**REFM REval DCF Mock Up**

Video Demonstration Script

[ LOGIN PAGE, not yet logged in ] (60 seconds)

* Hello and welcome to the demonstration of REFM’s REval DCF online analysis platform. REval DCF is a web-based software platform that performs the same analyses in which ARGUS DCF specializes, that is, multi-tenant office, industrial and retail existing income-producing property Discounted Cash Flow analyses.
* REval DCF stands for Real Estate Valuation using DCF methodology, and is brought to you by us here at REFM.
* REval DCF is offered through REFM as software as a service through a monthly subscription plan that charges Account holders at the beginning of each month for that month’s service.
* All user data input is hosted in the server cloud with the same level of security that is used by online banking websites, such that you can confidently and safely access your transaction analyses from any internet-connected device capable of displaying web pages.
* REval DCF is easy to use, fast and flexible, and produces PDF- and Excel-based reports for purposes of presentation and further spreadsheet-based analysis.
* OK, let’s log in now to check it out.

[ LOGIN PAGE, show the login process ] ( 10 seconds )

* Once logged in, we are taken directly to the Manage Projects page…

[ MANAGE PROJECTS PAGE ] ( 30 seconds )

* …where we see the current list of transaction analyses that are saved in our Account.
* We see along the left-hand side of the webpage our navigation panel. Each of the text blocks is a hyperlink. When on the Manage Projects page, we only have a few links, but within a Project, we have many more, so let’s click on Big Tower to take a first-hand look

[ MANAGE PROJECTS PAGE, moving mouse and clicking on Big Tower ] (3 seconds )

[ BIG TOWER PROJECT PAGE ]

* Here on the Project Page, we have Property Details and inputs for our Global Vacancy, Collection Loss and Annual Inflation Growth Rates.
* Clicking on Line Items…

[ LINE ITEMS PAGE ]

* ... we see our sections for inputs for Miscellaneous Income, for Expenses including Real Estate Taxes, and for Capital Expenditures
* If we want to add a line item in any section, we simply click on the Add button within that section…

[ LINE ITEMS PAGE, clicking on Expenses Add button ]

* … and enter the information that applies in the appropriate increment
* So if I wanted to input a line item for Repairs & Maintenance, I could do so as follows…

[ LINE ITEMS PAGE, clicking on Expenses Add button, and then inputting info ]

* …Repairs & Maintenance, at 2 dollars per SF per year
* If I want to delete any line item, I simply click on the Toggle Delete button within that section, and then click on the Red X on the far right-hand side of that line item listing

[ LINE ITEMS PAGE, clicking on Tenants link on left nav ]

* Let’s move on to our Tenants section now…

[ TENANTS PAGE ]

* At the top of the Tenants page, we see a table that shows a summary of the Tenant Leases
* The highlighted row in the table shows that Tenant whose information is shown in the three sections below: Tenant Details, Rent Schedule, and Expense Reimbursements
* We can see this information change to the respective tenant currently selected by clicking on the alternate row in the summary table above

[ TENANTS PAGE, clicking back and forth between City Hall and National Bank in the summary table, eventually landing back and remaining on City Hall ] ( Question: what does the asterisk in City Hall stand for? )

* OK, now let’s take a look at City Hall in more detail
* Under our Tenant Details section, we see the lease start date, end date, square footage, free rent, leasing commissions and TIs
* We also see four options for what the software should do upon the City Hall lease expiring…

[ TENANTS PAGE, clicking on When Lease Expires drop down to show all 4 choices ]

* … in this case, we have selected to use the Blended Market rent upon lease expiration for this 50,000 square foot space

[ TENANTS PAGE ]

* We see that the Market Assumption is currently set to Office Profile…

[ TENANTS PAGE, clicking on Market Assumptions drop down to reveal only one choice ]

* …which is currently the only choice available. We will show you how to add other Market Leasing Assumptions in a moment.

[ TENANTS PAGE ]

* Lastly, we have the Lease Status for Vacancy Calculations…

[ TENANTS PAGE, clicking on Lease Status for Vacancy Calculations drop down ]

* …which can be set at either Contract or Speculative

(Question: What do these mean?)

[ TENANTS PAGE ]

* For Rent, we have the ability to specify the Initial Base Rent and then escalations in that Base Rent over the term of the lease in the appropriate increment

[ TENANTS PAGE, clicking on the Rent increment drop-down to show all choices)

[ TENANTS PAGE ]

* Lastly, we have the Expense Reimbursements section, where we have all of the Expense line items that were previously entered shown such that we can describe the nature of the landlord’s reimbursement of that line items, if anything.
* If we wish to Delete a Tenant, we can simply select that Tenant to be deleted in the summary table and then click on the Delete button

[ TENANTS PAGE, showing the clicking of the Delete button and the disappearance of the selected Tenant ]

(Question/Comment: Is there a way to Undo a deletion??? There should be in case someone deletes the wrong Tenant accidentally. Same goes for Market Assumptions)

[ TENANTS PAGE ]

* When we are done specifying these elements, we can click on the Next: Market Assumptions navigation button in the footer of the page.

[ TENANTS PAGE, showing clicking on the Next: Market Assumptions button ]

[ MARKET ASSUMPTIONS PAGE ]

* Here on the Market Assumptions page we show the inputs for renewal probability, market rent, months of vacancy upon lease expiration, leasing commissions, TIs and free rent for both new leases on the space and renewals, except in the case of months of vacancy, which naturally applies only to new leases and not to renewals.
* We also show the Expense Reimbursements elements for this type of Market Lease, if any
* To add a new Market Leasing Assumption, we can either click on the Add button at the top, or to save ourselves time, we can click on the Copy button instead

[ MARKET ASSUMPTIONS PAGE, showing clicking on Copy button, and then clicking on Office Profile-Copy listing in summary table ]

[ MARKET ASSUMPTIONS PAGE ]

* From this point, we can rename the Market Lease type and edit the inputs as applicable

[ MARKET ASSUMPTIONS PAGE, showing renaming of Office Profile-Copy to “Tech Company”, and changing of several other variables ]

* Now that we have two choices for Market Assumptions, we can return to the Tenants tab and apply the second Market Assumption to any or all of the tenants

[ MARKET ASSUMPTIONS PAGE, showing clicking on Tenants left-nav link]

[ TENANTS PAGE, showing selection of Tech Company MLA for one of the Tenants ]

* Now let’s return to the Market Assumptions page, just to review that we have done everything we wanted to do here. Confirming that, we can…

[ MARKET ASSUMPTIONS PAGE, showing clicking on Next: Debt Service button ]

* … click on the Next: Debt Service button to enter in the financing details

[ DEBT SERVICE PAGE ]

* On the Debt Service page we can enter in the specifics of the leverage on the transaction, starting with the method used to size the loan…

[ DEBT SERVICE PAGE, showing clicking on the Mortgage Type drop down ]

* …either Principal Amount, Debt Service Coverage Ratio, or Loan-to-Value

[ DEBT SERVICE PAGE ]

* We can also define the Interest rate, Payment Type and Amortization schedule, as well as Calculate the Amortization schedule by clicking on the button

(Comment: Nothing happened when I clicked on the Calculate Amortization Schedule button)

* Finally, we can click on Reports

(Bruce to finish script and send over remaining part)