Tenant-Perspective Comparative Lease Analysis

		Lease Offer #1	<u> </u>		Lease Offer #2	<u> </u>		Lease Offer #3	3
Space Address	Centennial T	Tower, Ste. 1200, 1 Anytown, NY	23 Main Street,	Jones Towe	r, Ste. 200, 456 Anytown, NY	Main Street,	Smith Cente	er, Ste. 900, 999 Anytown, NY	Main Street,
Basic Lease Terms: Lease Rentable Area			100,000 SF			110,000 SF			100,000 SF
Lease Term			120 months			120 months			120 months
Parking per 1,000 RSF / Total Parking		0.30 spots	30 spots		0.45 spots	50 spots		0.30 spots	30 spots
Initial Monthly Parking Rent per Spot			\$100.00			\$95.00			\$110.00
Lease Deal Type (NNN, Gross, Full Service)			NNN			NNN			NNN
Free Rent (Matches Deal Type)			6 months			3 months			3 months
Initial Project Costs (TI, FF&E, IT, A&E)			\$68.25 PSF			\$69.30 PSF			\$67.20 PSF
Tenant Improvement Allowance			\$40.00 PSF			\$50.00 PSF			\$50.00 PSF
Other Landlord Concession			\$10.00 PSF			\$4.55 PSF			\$5.00 PSF
Discount Rate			8.00%			8.00%			8.00%
			Average			Average			Average
Initial & Average Rental Rates:	Initial	Annual	Annual	Initial	Annual	Annual	Initial	Annual	Annual
	Rental Rate	Escalation	Rental Rate	Rental Rate	Escalation	Rental Rate	Rental Rate	Escalation	Rental Rate
Base Rent, PSF	\$84.00	3.00%	\$96.30	\$78.00	3.00%	\$89.42	\$81.00	3.00%	\$92.86
Tax & Operating, PSF	\$25.00	2.50%	\$28.03	\$28.00	3.00%	\$28.77	\$28.00	2.50%	\$28.19
Electricity, PSF	\$5.00	2.50%	\$5.60	\$5.00	3.00%	\$5.13	\$8.00	2.50%	\$8.05
Parking & Storage Rent, PSF	\$0.36	2.50%	\$0.40	\$0.67	3.00%	\$0.70	\$0.40	2.50%	\$0.44
Annual Occupancy Costs PSF (Expense Only)	\$114.36 PSF		\$130.33 PSF	\$111.67 PSF		\$124.02 PSF	\$117.40 PSF		\$129.54 PSF
Landlord Concession Impact:									
Free Rent Impact			(\$4.22) PSF			(\$1.97) PSF			(\$2.03) PSF
Tenant Improvement Allowance Impact			(\$4.00) PSF			(\$5.00) PSF			(\$5.00) PSF
Other Landlord Concession Impact			(\$1.00) PSF			(\$0.45) PSF			(\$0.50) PSF
Net Effective Rent			\$121.11 PSF			\$116.60 PSF			\$122.00 PSF
Net Effective Rent and other Deal Cost Measures:									
Total Cash Flow			(\$127,967,858)			(\$140,262,906)			(\$132,877,500)
NPV Cash Flow			(\$75,229,454)			(\$82,943,464)			(\$78,556,088)
Initial Tenant Capital Requirement			(\$2,825,000)			(\$2,123,000)			(\$1,720,000)
Initial Full Rent Year P&L (All Project Costs / Lease Term)			(\$13,668,116)			(\$14,929,486)			(\$14,136,253)
2,222 2220 / 2000 2000			(, = ,= = , = =)			(, ., ., ., .,			(,,)

Lease Offer #1 Analysis

Name and Address of Space	ce	Centennial	Tower, Ste. 1200, 12	23 Main Street, Anytown,	NY	Tenant Counte	r dated	1/1/201
JSES OF FUNDS	Total		DEAL SUMMAI	ov.				
TI Allowance	4,000,000		Type of Lease	C1	Gross	Lease Signatur	0	6/1/2013
Landlord Loan	4,000,000		Rentable Area		100,000 RSF	Lease Comme		6/1/2013
Commission Share	0		Usable Area		85,822 SF	Rent Commer		5/1/2015
Tenant Capital Funds	(2,720,000)		Add On Factor		16.52%	Term	cement	120 Mon
TOTAL PROJECT COST	6,720,000			/ Rentable Area / Month	\$7.00	Term	10.00 years	s and 0.00 mont
TOTAL TROJECT COST	0,720,000					F : : B		
				ating Expenses / SF	\$20.00	Expiration Da		4/30/202
USES OF FUNDS	Total		Annual Electric	/ SF	\$10.00	Total Duration	1 "	143.00 m
Base Building Construction	(2,500,000)	\$25.00	Start Date		6/1/2013			
Arch'l & Eng. & Permit Fees	(1,000,000)	\$10.00	Annual Real Esta	ite Taxes / SF	\$12.00			
IT Infrastructure	0	\$0.00	Start Date		6/1/2013	Total Free Res		3 months
VOIP Telecom	0	\$0.00	First Year Base I		3.00%	PV Discount l	Rate	8.00%
Legal	0	\$0.00		lities, OpEx Escalation	2.50%			
Security	0	\$0.00	Service Charge /	SF	\$0.00			
FF&E (and install)	0	\$0.00	Start Date		12/1/2012			
Moving Expenses	0	\$0.00	Parking O & M		\$50/Spot/Year			
Signage	0	\$0.00	Start Date		6/1/2013			
Interior Buildout	(2,900,000)	\$29.00	Parking Spots	30 Spots	\$100/Spot/Month			
Contingency at 5.00%	(320,000)	\$3.20	Storage	1,000 RSF	\$10.00 PSF/Year			
Total Project Cost	(6,720,000)	\$67.20						
			NET CASH FLO	OW ANALYSIS				
TI Allowance	\$4,000,000	\$40.00	Total Rent	(\$96,296,586)	Net Effective			
Tenant Capital Funds	(\$2,720,000)	\$107.20			Rental Rate	NPV/SF/Yr	NPV	
•					(\$/SF/Yr)	(\$/SF/Yr)	<u>(\$)</u>	
NOTES:			Lease Survives	full Term	(\$79.48)	(\$59.48)	(\$59,475,778)	
A - Rent Commencement + Term			Cancellation E:	sercised ASAP	(\$140.54)	(\$38.28)	(\$38,284,404)	
3 - Lease Commencement through	Expiration					\frac{\sigma}{2}	(, , , ,	
C - Lease Commencement through			CANCELLATIO	N OPTION				
0			Exercise Date	(57 Months Post Rent Start)	2/1/2020	Interest Rate to	Calculate Residual	Obligation C
			Rate	Not Applicable >>>	\$100,000	TIs	omeume residual	8.00%
			Nate		:: 6.00%	Leasing Comm	siecione	12.00%

