calculations. If the occupancy fell below the gross-up threshold, the property manager is obligated to gross-up the operating expenses.

Read the Lease

Once again using the term "unprecedented," few leases contain language about how to address operating expense calculations in the middle of a global pandemic and the resultant massive economic collapse. As a result, landlords and tenants must rely upon the specific language of their leases to determine how to approach this dilemma.

As building owners evaluate their options, they should consider:

- **What does the lease say?**
  - Does the lease allow for the landlord to gross-up operating expenses?
  - Do any specific pandemic-related conditions apply?
  - Is the lease silent about gross-ups?
  - What is the definition of "occupancy?" In many leases, a space is "occupied" if a tenant leases the space. Thus, by interpreting the lease language, the gross-up provision will not "technically" apply if the tenant's employees did not occupy the "leased" space. This potential concern is addressed in more detail a little later in the white paper.

- **What is fair?**
  - Regardless of what the lease says, what is the fairest way of calculating operating expense pass-throughs?

- **What can the landlords and tenants tolerate?**
    - The pandemic has not impacted all business sectors equally – and not all businesses in the sector are affected in the same way.
        - For example, many restaurants were closed entirely during the early phases of the pandemic – and then were open only on a limited basis as the social distancing requirements were relaxed.
            - Yelp reported that, as of the end of August, more than 163,000 US businesses had permanently closed due to the pandemic – including 32,109 restaurants and 6,451 bars.
            - According to restaurant.org, the US restaurant industry is predicted to lose $240 billion by year-end.
            - Yet, several sources believe Chick-fil-A sales will increase in 2020 – due in large part to their hyper-efficient drive-thru systems that remained open during the pandemic. The results are hard to confirm because the company is privately held and does not have to release quarterly financial reports like publicly traded companies.
        - Led by significant growth in e-commerce, industrial properties as a whole are faring well. According to CBRE's Q2 industrial report: "The pandemic increased e-commerce's share of total retail sales, thereby increasing the demand for warehouse and distribution space."
        - Office tenants that were able to pivot to a remote working model are doing well – but are increasingly asking whether their employees can permanently work remotely. In the long-term, they might not need to lease as much space.
    - Tenant size might also impact the tenant's tolerance level. As an example, if you have a shopping center full of "mom and pop" tenants that are struggling to stay afloat, you will need a very different strategy than you would for a shopping center full of national tenants.
    - The key is to evaluate your specific property to determine the short-term and long-term impact on your property if tenants fail?

- **What is common practice in your area?**
    - When discussing grossing up operating expenses in the era of COVID-19, some property managers identified that gross-up calculations in their area typically only include utilities, janitorial costs, and property management fees.
    - In previous years, this might have been acceptable – and reasonably accurate. However, since nothing about 2020 is typical, look carefully at your operating expense pass-throughs for this year. Just because you only grossed-up utilities, janitorial costs, and property management fees in the past, does not mean you are limited to only grossing up those amounts in 2020.

For most landlords, the solution will be combining these options: follow the lease, evaluate what is fair, consider what the landlord and tenants can tolerate, and think about standard practices in your area. The goal is to come up with a solution that takes into consideration the various interests of those who have "skin in the game," including:

- The lender
- The owner
- Tenants

Unfortunately, regardless of whether landlords choose to follow the existing lease language or step outside the lease language to propose a different solution, there will undoubtedly be disagreements between landlords and tenants about handling operating expense pass-throughs during the pandemic. Not surprisingly, many of these disagreements are likely to end up in litigation in 2021.

Challenges

The specific language might vary from lease to lease, but a typical gross-up clause might look like this:

> *Operating Expenses for each calendar year shall be those actually incurred, provided, however, that if the Building was not at least one hundred percent (100%) occupied during the entire calendar year, including the Base Year, the variable portion of the Operating Expenses shall be adjusted to project the Operating Expenses as if the Building were one hundred percent (100%) occupied.*

In the absence of specific lease language to the contrary, several challenges are likely to come into play as landlords and tenants attempt to resolve this issue:

- **Lease language**
    - How does the lease define the term "occupancy?"
        - As an example, consider a building that is 100% leased. All of the tenants are out of the building for 9.5 months (mid-March through December 2020) due to the pandemic. If the term "occupancy" is defined in the lease as "rented" (the opposite of vacant – meaning the space is leased to a tenant regardless of whether it is occupied), technically, the gross-up provisions would not apply. In this case, all of the spaces in the building were leased to tenants – so the occupancy is 100%.
        - On the other hand, if the term "occupancy" is defined as "used" (meaning the tenant's employees are using the space to conduct business), the gross-up provision will apply. Using the example above, the building's occupancy would be considered 20.83% (2.5 months/12 months). The property manager will need to gross-up the variable operating expenses – even though all of the spaces were leased.
            - Calculating occupancy in 2020 using this definition will be a challenge. It is likely many tenants had at least some employees working in their spaces during the stay at home order, so their occupancy during those months is probably not "0%" – but what is it? 4% 10% How do you even count how much of the space was "used?"

