

The ABC Company / 123 Main Street

Projected costs for leasing space / Billing period is May - April

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Part 1 - Assumptions		LL Contribution	Operating Expenses	3.00% Base Rent Increase	Real Estate Taxes	Electric
Commence	5/1/2010	Rentable SF \$20.00	Base Year 2010	Base Year 2010	Base Year 2010.00	Base Amt \$2.75
Expire	6/30/2020	Agg Contr \$453,560	Base Amt \$6.00	Incr Rate 3.00%	Base Amt \$4.00	Incr % 3.00%
Term (122 Months)	10 Years	Usable SF \$23.41	Incr % 5.00%	Multiple 100%	Incr % 3.00%	Incr Begins 5/1/2011
	2 Month(s)		Incr Begins 1/1/2011	Incr Begins 5/1/2011	Incr Begins 1/1/2011	
Discount rate	9.00%	Tenant Cash Expense	Multiple 100%	Chg Pmt Every 12 mos	Gross Escalation	
Floor/Suite #	Entire 12	Initial Mo \$7.50	Gross Escalation			
Rentable SF	22,678	Amtz Amt \$10.00				
Loss Factor	14.56%	Amtz Rate 10.00%				
Usable SF	19,376	Amtz Term 122				
Add On Factor	1.17042					

Part 2 - Cash Flow	1	2	3	4	5	6	7	8	9	10	11	Totals
Bill Period	4/30/2011	4/30/2012	4/30/2013	4/30/2014	4/30/2015	4/30/2016	4/30/2017	4/30/2018	4/30/2019	4/30/2020	6/30/2020	
BS Rent Pre Free Rent	\$26.00	\$26.00	\$26.00	\$26.00	\$26.00	\$27.67	\$28.50	\$28.50	\$28.50	\$28.50	\$4.75	\$6,268,577
Free Rent Months	4.00											4.00
BS Rent Post Free Rent	\$17.33	\$26.00	\$26.00	\$26.00	\$26.00	\$27.67	\$28.50	\$28.50	\$28.50	\$28.50	\$4.75	\$6,072,035
3.00% Base Rent Increase		\$0.78	\$1.58	\$2.41	\$3.26	\$4.14	\$5.10	\$6.10	\$7.14	\$8.21	\$1.55	\$913,495
Operating Expenses	\$0.10	\$0.41	\$0.73	\$1.06	\$1.41	\$1.79	\$2.17	\$2.58	\$3.01	\$3.46	\$0.63	\$393,555
Real Estate Taxes	\$0.04	\$0.16	\$0.29	\$0.41	\$0.55	\$0.68	\$0.82	\$0.97	\$1.12	\$1.27	\$0.23	\$148,390
Electric	\$2.75	\$2.83	\$2.92	\$3.00	\$3.10	\$3.19	\$3.28	\$3.38	\$3.48	\$3.59	\$0.62	\$728,908
Tenant Cash	\$9.06	\$1.56	\$1.56	\$1.56	\$1.56	\$1.56	\$1.56	\$1.56	\$1.56	\$1.56	\$0.26	\$529,224
Moving	\$3.00											\$68,034
Architect	\$4.80											\$108,854
Parking	\$2.56	\$2.64	\$2.72	\$2.80	\$2.88	\$2.97	\$3.06	\$3.15	\$3.24	\$3.34	\$0.57	\$678,547
Cleaning	\$1.75	\$1.79	\$1.82	\$1.86	\$1.89	\$1.93	\$1.97	\$2.01	\$2.05	\$2.09	\$0.36	\$442,619
Per SF Total	\$41.39	\$36.16	\$37.61	\$39.10	\$40.65	\$43.92	\$46.46	\$48.25	\$50.11	\$52.02	\$8.96	\$10,083,660
Monthly Average	\$78,222	\$68,333	\$71,070	\$73,900	\$76,828	\$83,006	\$87,807	\$91,192	\$94,692	\$98,314	\$101,650	
Per Annum Total	\$938,665	\$819,995	\$852,839	\$886,805	\$921,935	\$996,066	\$1,053,683	\$1,094,298	\$1,136,308	\$1,179,764	\$203,301	
Cumulative Total	\$938,665	\$1,758,661	\$2,611,500	\$3,498,305	\$4,420,240	\$5,416,306	\$6,469,989	\$7,564,288	\$8,700,596	\$9,880,359	\$10,083,660	

Part 3 - Totals	Comments
\$10,083,660	Total Rent
\$6,464,061	Present Value @ 9.00%
\$991,835	Average Cost Per Annum
\$965,426	Net Effective Rate Per Annum @ 9.00%*
\$43.74	RSF - Average Cost Per Annum
\$42.57	RSF - Net Effective Rate Per Annum @ 9.00%*
\$51.19	USF - Average Cost Per Annum
\$49.83	USF - Net Effective Rate Per Annum @ 9.00%*
<p>(A) If you gave back the 4.00 mos of free rent, you could reduce your base rent by \$1.28 in each year . (PV of 4.00 months amortized over 122 Mos @ 9.00%)</p> <p>(B) If you gave back the \$20.00 contribution from the landlord, you could reduce your base rent by \$2.99 in each year. (\$20.00 amortized over 122 months @ 9.00%)</p> <p>\$4.27 Total annual rent due to concessions (Sum of A + B)</p>	
<p>PV and Amortization is calculated monthly assuming a beginning of month payment *The Net Effective Rate = The present value amortized over 122 months @ 9.00%</p>	