MSCI Global Real Asset Classification Standards

CONSULTATION ON A PROPOSAL FOR AN MSCI GLOBAL REAL ASSET CLASSIFICATION STANDARDS (MSCI GRACS) STRUCTURE AND FRAMEWORK

This consultation may or may not result in any changes to the proposed MSCI GRACS structure. Consultation feedback will remain confidential. MSCI may publicly disclose the feedback of a participant if so, requested by any participant. In that case, the relevant feedback would be published at the same time as the results of the consultation.

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Introduction

- The **MSCI Global Real Asset Classification Standards** (MSCI GRACS) aims to establish a single global hierarchy and classification standard to promote transparency and efficiency across the industry globally. Following the MSCI GRACS consultation, MSCI will adopt GRACS across its products and datasets to enable product integration and better support clients in their investment decisions.

- MSCI GRACS comprises of 11 Sectors, 43 Sub-sectors and 148 property types.

- MSCI invites feedback on the proposed structure and definitions of MSCI GRACS from the real assets investment community.

- **Key Dates**
  - Consultation Launch: 15 July 2024
  - Consultation Completion: 30 September 2024
  - MSCI Decision Announcement: On or before 31 October 2024

- **Mode of consultation**
  - Participate in the online survey by clicking on this link: MSCI GRACS survey
  - Contact your real assets consultants or client service team to share any direct feedback

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MSCI GRACS Structure | Sub-Sectors

Retail
High Street Retail
Shopping Center
Retail Warehouse
Other Retail

Office
Life Science/Lab Spaces
Office / Business Park
Medical Offices
Standard Office

Industrial
Logistics
Manufacturing
Production
Flex Space
Other Industrial

Residential
Multi Family
Single Family
Student Housing
Other Residential

Hotel
Full Service
Limited Service
Other Hospitality

Senior Housing & Care
Nursing Homes
Care Homes

Healthcare
Healthcare
Other Healthcare

Data Center
Colocation / Multi Client
Enterprise / Single Client
Other Data Center

Land
Development Land
Farmland
Forestry

Other
Education
Leisure
Cinema
Theatre
Extraction
Parking Self Storage
Other Subsectors

Infrastructure
Communication
Power Generation (excl. Renewable Energy)
Power Transmission & Distribution (excl. Renewable energy)
Renewable Energy
Transport
Waste
Other Infrastructure

Retail Sector

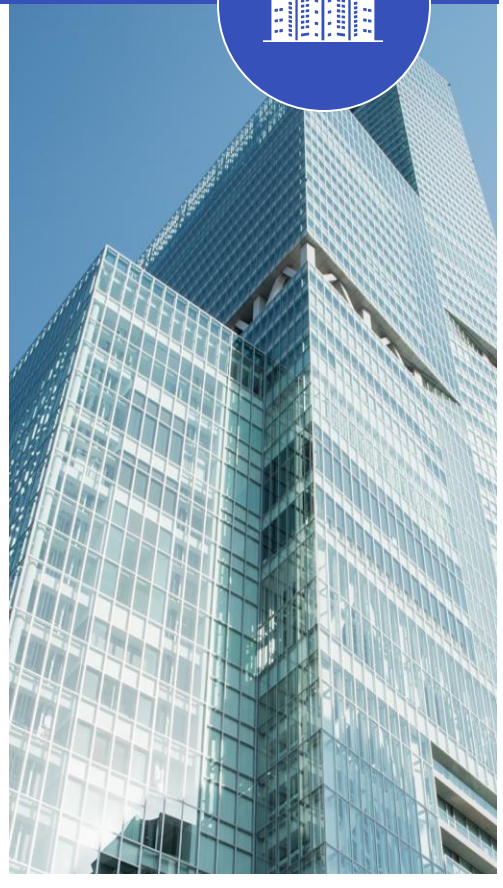
Sub-Sector	Property Type		Additional Characteristics (where applicable)
Retail Warehouse	• Solus Unit	• Retail Park / Large Format Retail (LFR)	Physical: high street
Shopping Center	• Convenience / Strip Center • District / Community Center • Lifestyle Center • Local / Neighborhood Center • Major Regional / Super Regional	• Outlet Center • Fashion / Specialty Center • Power Center • Regional • Theme / Entertainment Center	
Other Retail	• Arcade • Unit Shop • Variety Store • Bank Branch • Department Store • Gallery • Kiosk • Post Office	• Retail Showroom • Supermarket • Pharmacy • Auto Dealership / Auto Showroom • Fast Food Restaurant	