	Tot	tal	NPV	7
	No Cancellation	With Cancellation	No Cancellation	With Cancellation
Tenant Broker Leasing Commission Payment #1	0	0	0	0
Tenant Broker Leasing Commission Payment #2	0	0	0	0
LL Broker Leasing Commission Payment #1	0	0	0	0
LL Broker Leasing Commission Payment #2	0	0	0	0
Other Costs	0	0	0	0
Total Project Costs	(6,720,000)	(6,720,000)	(6,124,565)	(6,124,565)
TI Allowance	4,000,000	4,000,000	3,703,429	3,703,429
Moving Allowance & Other CapEx	500,000	500,000	500,000	500,000
Rent & Other Expense	(96,827,942)	(42,478,270)	(57,364,837)	(30,664,260)
O & M Expenses	(2,408,569)	(461,096)	(1,244,329)	(309,023)
Real Estate Taxes	(1,444,058)	(8,000,000)	(746,038)	(6,276,924)
Cancellation Penalty		(1,527,427)		(913,884)
Less Free Rent	2,100,000	2,100,000	1,800,563	1,800,563
Service Charge	0	0	0	0
Net Cash Flow	(\$100,800,569)	(\$52,586,493)	(\$59,475,778)	(\$38,284,404)

ANNUAL SUMMARY

III (I (CILL CCIIIIIIII))																
			Data Series													
Occupancy Costs / RSF	Average Annual		Profile	2013	2014	2015	<u>2016</u>	2017	2018	2019	2020	<u>2021</u>	2022	2023	2024	2025
Rent & Other Expense	(\$88.03)			0	0	(56)	(86)	(89)	(91)	(94)	(97)	(100)	(103)	(106)	(109)	(37)
Add Back Free Rent	\$21.00			<u>0</u>	<u>0</u>	<u>21</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Rent Including Free Rent	(\$86.12)			0	0	(35)	(86)	(89)	(91)	(94)	(97)	(100)	(103)	(106)	(109)	(37)
Building, Parking and Storage O & M Expenses	(\$2.41)			0	0	0	(0)	(1)	(1)	(2)	(2)	(3)	(4)	(4)	(5)	(2)
Electric	\$0.00			0	0	0	0	0	0	0	0	0	0	0	0	0
Real Estate Taxes	(\$1.44)			0	0	0	(0)	(1)	(1)	(1)	(1)	(2)	(2)	(3)	(3)	(1)
Service Charge	\$0.00			0	0	0	0	0	0	0	0	0	0	0	0	0
Total Occupancy Costs / RSF	(\$89.62)			\$0.00	\$0.00	(\$35.31)	(\$86.84)	(\$90.08)	(\$93.57)	(\$97.16)	(\$100.86)	(\$104.67)	(\$108.58)	(\$112.61)	(\$116.75)	(\$39.38)
Occupancy Costs	Average Annual	Total		<u>2013</u>	2014	<u>2015</u>	<u>2016</u>	2017	2018	2019	2020	<u>2021</u>	2022	2023	2024	2025
Rent & Other Expense	(\$8,802,540)	(\$96,827,942)		0	0	(5,630,667)	(8,630,767)	(8,872,976)	(9,138,925)	(9,412,848)	(9,694,981)	(9,985,572)	(10,284,875)	(10,593,150)	(10,910,667)	(3,672,514)
Add Back Free Rent	\$2,100,000	\$2,100,000		<u>0</u>	<u>0</u>	2,100,000	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Rent Including Free Rent	(\$8,611,631)	(\$94,727,942)		0	0	(3,530,667)	(8,630,767)	(8,872,976)	(9,138,925)	(9,412,848)	(9,694,981)	(9,985,572)	(10,284,875)	(10,593,150)	(10,910,667)	(3,672,514)
Building, Parking and Storage O & M Expenses	(\$240,857)	(\$2,408,569)		0	0	0	(33,358)	(84,230)	(136,373)	(189,820)	(244,603)	(300,755)	(358,312)	(417,307)	(477,777)	(166,033)
Electric	\$0	\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Real Estate Taxes	(\$144,406)	(\$1,444,058)		0	0	0	(20,000)	(50,500)	(81,762)	(113,807)	(146,652)	(180,318)	(214,826)	(250,197)	(286,452)	(99,545)
Service Charge	\$0	\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Occupancy Costs	(\$8,961,870)	(\$98,580,569)		\$0	\$0	(\$3,530,667)	(\$8,684,125)	(\$9,007,706)	(\$9,357,061)	(\$9,716,474)	(\$10,086,236)	(\$10,466,646)	(\$10,858,013)	(\$11,260,654)	(\$11,674,896)	(\$3,938,092)
Cash Flow	Average Annual			2013	2014	<u>2015</u>	2016	<u>2017</u>	2018	2019	2020	<u>2021</u>	2022	2023	2024	2025
Total Project Costs	(\$3,360,000)	(\$6,720,000)	\checkmark	0	(5,644,800)	(1,075,200)	0	0	0	0	0	0	0	0	0	0
TI Allowance	\$4,000,000	\$4,000,000	^	0	4,000,000	0	0	0	0	0	0	0	0	0	0	0
Total Occupancy Cost Obligations	(\$8,961,870)	(\$98,580,569)		0	0	(3,530,667)	(8,684,125)	(9,007,706)	(9,357,061)	(9,716,474)	(10,086,236)	(10,466,646)	(10,858,013)	(11,260,654)	(11,674,896)	(3,938,092)
Remaining Lease Obligation Yrs 1-15		\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Remaining Lease Obligation Yrs 16-25		\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Other		\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow	(\$8,441,714)	(\$101,300,569)		\$0	(\$1,644,800)	(\$4,605,867)	(\$8,684,125)	(\$9,007,706)	(\$9,357,061)	(\$9,716,474)	(\$10,086,236)	(\$10,466,646)	(\$10,858,013)	(\$11,260,654)	(\$11,674,896)	(\$3,938,092)
Net Cash Flow / RSF	(\$84.42)			\$0.00	(\$16.45)	(\$46.06)	(\$86.84)	(\$90.08)	(\$93.57)	(\$97.16)	(\$100.86)	(\$104.67)	(\$108.58)	(\$112.61)	(\$116.75)	(\$39.38)