This could get quite complicated – and time-consuming – especially if your goal is to be 100% accurate with your calculations. As a suggestion, lower your expectations a bit. What seems right? If the tenant had almost no employees working in the office for a few months, give them the benefit of the doubt and consider the space "vacant" – because it was. If the company adopted a rotating in-office work schedule (day in/day out), calculate the space at 50% occupied. Strive for "reasonable" and "defensible" – instead of calculating the "absolutely correct" answer.

- **Who pays for the COVID-related cleaning?**
    - Tenants are accustomed to paying for their pro-rata share of the janitorial expenses associated with the building. With this in mind, it would seem appropriate to pass through any additional costs for COVID-related cleaning and disinfecting – especially those costs attributable to the entire building.
    - However, what if the landlord performed additional cleaning and disinfection services in a tenant space due to a tenant's employee testing positive for COVID-19? What if the landlord performed extra cleaning and disinfection services in the common areas that this tenant's employee accessed? Should these costs be considered tenant-specific costs – and then be billed to the individual tenant? That is probably the fairest way to handle those costs.

- Should deep cleaning and disinfection services in the common area be billed to all tenants as part of the operating expense pass-through?
- The property manager needs to think about segregating COVID-related costs between those that benefit the full building and those incurred for individual tenants.

ACTION ITEMS

The good news is that we still have a few months before we finalize the operating expenses for 2020. Over the next few months, property managers should:

- Review each lease, evaluate the existing lease provisions, and identify areas that are likely to become problematic in the future. Consider abstracting the applicable sections of the leases so that information is at your fingertips as you calculate operating expenses.

- Review the general ledger and identify COVID-related expenses. Separate expenses attributable to the full building from expenditures that are tenant-specific. Consider creating subaccounts for COVID-related costs. (Maybe add a prefix of "COV" for COVID-related expenses applicable to the entire building and "COV-T" for COVID-related expenses that are tenant-specific.)

- Consider billing tenants separately – outside of the operating expense cycle – for tenant-specific expenses associated with COVID-19. Not only does this allow the landlord to recoup the COVID-19-related costs sooner, but doing so will enable each tenant to understand how the COVID-related expenses are going to be passed through. This will also simplify your operating expense reconciliations for 2020.

- Prepare 2020 operating expense estimates now so you can identify potential issues and create solutions before it is time to bill tenants in the first quarter of 2021.

- If the operating expenses at your building are projected to be significantly below budget, consider options to reposition strategically certain expenses into calendar year 2020. For example,
    - Can you complete unscheduled (but needed) repair and maintenance projects (painting, repairs, correction of deferred maintenance, etc.) in 2020?
    - Do you have items on your "wish list" that you have been reluctant to purchase (a new snowblower, tools, technology, etc.)? This might be an excellent time to buy those items.
    - What about more considerable expenses? Can you schedule upgrade projects this year – like landscaping upgrades, asphalt repairs, concrete work, etc.?
    - What about compliance programs?
        - Is your building compliant with NFPA 70E: Standard for Electrical Safety in the Workplace? Although the requirements of NFPA 70E are more extensive, a central component of the standard relates to "arc flash" protections. To the extent that this work has not been completed already, consider completing this work in 2020:
            - **NFPA 70E, Section 130.5 Arc Flash Analysis** – Requires an arc flash risk assessment to:
                - Determine the level of risk
                - Identify any safety-related work practices required
                - Measure the arc flash boundary and the incident energy at the working distance
                - Specify the appropriate level of required PPE.
                - This assessment must be reviewed at least every five (5) years.
            - **NFPA 70E Section 130.5 (H) Labeling** – Requires all equipment "likely to require examination, adjustment, servicing, or maintenance while

energized shall be field marked" with a label indicating the arc flash risk identification, the severity of the risk, the arc flash boundary, and the PPE requirements (among other things).

    - Is your building compliant with the ANSI/IWCA I-14.1: Window Cleaning Safety standard? This might be a great time to invest the resources to comply with the standard.
  - Evaluate recurring expenses. Can you reschedule recurring expenses from 2021 to 2020?
    - The best option is to strategically move expenses that recur less than annually (like electrical system proactive maintenance [every three years], punching the tubes in your chiller, or re-striping the parking lot). Consider moving this work to 2020 to boost your operating expense costs.
    - Be careful when trying to reschedule annual recurring expenses – you might end up creating an issue next year because the expenses might be artificially low again in 2021.

- If your 2020 operating expenses are expected to be higher than usual, consider your options to defer expenses into 2021. Think strategically.
  - What can be deferred without impacting building operations or building systems?
  - What can be deferred without increasing expenses in the future?