Retail Power Centre example: Vaughan Mills, Ontario, Canada (randomized asset example selected from publicly available information)
Retail Outlet Centre example: Florentia Village Foshan Guangzhou, Guangdong, China (randomized asset example selected from publicly available information)
Retail Lifestyle Centre example: The Neighborhood Square, Johannesburg, South Africa (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Office Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Life Science / Lab Spaces	• Life Science / Lab Spaces	• Zone: CBD, non-CBD • Tenure: leasehold, freehold • Alternative income: ground rent
Medical Office	• Medical Office	
Standard Office	• Standard Office	
Office / Business Park	• Office / Business Park	

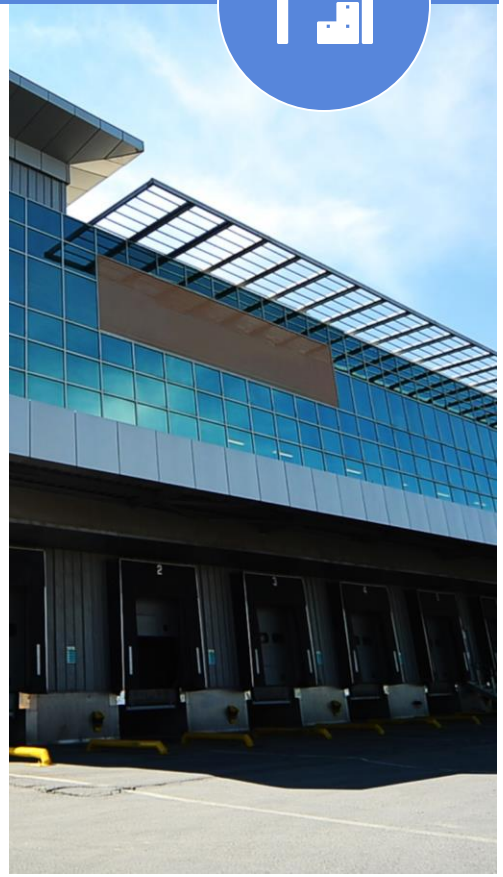


Life Science / Lab Spaces (office) example: One North Quay Canary Wharf, London, United Kingdom (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Industrial Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Logistics	• Distribution Center • Refrigerated Cold Storage • Truck Terminal • Industrial Outdoor Storage • Warehouse	• Tenure: leasehold, freehold • Alternative income: ground rent
Manufacturing	• Heavy Manufacturing • Light Manufacturing	
Production	• Refinery	
Flex Space	• Life Sciences • R&D • Industrial Showroom • Other Flex Space	
Other Industrial	• Workshops • Movie Studios	



Industrial Outdoor Storage example: 77 Governor Macquerie Drive, Chipping Norton SW Sydney, Australia (randomized asset example selected from publicly available information)

Life Sciences (flex space) example: 9001 Torresdale Avenue, Philadelphia, PE USA (randomized asset example selected from publicly available information)

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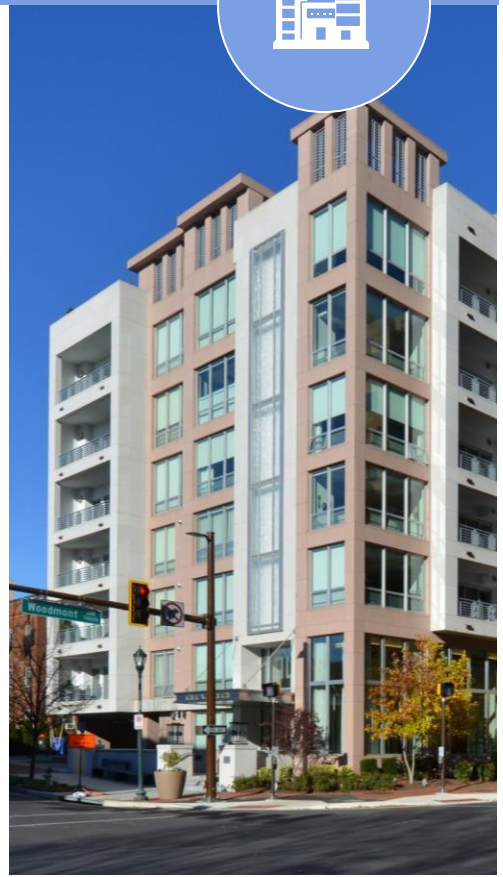
Information Classification: GENERAL