Occupancy Costs Remaining Lease Obligation	
Depreciation	Depreciation Period
Write-off of Existing Depreciation	
Base Building Work - 5 Years	5 Years
TI + A&E - TI Allowance & Commission Share - 5 Years	5 Years
Furniture, Fixtures & Equipment - 5 Years	5 Years
Telephone / Data, Switch & Cable, Security - 3 Years	3 Years
Soft Costs, Contingency, Fees and Moving Costs - 5 Years	5 Years
Depreciation	

\$0 (\$5,400,000) (\$1,000,000) (\$1,000,000) (\$6,720,000) (\$6,720,000) (\$105,300,569)

Average Annual (\$4,212,023) (\$42.12)

2013 0 0 0	2014 0 0 0	2015 (6,315,196) 0	2016 (9,472,794) (53,358) 0	2017 (9,472,794) (134,730) 0	2018 (9,472,794) (218,136) 0	2019 (9,472,794) (303,626) 0	2020 (9,472,794) (391,255) 0	2021 (9,472,794) (481,073) 0	2022 (9,472,794) (573,138) 0	2023 (9,472,794) (667,504) 0	2024 (9,472,794) (764,229) 0	2025 (3,157,598) (265,578) 0	2026 0 0	2027 0 0 0
Year 1 2013	Year 2 2014	Year 3 2015	Year 4 2016	Year 5 2017	Year 6 2018	Year 7 2019	Year 8 2020	Year 9 2021	Year 10 2022	Year 11 2023	Year 12 2024	Year 13 2025	Year 14 2026	Year 15 2027
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1,080,000)	(1,080,000)	(1,080,000)	(1,080,000)	(1,080,000)	0	0	0	0	0	0	0	0	0	0
(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(64,000)	(64,000)	(64,000)	(64,000)	(64,000)	0	0	0	0	0	0	0	0	0	0
(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	0	0	0	0	0	0	0	0	0	0
(1,344,000) (13.44)	(1,344,000) (13.44)	(7,659,196) (76.59)	(10,870,153) (108.70)	(10,951,524) (109.52)	(9,690,930) (96.91)	(9,776,421) (97.76)	(9,864,049) (98.64)	(9,953,868) (99.54)	(10,045,932) (100.46)	(10,140,298) (101.40)	(10,237,023) (102.37)	(3,423,176) (34.23)	0 0.00	0 0.00

*Leasing Commissions cannot be dated later than the Expiration Date of the Lease

-						TOTAL EXPENSE	(RENT, PARKING	, SIGNAGE, ET	C.)									
							-								1.00% of Gros	s Sales above B	reakpoint	
		Annual	Escal	ation Factor:		Monthly Rental	Monthly O&M	Monthly Taxes	Electric M	onthly Service	Monthly Parking	Monthly Storage	Add Back I	ree Rent	% Rent, Paid 1 M	onth After End	of Lease Year	Total
From	To	Rate per SF	Percentage	Step Factor	# Months	Expense	Expense	Expense	Evenese	Charge	Expense	Expense	Months	Annual Total	Gross Sales	Breakpoint	% Rent Amount	Periodic Expen
/1/2015	4/30/2016	\$84.00			12	(\$700,000)	\$0	\$0	\$0	\$0	(\$3,000)	(\$833)	3	\$2,100,000	\$10,000,000	\$8,400,000	(\$16,000)	(\$6,362,00)
/1/2016	4/30/2017	\$86.52	3.00%	\$0.00	12	(\$721,000)	(\$4,170)	(\$2,500)	\$0	\$0	(\$3,075)	(\$854)	0	\$0	\$0	\$8,652,000	\$0	(\$8,779,188
/1/2017	4/30/2018	\$89.12	3.00%	\$0.00	12	(\$742,630)	(\$8,444)	(\$5,062)	\$0	\$0	(\$3,152)	(\$876)	0	\$0	\$0	\$8,911,560	\$0	(\$9,121,965
/1/2018	4/30/2019	\$91.79	3.00%	\$0.00	12	(\$764,909)	(\$12,825)	(\$7,689)	\$0	\$0	(\$3,231)	(\$897)	0	\$0	\$0	\$9,178,907	\$0	(\$9,474,609
/1/2019	4/30/2020	\$94.54	3.00%	\$0.00	12	(\$787,856)	(\$17,315)	(\$10,381)	\$0	\$0	(\$3,311)	(\$920)	0	\$0	\$0	\$9,454,274	\$0	(\$9,837,400
/1/2020	4/30/2021	\$97.38	3.00%	\$0.00	12	(\$811,492)	(\$21,918)	(\$13,141)	\$0	\$0	(\$3,394)	(\$943)	0	\$0	\$0	\$9,737,902	\$0	(\$10,210,650
/1/2021	4/30/2022	\$100.30	3.00%	\$0.00	12	(\$835,837)	(\$26,636)	(\$15,969)	\$0	\$0	(\$3,479)	(\$966)	0	\$0	\$0	\$10,030,039	\$0	(\$10,594,644
/1/2022	4/30/2023	\$103.31	3.00%	\$0.00	12	(\$860,912)	(\$31,471)	(\$18,869)	\$0	\$0	(\$3,566)	(\$991)	0	\$0	\$0	\$10,330,940	\$0	(\$10,989,697
/1/2023	4/30/2024	\$106.41	3.00%	\$0.00	12	(\$886,739)	(\$36,428)	(\$21,840)	\$0	\$0	(\$3,655)	(\$1,015)	0	\$0	\$0	\$10,640,869	\$0	(\$11,396,132
/1/2024	4/30/2025	\$109.60	3.00%	\$0.00	12	(\$913,341)	(\$41,508)	(\$24,886)	\$0	\$0	(\$3,747)	(\$1,041)	0	\$0	\$0	\$10,960,095	\$0	(\$11,814,27)
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$f
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$(
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$(
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Şí
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Şí
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Şí
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			Si
	Net Effective Rental Rate:	\$91.98	3.00% Avg.		120	(\$96,296,586)	(\$2.41) Avg. PSF (\$3	1.44) Avg. PSF	\$0.00	\$0.00	(\$0.40) Avg. PSF	(\$0.11) Avg. PSF	3	\$2,100,000	\$10,000,000	\$96,296,586	(\$16,000)	(\$98,580,569

