

Technical Note for NPI 2008 Q1 Data Release

The first quarter to 2008 marks the first time the NCREIF Property Index has been produced utilizing our new software and data structure. Among the important enhancements in the new system are a shift to quarterly collection of all property descriptor information and the introduction of more refined categories for property lifecycle, accounting basis, and investor type. As a result of data contributor changes in reporting and these enhancements, some properties which previously did not qualify for inclusion in the NPI are now included in the NPI and other properties have had characteristics changed which will result in them being classified in different sub-indices. To give users a sense of the magnitude of these changes, below is a list of each type of change with the count of properties and the quarter ending market value. Since many properties included in these counts have more than one such change, the totals should not be summed.

Category of Change/Type of Change	Count	Market Value
NCREIF Property Index	5976	\$328,144,473,979
Changes affecting Index Eligibility		
Property Type Changed (new to NPI)	26	\$1,115,196,634
Accounting Basis Changed (new to NPI)	33	\$812,821,575
Investor Type Changed (new to NPI)	42	\$1,998,464,565
Lifecycle Change (new to NPI)* (includes both ordinary progression and corrections)	147	\$8,320,546,274
Changes affecting Sub-Index Composition		
Property Type Changed (ongoing)	62	\$2,220,235,654
Zip Code Changed (and previously in NPI)	261	\$13,420,041,168
Division Changed (and previously in NPI)	19	\$755,134,796
Region Changed (and previously in NPI)	17	\$670,020,554

NCREIF staff have verified every one of these changes with the data contributors.