Residential Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Multi Family	• High Rise Apartment • Low Rise Apartment • Mid Rise Apartment	Letting: below market, rent capped, subsidized, affordable, social • Physical: garden apartment • Investment purpose: build to rent, build to sell • Tenure: leasehold, freehold • Alternative income: ground rent
Single Family	• Single Family Attached • Single Family Detached	
Student Housing	• Student Housing	
Other Residential	• Age Restricted • Co-Living • Serviced Apartment • Manufactured Housing • Condominium	

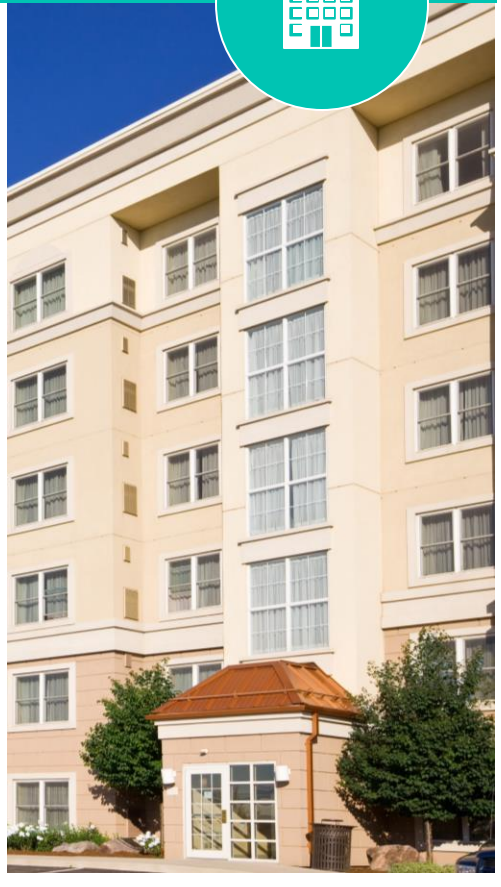


Co-Living example: The Collective, Old Oak, London, United Kingdom (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Hotel Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Full Service	• Luxury Chain • Midscale Chain • Upscale Chain • Economy Chain	• Tenure: leasehold, freehold • Alternative income: ground rent
Limited Service	• Luxury Chain • Midscale Chain • Upscale Chain • Economy Chain • Extended Stay	
Other Hospitality	• Holiday Resort • Holiday Park • Casino with Hotel • Hostel	



Hostel example: Pfefferbett Hostel, Berlin, Germany (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Senior Housing & Care Sector

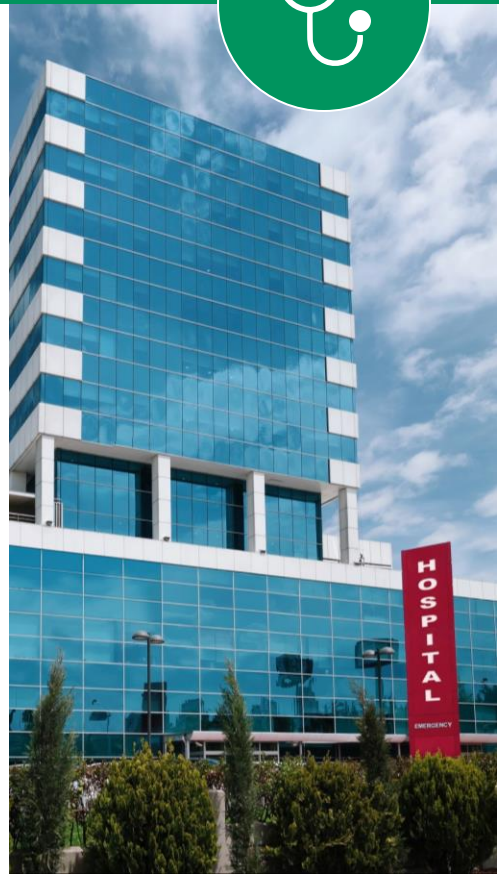
Sub-Sector	Property Type	Additional Characteristics (where applicable)
Care Homes	• Independent Living • Assisted Living	• Letting: below market, rent capped, subsidized, affordable, social • Physical: garden apartment • Investment purpose: build to rent, build to sell • Tenure: leasehold, freehold • Alternative income: ground rent
Nursing Homes	• Continuing Care • Skilled Nursing	