\$96.30 Avg. Annual Rent

					Leasing Commissions					
					8					
				Rate for Years 1-10	Rate for Years 11+	Date Paid*	\$/SF/Yr	Amount on Rent	Amount on Service Charge	Total Amount
Tenant Broker	Payment #1:	50%	(\$96,296,586)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
	Payment #2:	50%	(\$96,296,586)	0.00%	0.00%	5/1/2015	\$0.00	\$0	\$0	\$0
LL Broker	Payment #1:	0%	(\$96,296,586)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
	Payment #2:	100%	(\$96,296,586)	0.00%	0.00%	5/1/2015	\$0.00	\$0	\$0	\$0
Other			(\$96,296,586)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
			(\$96,296,586)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
Tenant Improvements (Include	ling all Hard and S	oft Costs) and Landl	ord Concessions							
Total Project Cost	(\$6,720,000)	,								
Payment Start	1/1/2014	Month 8					(\$2.72)	(\$2,720,000)	(\$4,000,000)	
Duration	16 Months						PSF			
Moving Allowance				6/1/2013			\$5.00	\$500,000		
Other Expenditures	Specify, if any	Expenditure #1	\$0.00	6/1/2013			\$0.00	\$0		
•	Specify, if any	Expenditure # 2	\$0.00	6/1/2013			\$0.00	\$0		
	Specify, if any	Expenditure # 3	\$0.00	6/1/2013			\$0.00	\$0		
Total Capital Expenditures		month/sf	(\$2,220,000)				\$5.00			

	RENT VS. OWN	I ANALYSIS		
Rent Office Space and Invest	in Business	Own Building	g/Premises	
Business Investment Value	\$100,000,000	Property Value		\$100,000,000
Interest-Only Loan for Investment	\$60,000,000	Building Value		\$80,000,000
Interest Rate	6.00%	Mortgage	60% LTV	\$60,000,000
Investment Depreciation Timeline	10 years	Interest Rate		6.00%
Firm Opportunity Cost of Capital	12.00%	Building Depreciation Timeline		20 years
Corporate Tax Rate	36.50%	Corporate Tax Rate		36.50%
Business Value Annual Growth Rate	3.00%	Sale Proceeds		\$52,500,000
NPV at 10%	(\$16,845,982)	NPV at 10%		(\$60,481,821)

Lease Offer #2 Analysis

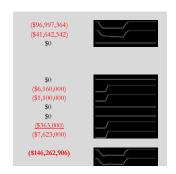
Name and Address of Space	æ .	Jones Tow	er, Ste. 200, 456 Ma	in Street, Anytown, NY		Tenant Counte	r dated	1/1/2013
JSES OF FUNDS	Total		DEAL SUMMA	RY				
TI Allowance	5,500,000		Type of Lease		NNN	Lease Signatur		6/1/2013
Landlord Loan	0		Rentable Area		110,000 RSF	Lease Comme		6/1/2013
Commission Share	0		Usable Area		94,404 SF	Rent Commer	ncement	5/1/2015
Tenant Capital Funds	(2,123,000)		Add On Factor		16.52%	Term		120 Month
TOTAL PROJECT COST	7,623,000		Initial Year Rent	/ Rentable Area / Month	\$6.50		10.00 year.	s and 0.00 months
			Initial Year Ope	rating Expenses / SF	\$20.00	Expiration Da	te A	4/30/2025
JSES OF FUNDS	Total	/ RSF	Annual Electric	/ SF	\$5.00	Total Duration	n B	143.00 mon
Base Building Construction	(2,970,000)	\$27.00	Start Date		6/1/2013			
Arch'l & Eng. & Permit Fees	(1,100,000)	\$10.00	Annual Real Est	ate Taxes / SF	\$8.00			
IT Infrastructure	0	\$0.00	Start Date		6/1/2013	Total Free Re	nt	3 months
VOIP Telecom	0	\$0.00	First Year Base	Rent Escalation	3.00%	PV Discount	Rate	8.00%
Legal	0	\$0.00	Parking, Tax, Ut	ilities, OpEx Escalation	3.00%			
Security	0	\$0.00	Service Charge	SF	\$0.00			
FF&E (and install)	0	\$0.00	Start Date		12/1/2012			
Moving Expenses	0	\$0.00	Parking O & M		\$50/Spot/Year			
Signage	0	\$0.00	Start Date		6/1/2013			
Interior Buildout	(3,190,000)	\$29.00	Parking Spots	50 Spots	\$95/Spot/Month			
Contingency at 5.00%	(363,000)	\$3.30	Storage	1,000 RSF	\$10.00 PSF/Year			
Total Project Cost	(7,623,000)	\$69.30						
,			NET CASH FLO	OW ANALYSIS				
TI Allowance	\$5,500,000	\$50.00	Total Rent	(\$98,360,084)	Net Effective			
Tenant Capital Funds	(\$2,123,000)	\$119.30			Rental Rate	NPV/SF/Yr	NPV	
•					(\$/SF/Yr)	(\$/SF/Yr)	(S)	
NOTES:			Lease Survives	full Term	(\$95.40)	(\$75.40)	(\$82,943,464)	
- Rent Commencement + Term			Cancellation E	xercised ASAP	(\$175.64)	(\$42.22)	(\$46,440,037)	
- Lease Commencement through	Expiration							
- Lease Commencement through			CANCELLATIO	ON OPTION				
J.			Exercise Date	(57 Months Post Rent Start)	2/1/2020	Interest Rate to	Calculate Residual	Obligation C
			Rate	Not Applicable >>>	\$100,000	TIs	Santania Medicum	8.00%
			zate		e: 6.00%	Leasing Comr		12.00%