- Communicate your plan to tenants. Tell them how you plan to pass through operating expenses related to COVID-19. Let them know that you recognize the challenges of calculating operating expenses for this year and are working on a plan that treats both the landlord and the tenant fairly.

- If the operating expenses in your building are increasing due to COVID-related costs, consider recalculating each tenant's operating expense prepayment – and change the amount you bill for the remainder of 2020. Tenants might appreciate the ability to prepay these expenses over the rest of 2020 instead of getting a large bill in 2021.

- If you have given rent concessions in 2020, consider how you will calculate your management fee (and other expenses based on property income) for 2020 and 2021. This might have an impact on 2020 and 2021 operating expense calculations (and base years). You should gross-up property management fees for 2020 (because they are lower than usual) – but what about 2021?

- Consider amending any leases with 2020 (and even 2021) base years to convert base years to defined base stops. That way, you do not have to gross-up base year calculations while conditions are still so fluid.

- Consider proactively negotiating a fair solution sooner rather than later – and put that solution in writing (in the form of a side letter or, preferably, a lease amendment).

Not All Tenants Are Equal

Ideally, any adjustments to your 2020 operating expense pass-throughs will be made at the property level – and will impact all tenants similarly. However, there might be situations where you might want to adjust the operating expenses at the tenant level. You might choose to negotiate differently with:

- Tenants that have a 2020 base year v. tenants with different base years
- Larger tenants v. smaller tenants
- Tenants nearing the end of their leases v. tenants with new leases
- Tenants that are struggling financially v. tenants where business is booming

As a best practice, you might consider:

- Calculating the operating expenses pass-throughs without any adjustments (as if 2020 was a "normal" year)
- Strategically evaluate property-level adjustments that impact all tenants
- Once you have made the property-level adjustments, evaluate options to make any adjustments at the tenant level
- Schedule one-on-one meetings with representatives of your tenants so you can review your planned adjustments to the operating expense pass-throughs

Thankfully, this "what if" analysis is made easier by budgeting software and spreadsheets. You should easily be able to assess the impact of a change by making the change in your operating expense calculation formula and reviewing the results.

The Long Game

Although the impact of the global pandemic came on quicker and more profound than anyone could have predicted, it will take quite some time to return to "normal" again. Economist's predictions differ on when we will recover from the Recession of 2020. Some say the recovery will occur in 2021, and others suggest it will take a few years to claw ourselves out of such a deep recession.

With this in mind, focus on the "long game."

- Some tenants have already gone out of business or declared bankruptcy.
- Many government programs that are propping up the economy are scheduled to expire at the end of September 2020. Unless these crucial governmental programs are renewed soon, the economic fallout will be even more substantial.
    - Experts predict the expiration of these programs will cause further economic deterioration – more failing businesses, higher unemployment, reduced consumer confidence and consumer spending, and higher vacancy rates for CRE.
- Many of the remaining tenants are struggling to survive.
- Thinking even longer-term – how will your decisions in 2020 (and 2021) impact tax appeals and property valuations? Much of the discussion so far has focused on property-level decisions. However, these decisions need to be made with portfolio-level implications in mind – include the potential changes to:
    - Asset value
    - Existing loans – and the potential to refinance property debt
    - Property tax appeals
    - Insurance coverage
- COVID-19 prompted many tenants to evaluate their long-term planning, and many have elected to restructure their organizations to "buffer" themselves from future events. Are these short-term decisions that will be forgotten in a few years – or are these megatrends that will forever change the commercial real estate landscape? Who knows, but it will sure be an interesting few years as we see how all of this will play out.
- Expect significant changes to lease language in future negotiations – particularly as they relate to topics like force majeure, insurance, business interruption, default provisions, and standards of landlord and tenant performance under the lease.

With this in mind, consider that just because you ***can*** pass something through to tenants does not mean you ***should*** pass it through. Until COVID-19 is behind us, the best strategy might be for landlords to sacrifice in the short term to position the property better for the long-term.

"We are in this together" has become a popular catchphrase in the COVID-19 era – one that will indeed be tested as tenants and landlords sit down at the virtual negotiating table. The pain is being felt at all levels – from the consumer up to the lender. Will this result in mutually beneficial lease and loan workouts? In this continually evolving environment, only time will tell.

About BOMA International
Founded in 1907, the Building Owners and Managers Association (BOMA) International is a federation of U.S. local associations and global affiliates. The leading trade association for commercial real estate professionals for more than 100 years, it represents the owners, managers, service providers and other property professionals of all commercial building types, including office, industrial, medical, corporate and mixed-use. BOMA International is the partner individuals in the commercial real estate industry choose to maximize value for their careers, organizations and assets. Its mission is to advance a vibrant commercial real estate industry through advocacy, influence and knowledge.

About InspiRE
Operating at the intersection of people, process, and performance, InspiRE works with commercial real estate clients to help them streamline operations, optimize performance, and create value.

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