Assisted Living example: Harvestars Care Centre, Klang, Malaysia, South East Asia (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Healthcare Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Healthcare	• Healthcare Clinic / Consulting Rooms • Hospital & Treatment Center • Physical & Learning Disability Homes	• Tenure: leasehold, freehold • Alternative income: ground rent
Other Healthcare	• Ambulance Station • Dentist Surgeries	

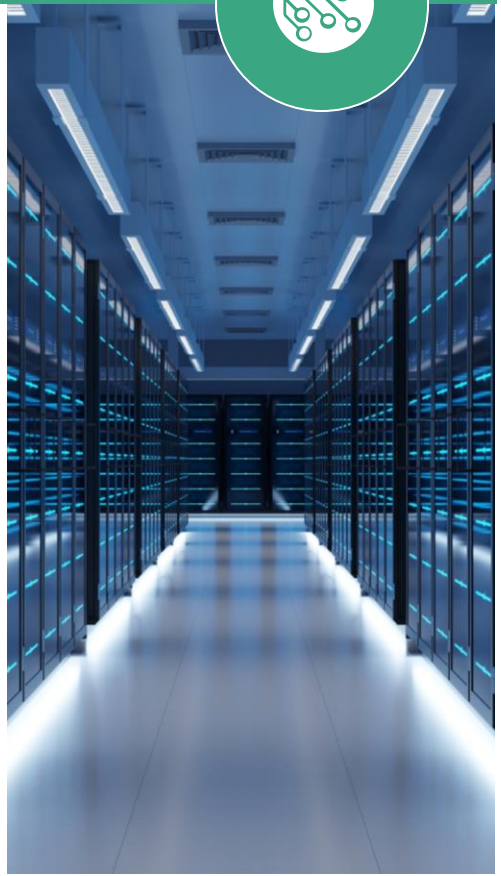


Healthcare Clinic / Consulting Rooms example: Morrinsville Medical Centre, Waikato, New Zealand (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Data Center Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Colocation / Multi Client	• Colocation / Multi Client	• Tenure: leasehold, freehold • Alternative income: ground rent
Enterprise / Single Client	• Enterprise / Single Client	

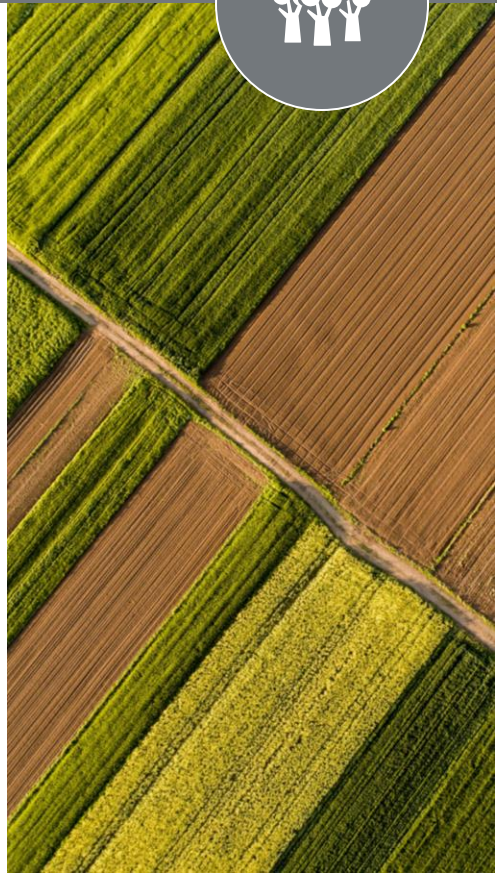


Data Center example: Iron Mountain AMS-1, Amsterdam, Netherlands (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Land Sector