Tot	al	NPV						
No Cancellation	With Cancellation	No Cancellation	With Cancellation					
0	0	0	0					
0		0						
0		0	0					
0	0	0	0					
0	0	0	0					
0	0	0	0					
(7,623,000)	(7,623,000)	(6,947,553)	(6,947,553)					
5,500,000	5,500,000	5,068,444	5,068,444					
500,000	500,000	500,000	500,000					
(99,142,364)	(43,489,229)	(58,734,580)	(31,393,767)					
(25,249,194)	(11,073,638)	(14,957,549)	(7,993,499)					
(10,088,214)	(5,866,667)	(5,976,228)	(4,603,077)					
	(1,527,427)		(913,884)					
2,145,000	2,145,000	1,839,146	1,839,146					
0	0	0	0					
(\$140,262,906)	(\$64,199,928)	(\$82,943,464)	(\$46,440,037)					
	No Cancellation 0 0 0 0 0 0 0 (7,623,000) 5,500,000 500,000 (99,142,364) (25,244,194) (10,088,214) 2,145,000 0	No Cancellation O Cancellation O O O O O O O O O O O O O O O O O O O	No Cancellation					

ANNUAL SUMMARY

Add Black SU-50 Q	III (I (CILL CCIMINITI)																
Roof to Other Expense	Occurrency Costs / BSE	Assesse Assess			2012	2014	2015	2016	2017	2010	2010	2020	2021	2022	2022	2024	2025
Add Black SU-50 Q				Frome	2013												
Real Industry Real (\$80.16)					0	0				(63)		(90)	(93)	(90)	(99)		(34)
Balding Peking and Storage O. & M Ispenes S0,387 0 0 0 13 20 22 22 22 23 24 24 25 26 26 26 26 26 26 26					0	0		<u>~</u>		(95)	<u>~</u>	<u>0</u>	<u>0</u>	(06)	(00)		<u>0</u>
Electric (55.21)	0	()			0	0											
Real Issue Tixes (\$3.54) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0					0	0						(23)	(6)				
Service Charge South					0	0	(5)	(8)	(8)	(9)	(9)	(9)	(9)				
Total Occupancy Costs					0	0	0	0	0	0	0	0	0	0	0	0	0
Rent & Other Espense (\$9,012,942) (\$99,142,364) (\$0 & 0 & 0 & 0 & 0 & 0 & 0 & 0 & 0 & 0 &	Total Occupancy Costs / RSF	(\$114.58)			\$0.00	\$0.00	(\$54.92)	(\$113.99)	(\$117.28)	(\$120.80)	(\$124.42)	(\$128.16)	(\$132.00)	(\$135.96)	(\$140.04)	(\$144.24)	(\$48.55)
Add Back Free Rent	Occupancy Costs	Average Annual	<u>Total</u>		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	2017	2018	<u>2019</u>	2020	<u>2021</u>	2022	2023	<u>2024</u>	2025
Rent Including Free Rent	Rent & Other Expense	(\$9,012,942)	(\$99,142,364)		0				(9,084,538)		(9,637,787)	(9,926,920)			(10,847,414)	(11,172,836)	
Building, Parking and Storage O & M Expenses (\$2293,381) (\$25240,194) (\$6305,134) (\$6305,	Add Back Free Rent	\$2,145,000	\$2,145,000		<u>0</u>	<u>0</u>	2,145,000	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	0
Electric (\$573,194) (\$63,305,134) (\$63,305,134) (\$63,305,134) (\$63,305,134) (\$63,305,134) (\$63,000) (\$77,830) (\$59,165) (\$61,000) (\$77,830) (\$60,863] (\$60,863) (\$60,863) (\$60,863] (\$60,863) (\$60,863] (\$60	Rent Including Free Rent	(\$8,817,942)	(\$96,997,364)		0	0	(3,619,667)	(8,834,140)	(9,084,538)	(9,357,074)	(9,637,787)	(9,926,920)	(10,224,728)	(10,531,470)	(10,847,414)	(11,172,836)	(3,760,791)
Real Estate Taxes (\$917,110) \$10,088,214) 0 0 0 \$386,667 \$897,600 \$024,528 \$092,264 \$080,832 \$1,010,257 \$1,040,564 \$1,071,781 \$1,103,935 \$1,157,055 \$382,733 \$5croic Charge 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Building, Parking and Storage O & M Expenses		(\$25,249,194)		0	0	(1,468,333)	(2,246,550)	(2,313,947)	(2,383,365)	(2,454,866)	(2,528,512)	(2,604,367)	(2,682,498)	(2,762,973)	(2,845,862)	(957,921)
Service Charge S0 S0 S0 S0 S0 S0 S0 S					0	0									(689,959)		
Total Occupancy Costs (\$12,603,628) (\$13,639,906) \$0 \$0 \$0 \$0,60,41,333) (\$12,539,290) (\$12,900,843) (\$13,287,868) (\$13,686,504) (\$14,097,099) (\$14,520,012) (\$14,955,612) (\$15,404,281) (\$15,866,409) (\$5,340,654) (\$15,866,409) (\$5,340,654) (\$10,000,000)					0	0	(586,667)	(897,600)	(924,528)	(952,264)	(980,832)	(1,010,257)	(1,040,564)	(1,071,781)	(1,103,935)	(1,137,053)	(382,733)
