

## FASB/IASB Will Solicit Additional Comments on the Revised Lease Accounting Proposal

The Financial Accounting Standards Board (FASB) and International Accounting Standards Board (IASB), collectively the “Boards,” recently announced their intentions to re-expose the revised proposal for Lease Accounting. Per a recent [news release](#), the Boards noted:

*“Re-exposing the revised proposals will provide interested parties with an opportunity to comment on revisions the boards have undertaken since the publication of an exposure draft on leasing in August 2010.*

*“Even though the boards have not completed all of their deliberations, the decisions taken to date were sufficiently different from those published in the exposure draft to warrant re-exposure of the revised proposals. The boards intend to complete their deliberations, including consideration of the comment period, during Q3 2011 with a view to publishing a revised exposure draft shortly afterwards.”*

As referenced, the Boards intent is to have the revised draft of the proposal completed by the end of third quarter 2011. Shortly thereafter, the Boards plan to re-expose the draft for public comment. The length of the comment period is yet to be determined (Note: The comment period for the original Exposure Draft was four months).

It is clear given this latest announcement the final standard is now destined to be issued sometime in 2012. The effective date for the new standard has not yet been decided. The most recent speculation seems to indicate that it could be 2015.

This announcement is positive news as it is evident the current version of the proposal continues to contain provisions that are of concern to the real estate industry. This news should be considered a “heads-up” to all stakeholders to be prepared to provide comment letters once again to the Boards (whether or not you provided a comment letter on the initial Exposure Draft). As there was clearly evidence the initial barrage of comment letters proved persuasive relative to revising several of the initial areas of concern, we should remain hopeful that by virtue of the collective efforts of the industry we can once again influence the provisions of the final standard.

The CB Richard Ellis Lease Accounting Task Force will continue to keep you apprised as to future developments. In the meantime, please find [here](#) the latest update on the proposal. Please feel free to share this information with your clients.

*The CB Richard Ellis Global Task Force on Lease Accounting is composed of the following team members:*

**Jeff Beatty**, Financial Consulting Group (Task Force Director)

**Todd Anderson**, Global Corporate Services

**Ian Billenness**, Global Corporate Services

**Richard Hurst**, Global Corporate Services

**Judy Dahlke**, Client Accounting Services

**Steve Latkovic**, Investment Properties

**Mike Nelson**, Strategic Consulting

**Jennifer Pazzia**, Global Financial Reporting

**Andrew Steinberg**, Global Financial Reporting

**Nick Tansey**, Portfolio Administration Services

For more information, please contact:

Jeff Beatty

Senior Managing Director, Financial Consulting Group

Director, Task Force on Lease Accounting

+1 602 735 5608

[jeff.beatty@cbre.com](mailto:jeff.beatty@cbre.com)

Ian Billenness

Director, Global Corporate Services

+44 20 7182 3039

[ian.billenness@cbre.com](mailto:ian.billenness@cbre.com)