Sub-Sector	Property Type	Additional Characteristics (where applicable)
Development Land	• Hotel • Office • Retail • Industrial • Data Center • Residential • Mixed Use • Other	• Zone: CBD, non-CBD (applicable to Office Land use) • Tenure: leasehold, freehold • Alternative income: ground rent
Farmland	• Farmland	
Forestry	• Forestry	

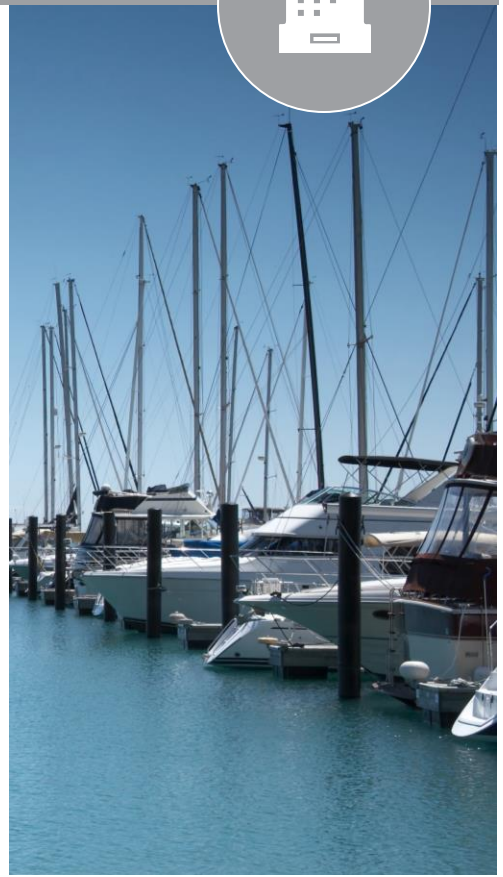


Farmland example: Koiwai Farm, Iwate, Japan (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Other Sector

Sub-Sector	Property Type		Additional Characteristics (where applicable)
Education	• Pre Schools • Schools	• Tertiary / Post Secondary Education • Training center	• Tenure: leasehold, freehold • Alternative income: ground rent
Leisure	• Bars & Pubs • Marinas • Restaurant • Sports Center • Arena / Stadium • Amusement Park • Bowling Alley	• Casino • Golf Course • Cinema • Theatre	
Extraction	• Mines	• Fossils drilling	
Other subsectors	• Community Hall • Convention / Conference Centers • Court • Places of Worship • Prisons • Service / Fuel / Gas Stations	• Auto Repair • Salvage Yard • Car Wash & Detailing • Military base • Other Public buildings	
Parking	• Garage • Parking	• Parking Space / Parking Box	
Self Storage	• Self Storage		



Self Storage example: Dymon Storage, Etobicoke, Toronto, Canada (randomized asset example selected from publicly available information)

Information Classification: GENERAL

Infrastructure Sector

Sub-Sector	Property Type		Additional Characteristics (where applicable)
Communication	• Mobile Telephone Towers	• Television and Radio Transmission Stations	
Power Generation Excl Renewable Energy	• Coal Fired Power Plant • Nuclear Reactor • Gas Power Plant	• Oil Power Plant	
Power Transmission & Distribution Excl Renewable Energy	• Electricity Transmission Grid Infrastructure	• Interconnectors / Gas Pipelines • Other utility services	
Renewable Energy	• Hydro - Excl Tidal & Wave Power Plant • Solar Farms • Tidal & Wave Power Plant • Biomass Power Plant • Geothermal Power Plant	• Waste To Energy • Wind Farms	• Tenure: leasehold, freehold • Alternative income: ground rent
Transport	• Airports • Road Bridges • Bus or Tram Systems • Ports / Harbors • Railways	• Road / Hight Networks • Depot • Stations	
Waste	• Other Waste Disposal • Solid Waste Disposal • Desalination Plants • Drinking Water Filtration & Storage	• Flood Control Systems • Major Irrigation Systems • Sewage Treatment Plant • Water & Wastewater	

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Solar Farms example: MBRAM Solar Farm, Dubai, UAE (randomized asset example selected from publicly available information)

Information Classification: GENERAL

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