Cash Flow Average Annual 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 Total Project Costs (\$3,811,500) (\$7,623,000) 0 <td></td> <td>90</td> <td>7.0</td> <td></td> <td>0</td> <td>0</td> <td>0</td> <td>U</td> <td>0</td> <td>0</td> <td>Ü</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td></td> <td>0</td>		90	7.0		0	0	0	U	0	0	Ü	0	0	0	0		0
Total Project Costs (\$3,811,500) (\$7,623,000	Total Occupancy Costs	(\$12,603,628)	(\$138,639,906)		\$0	\$0	(\$6,041,333)	(\$12,539,290)	(\$12,900,843)	(\$13,287,868)	(\$13,686,504)	(\$14,097,099)	(\$14,520,012)	(\$14,955,612)	(\$15,404,281)	(\$15,866,409)	(\$5,340,654)
TI Allowance \$5,500,000 \$5,500,000 \$0 \$5,500,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0		Average Annual			2013			2016	2017	2018	<u>2019</u>	2020	<u>2021</u>	2022	2023	2024	2025
Total Occupancy Cost Obligations (\$12,603,628) (\$13,639,906) 0 0 0 (6,041,333) (12,539,290) (12,900,843) (13,287,868) (13,686,504) (14,097,099) (14,520,012) (14,955,612) (15,404,281) (15,866,409) (5,340,654) (81,097,099) (14,520,012) (14,955,612) (15,404,281) (15,866,409) (5,340,654) (15,404,281) (15,40	,			\checkmark	0		(1,219,680)	0	0	0	0	0	0	0	0	0	0
Remaining Lease Obligation Yrs 1-15 \$0 0				^	0	5,500,000	0	0	0	· ·	0	0	0	0	0	0	0
Remaining Lease Obligation Yrs 16-25 \$0 0		(\$12,603,628)	Contract of the second		0	0	(6,041,333)	(12,539,290)	(12,900,843)	(13,287,868)	(13,686,504)	(14,097,099)	(14,520,012)	(14,955,612)	(15,404,281)	(15,866,409)	(5,340,654)
Other \$0 0 <td></td> <td></td> <td></td> <td></td> <td>0</td>					0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow (\$11,730,242) (\$14,0762,906) \$0 (\$903,320) (\$7,261,013) (\$12,539,290) (\$12,900,843) (\$13,287,868) (\$13,686,504) (\$14,097,099) (\$14,520,012) (\$14,955,612) (\$15,404,281) (\$15,866,409) (\$5,340,654)					0	0	0	0	0	0	0	0	0	0	0	0	0
	2-		90		0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow / RSF (\$106.64) \$0.00 (\$8.21) (\$66.01) (\$113.99) (\$117.28) (\$128.00) (\$124.42) (\$128.16) (\$132.00) (\$135.96) (\$140.04) (\$144.24) (\$48.55)	Net Cash Flow		(\$140,762,906)		\$0	(\$903,320)	(\$7,261,013)	(\$12,539,290)	(\$12,900,843)	(\$13,287,868)	(\$13,686,504)	(\$14,097,099)	(\$14,520,012)	(\$14,955,612)	(\$15,404,281)	(\$15,866,409)	(\$5,340,654)
	Net Cash Flow / RSF	(\$106.64)			\$0.00	(\$8.21)	(\$66.01)	(\$113.99)	(\$117.28)	(\$120.80)	(\$124.42)	(\$128.16)	(\$132.00)	(\$135.96)	(\$140.04)	(\$144.24)	(\$48.55)

Occupancy Costs Remaining Lease Obligation	
Depreciation	Depreciation Period
Write-off of Existing Depreciation	
Base Building Work - 5 Years	5 Years
TI + A&E - TI Allowance & Commission Share - 5 Years	5 Years
Furniture, Fixtures & Equipment - 5 Years	5 Years
Telephone / Data, Switch & Cable, Security - 3 Years	3 Years
Soft Costs, Contingency, Fees and Moving Costs - 5 Years	5 Years
Depreciation	



Average Annual (\$5,850,516) (\$53.19)

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
0	0	(6,466,491)	(9,699,736)	(9,699,736)	(9,699,736)	(9,699,736)	(9,699,736)	(9,699,736)	(9,699,736)	(9,699,736)	(9,699,736)	(3,233,245)	0	0
0	0	(2,421,667)	(3,705,150)	(3,816,305)	(3,930,794)	(4,048,717)	(4,170,179)	(4,295,284)	(4,424,143)	(4,556,867)	(4,693,573)	(1,579,863)	0	0
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
(1,232,000)	(1,232,000)	0 (1,232,000)	0 (1,232,000)	(1,232,000)	0 0	0 0	0 0	0 0	0	0 0	0	0	0	0
(220,000)	(220,000)	(220,000)	(220,000)	(220,000)	0	0	0	0	0	0	0	0	0	0
(72,600)	(72,600)	(72,600)	(72,600)	(72,600)	<u>0</u>	<u>0</u>	<u>0</u>	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(1,524,600)	(1,524,600)	(1,524,600)	(1,524,600)	(1,524,600)	0	0	0		0	0	0	0	0	0
(1,524,600)	(1,524,600)	(10,412,758)	(14,929,486)	(15,040,641)	(13,630,530)	(13,748,454)	(13,869,915)	(13,995,021)	(14,123,879)	(14,256,604)	(14,393,310)	(4,813,108)	0	0
(13.86)	(13.86)	(94.66)	(135.72)	(136.73)	(123.91)	(124.99)	(126.09)	(127.23)	(128.40)	(129.61)	(130.85)	(43.76)	0.00	0.00

