

# The BOMA Standard

Inherent in the As-Built and area tabulation process there must be a uniform methodology. The Building Owners and Managers Association (BOMA), along with the American National Standards Institute (ANSI) has developed a document titled *Standard Method for Measuring Floor Area in Office Buildings* (ANSI/BOMA Z65.1-1996). It has become the de-facto standard throughout the marketplace, so buildings which do not use it are potentially ‘throwing money away’ by not charging tenants for all the space they use, rather than just the space they occupy.

The *BOMA Standard* explains how to measure a building, how to define common areas and then how to pro-rate those common areas to the tenants. Common areas include building and elevator lobbies, toilet rooms, utility rooms, janitor closets, exercise rooms, conference centers, break rooms and similar shared facilities, plus enclosed, heated spaces that serve the building such as penthouses and mechanical rooms.

The *BOMA Standard* overcomes one of the key problems in leasing. Buildings often have a large lobby which serves all tenants, but a limited amount of lease space on the floor where the lobby occurs. Since most tenants on these floors balked at pro-rating all this common area to their space, many landlords opted to charge for only their usable area. This meant that the lobby space was not paid for by ANY tenants. The *BOMA Standard* allows this space to be pro-rated to all the tenants in the building so 100% of the building can generate rent. After all, you heat, clean, maintain and pay taxes on it!

The *BOMA Standard* establishes a Building Rentable Area which remains constant. This avoids load factors which may result in the building “changing size” on your rent roll if common areas change.

The *BOMA Standard* cannot be applied to a single suite without knowing the square footage of every space in the building because each suite’s Rentable Area will include Building Common Area from other floors. Lease square footages will therefore not conform to the *BOMA Standard* and, in most cases, you will be losing rent.

To do all this, certain terminology is needed. The following is not intended to replace the *BOMA Standard* but rather provide a working understanding of its terms, which pertain specifically to office buildings. The *BOMA Standard* should be used for detailed definitions.

# TERMINOLOGY

## Finished Surface:

The wall or ceiling surface, but excluding the thickness of special finishes applied by the tenant.

## Dominant Portion:

The portion of the finished surface of the building exterior wall which is 50% or more of the vertical height of the wall between the floor and ceiling. The height of a window, when present, will dictate whether the window or the wall is dominant.

## Gross Building Area:

The gross area of the building. This is typically the construction area and is the area used for appraisals, tax assessments and parking tabulations. It is NOT the Rentable Area of the building as it includes exterior walls and shafts. The *BOMA Standard* does not use Gross Building Area for any purpose.

## Measured Area:

The area of a space, measured to the dominant portion of exterior walls, the finished surface of common area walls and the centerline of demising walls. The measured area excludes major vertical penetrations such as duct and stair shafts and their surrounding walls. No deduction is taken for columns or heaters.

## Major Vertical Penetrations:

Stairs, elevator shafts, chases, chimneys, duct shafts and the like, including their enclosing walls.

## Floor Rentable Area:

The sum of the Measured Area of all spaces on a given floor. In simple terms, it is the actual, total area of the floor measured in accordance with the *BOMA Standard*.

## Building Rentable Area:

The sum of all Rentable Areas on all floors in a building.

## Usable Area:

The Measured Area of any Office Area or Building Common Area. In practical terms, it is the actual area of any space measured.

## Floor Common Area:

The spaces that provide services to tenants, consisting of the elevator lobby, janitor closets, utility rooms, toilet rooms and other common spaces, including corridors that are used primarily by the tenants on a specific floor.

## Building Common Area:

The spaces that provide services to all building tenants, including the main lobby, atriums, mail room, sprinkler room, conference center, vending and break rooms, athletic facilities and similar shared facilities, plus enclosed, heated spaces that serve the building such as penthouses and mechanical rooms. These may be

located on any floor and are in addition to Floor Common Area on that floor. Parking garages and unenclosed mechanical spaces are excluded.

**Office Area:**

The lease space occupied by and for the exclusive use of a tenant.

**Basic Rentable Area:**

The sum of the Office Area and Building Common Area plus their respective, pro-rata Floor Common Area. The sum of all the Basic Rentable Areas will equal the Floor Rentable Area of the respective floor. Basic Rentable Area is an interim value in determining Rentable Area.

**Rentable Area:**

The term Rentable Area applies to only lease spaces and is the sum of the Office Area plus pro-rated common areas. Specifically, it is the sum of the Office Area + pro-rated Floor Common Area + pro-rated Building Common Area. Note that the sum of Rentable Areas on all floors equals the Building Rentable Area but the sum of Rentable Areas on a given floor rarely equals the Floor Rentable Area!

**Floor R/U ratio:**

The Floor Rentable to Usable (R/U) ratio is the ratio of Floor Rentable Area to Floor Usable Area (UA):

$$\frac{\text{Floor Rentable Area}}{\text{Office Area} + \text{Building Common Area}}$$

When applied, it pro-rates the Floor Common Area to the Office Area and Building Common Area on that floor, yielding the Basic Rentable Area for each.

**Building R/U:**

The Building R/U is the ratio of Building Rentable Area to the Building Rentable Area less the Basic Rentable Area of the Building Common Area in the building:

$$\frac{\text{Building Rentable Area}}{\text{Building Rentable Area} - \text{Basic Rentable Area of Building Common Area}}$$

When applied, it pro-rates just the Building Common Area to the Basic Rentable Area or each Office Area, yielding the Rentable Area of each.

**METHODOLOGY:**

1. Define which spaces in the building are Office Area, Floor Common Area and Building Common Area and calculate their respective square footages.
2. Pro-rate the Floor Common Area to each Office Area and Building Common Area to establish the Basic Rentable Area for each.
3. Pro-rate the Building Common Area to each tenant's Basic Rentable Area to create its Rentable Area.