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## **Social Purpose Real Estate Terminology List**

### **Additional Rent**

Any other payment not included in Base Rent that the landlord collects to offset the tenant share of building expenses, usually including such costs as shared utilities, property taxes, insurance and the cost to maintain common areas of the building. (If costs are metered individually, the tenant will pay them directly to the provider, such as BC Hydro).

### **Base Rent**

The rent paid by the tenant to the landlord, as specified in the lease, for use/ occupancy of a space (excludes Additional Rent charged for such costs as taxes and maintenance fees).

### **Community Serving Spaces**

Spaces within larger entities such as community halls, places of worship, etc. that are designated for social, arts/cultural and recreational use, typically at affordable rates (can include childcare or adult/senior daycare, multi-purpose rooms, community kitchens, non-profit office space, shelters, etc.)

### **Co-op / Cooperative**

A legal entity formed under a defined set of cooperative principles where a group of people voluntarily unite to achieve a common goal often related to housing, social/cultural aspirations, joint purchasing, financial or other interests.

### **Co-work/Co-Location/Shared Space/Hub**

Refers to spaces that are shared among a number of separate organizations or individual users. Multi-Tenant or Non-profit Centres are types of co-location/shared spaces/HUBs which provide workspace and the opportunity to connect with others.

### **Facility Reserve Fund**

Money put aside each year from the operating budget to pay for eventual repair and replacement of a building and/or major systems, components and interior finishing.

**For-Profit Social Enterprise**

A mission-based business operation housed within a company which generates earned revenue to cover expenses and create a surplus. Mission is achieved by the way the business is run and/or the distribution of surplus towards mission activities, with limited distribution to shareholders and owners.

**Gross Lease Area**

The most common manner in which total square footage is recorded in a lease or license agreement. Includes all floor area, walls, doorways, corridors, closets, elevator shaft, etc.

**Gross Lease Payment**

A lease payment made by the tenant to the landlord for all costs related to occupying the space bundled together in one monthly payment (includes rent, utilities, taxes, insurance, etc.).

**Insurance**

Landlords generally maintain fire and extended coverage on the Building's exterior and major systems. Tenants are required to have contents, fire and extended insurance coverage for the areas they occupy. Both landlord and tenant carry their own comprehensive general liability coverage.

**Lease Agreement**

An agreement between the landlord and the tenant which defines the payment and conditions under which certain rights are given to the tenant for use of a specific property. These rights may include access to shared common areas such as lobby entrances, parking, stairwells, hallways and common washrooms.

**Lease Term**

A period of time specified in the lease from the date the lease begins to the end of the allowed period of occupancy.

**License Agreement**

An agreement (often called a License to Occupy) between the landlord and the tenant/occupant which grants the right of usage of the property under specified conditions as defined in the agreement.

**License Fee**

Like 'rent', a license fee is the monthly payment to the landlord that gives the space user (licensee) the right to use the space according to the terms of the License Agreement.

**Net Useable Area**

The interior square footage allocated to a tenant for their use, not including walls, corridors etc. Where Gross Lease Area is not specified, many tenants quote 'net usable' as an approximate total of the space allocated to them.

**Not-for-Profit Social Enterprise**

A mission-based business operation housed within a non-profit society which generates earned revenue to cover expenses and create a surplus. Mission is achieved by the way the business is run and/or the distribution of surplus towards the not-for-profit's mission activities.

**Property Management Costs**

Expenses paid to an individual or company that takes care of the administration and ongoing operation of the building (including rent collection, bill payments, repairs & maintenance, etc.).

**Property Tax**

Taxes levied on the landlord by municipal governments, as determined via the property's assessed value and the municipalities' tax rate. Property taxes are almost always passed on to the tenant.

**Renewal Term**

Gives a tenant the right to extend a lease term along with associated conditions. Tenants have the option to exercise their right (to renew) by notifying the landlord in writing.

**Short Term Rental**

An agreement or set of conditions which define the cost to the user for access to a space for a short-term use. This may be for an event, a series of activities, a weekly/monthly repeating activity, or full time for a period of weeks or months (generally less than 1 year).

## **Sector Definitions:**

### **Arts/Culture**

Organizations engaged in performing (music, dance, theatre), visual, media, interdisciplinary arts, craft and cultural activities.

### **Advocacy**

Organizations engaged in supporting civil and other rights, and social and political interests of general or special constituents.

### **Professional Association**

Organizations engaged in promoting, regulating and safeguarding business, professional and labour interests.

### **Childcare**

Organizations engaged in the delivery of services for children under the age of 12 years - includes daycare, pre-school, child minding, early childhood education (excluding formal private or public elementary school systems).

### **Community/Social Services**

Organizations engaged in the delivery of services that support individuals and communities in areas such as health and wellness, social engagement, learning, and community activities.

### **Education**

Organizations engaged in learning and educational opportunities (excluding formal private or public elementary, secondary, university or college school systems).

### **Employment/Training**

Organizations engaged in training, skills development and employment readiness supports.

### **Environment**

Organizations engaged in environmental conservation/education, pollution control and prevention, and animal protection.

### **Faith-Based/Place of worship**

Organizations promoting religious beliefs, administering religious services and providing community services, who may also provide space for community use such as art/culture, childcare, community social services, meeting or recreational space.

**Health**

Organizations engaged in general and specialized health and health support services (excluding public or private institutions such as hospitals, assisted living care centres, etc.).

**Non-Market Housing**

Organizations engaged in provision of shelter, supportive, below market and co-op housing.

**Recreation/Sport**

Organizations engaged in activities in generalized or specialized fields of sports and recreation.

**Other, please describe**

Organizations engaged in activities not otherwise included in the above categories such as philanthropy, volunteerism or international aid, etc.

**Space Provider/Developer**

Organizations which own or lease space purposefully designated for use by others including non-profits, social enterprises, individual artists or social entrepreneurs.