*Leasing Commissions cannot be dated later than the Expiration Date of the Lease

						TOTAL EXPENSE	E (RENT, PARKIN	IG, SIGNAGE, E'	TC.)									
							•								1.00% of Gros	s Sales above I	Breakpoint	
		Annual	Esc	alation Factor:		Monthly Rental	Monthly O&M	Monthly Taxes	Electric	Monthly	Monthly Parking	Monthly Storage	Add Back F	ree Rent	% Rent, Paid 1 M	onth After End	of Lease Year	Total
From	To	Rate per SF	Percentage	Step Factor	# Months	Expense	Expense	Expense	Evene	Service Charge	Expense	Expense	Months	Annual Total	Gross Sales	Breakpoint	% Rent Amount	t Periodic Expens
5/1/2015	4/30/2016	\$78.00			12	(\$715,000)	(\$15,295)	(\$6,111)	(\$3,819)	\$0	(\$4,750)	(\$833)	3	\$2,145,000	\$10,000,000	\$8,580,000	(\$14,200)	(\$6,818,908)
5/1/2016	4/30/2017	\$80.34	3.00%	\$0.00	12	(\$736,450)	(\$184,001)	(\$73,517)	(\$45,948)	\$0	(\$4,893)	(\$858)	0	\$0	\$0	\$8,837,400	\$0	(\$12,547,991)
5/1/2017	4/30/2018	\$82.75	3.00%	\$0.00	12	(\$758,544)	(\$189,521)	(\$75,722)	(\$47,326)	\$0	(\$5,039)	(\$884)	0	\$0	\$0	\$9,102,522	\$0	(\$12,924,431)
5/1/2018	4/30/2019	\$85.23	3.00%	\$0.00	12	(\$781,300)	(\$195,206)	(\$77,994)	(\$48,746)	\$0	(\$5,190)	(\$911)	0	\$0	\$0	\$9,375,598	\$0	(\$13,312,164)
5/1/2019	4/30/2020	\$87.79	3.00%	\$0.00	12	(\$804,739)	(\$201,062)	(\$80,334)	(\$50,209)	\$0	(\$5,346)	(\$938)	0	\$0	\$0	\$9,656,866	\$0	(\$13,711,529)
5/1/2020	4/30/2021	\$90.42	3.00%	\$0.00	12	(\$828,881)	(\$207,094)	(\$82,744)	(\$51,715)	\$0	(\$5,507)	(\$966)	0	\$0	\$0	\$9,946,572	\$0	(\$14,122,875)
5/1/2021	4/30/2022	\$93.14	3.00%	\$0.00	12	(\$853,747)	(\$213,307)	(\$85,226)	(\$53,266)	\$0	(\$5,672)	(\$995)	0	\$0	\$0	\$10,244,969	\$0	(\$14,546,561)
5/1/2022	4/30/2023	\$95.93	3.00%	\$0.00	12	(\$879,360)	(\$219,706)	(\$87,783)	(\$54,864)	\$0	(\$5,842)	(\$1,025)	0	\$0	\$0	\$10,552,318	\$0	(\$14,982,958)
5/1/2023	4/30/2024	\$98.81	3.00%	\$0.00	12	(\$905,741)	(\$226,297)	(\$90,416)	(\$56,510)	\$0	(\$6,017)	(\$1,056)	0	\$0	\$0	\$10,868,887	\$0	(\$15,432,447)
5/1/2024	4/30/2025	\$101.77	3.00%	\$0.00	12	(\$932,913)	(\$233,086)	(\$93,129)	(\$58,205)	\$0	(\$6,198)	(\$1,087)	0	\$0	\$0	\$11,194,954	\$0	(\$15,895,420)
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
	Net Effective Rental Rate:	\$85.99	3.00% Avg.		120	(\$98,360,084)	(\$20.56) Avg. PSF	(\$8.21) Avg. PSF (\$5.13) Avg. PSF	\$0.00	(\$0.59) Avg. PSF	(\$0.10) Avg. PSF	3	\$2,145,000	\$10,000,000	\$98,360,084	(\$14,200)	(\$134,295,283)

\$89.42 Avg. Annual Rent

				CASH FLOW	S FOR CAPITAL EXPENI	DITURES				
					Leasing Commissions					
				Rate for Years 1-10	Rate for Years 11+	Date Paid*	\$/SF/Yr	Amount on Rent	Amount on Service Charge	Total Amou
Tenant Broker	Payment #1:	50%	(\$98,360,084)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
	Payment #2:	50%	(\$98,360,084)	0.00%	0.00%	5/1/2015	\$0.00	\$ 0	\$0	\$0
LL Broker	Payment #1:	0%	(\$98,360,084)	0.00%	0.00%	6/1/2013	\$0.00	\$ 0	\$0	\$0
	Payment #2:	100%	(\$98,360,084)	0.00%	0.00%	5/1/2015	\$0.00	\$ 0	\$0	\$0
Other			(\$98,360,084)	0.00%	0.00%	6/1/2013	\$0.00	\$ 0	\$0	\$0
			(\$98,360,084)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
			Tenar	nt Improvements (Includi	ng all Hard and Soft Costs)	and Landlord Concess	sions			
Total Project Cost	(\$7,623,000)									
Payment Start	1/1/2014	Month 8					(\$1.93)	(\$2,123,000)	(\$5,500,000)	
Duration	16 Months						PSF			
Moving Allowance				6/1/2013			\$4.55	\$500,000)	
Other Expenditures	Specify, if any	Expenditure #1	\$0.00	6/1/2013			\$0.00	\$0)	
-	Specify, if any	Expenditure # 2	\$0.00	6/1/2013			\$0.00	\$0)	
	Specify, if any	Expenditure # 3	\$0.00	6/1/2013			\$0.00	\$0)	
Total Capital Expenditures	-\$1.48/	month/sf	(\$1,623,000)				\$4.55			

	RENT VS. OWN	I ANALYSIS		
Rent Office Space and Invest	in Business	Own Building	y/Premises	
Business Investment Value	\$100,000,000	Property Value		\$100,000,000
Interest-Only Loan for Investment	\$60,000,000	Building Value		\$80,000,000
Interest Rate	6.00%	Mortgage	60% LTV	\$60,000,000
Investment Depreciation Timeline	10 years	Interest Rate		6.00%
Firm Opportunity Cost of Capital	12.00%	Building Depreciation Timeline		20 years
Corporate Tax Rate	36.50%	Corporate Tax Rate		36.50%
Business Value Annual Growth Rate	3.00%	Sale Proceeds		\$52,500,000
NPV at 10%	(\$36,386,135)	NPV at 10%		(\$57,408,097)

Lease Offer #3 Analysis

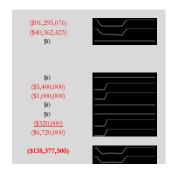
Name and Address of Space	ce	Smith Cent	ter, Ste. 900, 999 Ma	ain Street, Anytown, NY		Tenant Counter	dated	1/1/2013
USES OF FUNDS	Total		DEAL SUMMA	RY				
TI Allowance	5,000,000		Type of Lease		NNN	Lease Signature		6/1/2013
Landlord Loan	0		Rentable Area		100,000 RSF	Lease Commen	cement	6/1/2013
Commission Share	0		Usable Area		85,822 SF	Rent Commenc	ement	5/1/2015
Tenant Capital Funds	(1,720,000)		Add On Factor		16.52%	Term		120 Month
TOTAL PROJECT COST	6,720,000		Initial Year Rent	/ Rentable Area / Month	\$6.75		10.00 years	s and 0.00 months
			Initial Year Ope	rating Expenses / SF	\$20.00	Expiration Date	A	4/30/2025
USES OF FUNDS	Total	/ RSF	Annual Electric	/ SF	\$8.00	Total Duration	В	143.00 moni
Base Building Construction	(2,500,000)	\$25.00	Start Date		6/1/2013			
Arch'l & Eng. & Permit Fees	(1,000,000)	\$10.00	Annual Real Est	ate Taxes / SF	\$8.00			
IT Infrastructure	0	\$0.00	Start Date		6/1/2013	Total Free Rent		3 months
VOIP Telecom	0	\$0.00	First Year Base	Rent Escalation	3.00%	PV Discount R	ite	8.00%
Legal	0	\$0.00	Parking, Tax, Ut	ilities, OpEx Escalation	2.50%			
Security	0	\$0.00	Service Charge	SF	\$0.00			
FF&E (and install)	0	\$0.00	Start Date		12/1/2012			
Moving Expenses	0	\$0.00	Parking O & M		\$90/Spot/Year			
Signage	0	\$0.00	Start Date		6/1/2013			
Interior Buildout	(2,900,000)	\$29.00	Parking Spots	30 Spots	\$110/Spot/Month			
Contingency at 5.00%	(320,000)	\$3.20	Storage	1,000 RSF	\$0.00 PSF/Year			
Total Project Cost	(6,720,000)	\$67.20	_					
			NET CASH FLO	OW ANALYSIS				
TI Allowance	\$5,000,000	\$50.00	Total Rent	(\$92,857,422)	Net Effective			
Tenant Capital Funds	(\$1,720,000)	\$117.20			Rental Rate	NPV/SF/Yr	NPV	
					(\$/SF/Yr)	(\$/SF/Yr)	<u>(\$)</u>	
NOTES:			Lease Survives	full Term	(\$98.56)	(\$78.56)	(\$78,556,088)	
A - Rent Commencement + Term			Cancellation E	xercised ASAP	(\$182.81)	(\$44.02)	(\$44,020,395)	
3 - Lease Commencement through	Expiration							
C - Lease Commencement through	Lease Term End		CANCELLATIO	ON OPTION				
			Exercise Date	(57 Months Post Rent Start)	2/1/2020	Interest Rate to C	alculate Residual	Obligation C
			Rate	Not Applicable >>>	\$100,000	TIs		8.00%
					te: 6.00%	Leasing Commi	ssions	12.00%

	To	tal	NPV	r
	No Cancellation	With Cancellation	No Cancellation	With Cancellation
Tenant Broker Leasing Commission Payment #1	0	0	0	0
Tenant Broker Leasing Commission Payment #2	0	0	0	0
LL Broker Leasing Commission Payment #1	0	0	0	0
LL Broker Leasing Commission Payment #2	0	0	0	0
Other Costs	0	0	0	0
Total Project Costs	(6,720,000)	(6,720,000)	(6,124,565)	(6,124,565)
TI Allowance	5,000,000	5,000,000	4,603,888	4,603,888
Moving Allowance & Other CapEx	500,000	500,000	500,000	500,000
Rent & Other Expense	(93,320,076)	(40,941,068)	(55,287,276)	(29,554,846)
O & M Expenses	(22,437,013)	(9,974,198)	(13,332,651)	(7,204,839)
Real Estate Taxes	(8,962,705)	(5,333,333)	(5,325,870)	(4,184,616)
Cancellation Penalty		(1,527,427)		(913,884)
Less Free Rent	2,025,000	2,025,000	1,736,257	1,736,257
Service Charge	0	0	0	0
Net Cash Flow	(\$132,877,500)	(\$60,955,026)	(\$78,556,088)	(\$44,020,395)

ANNUAL SUMMARY

			Data Series													
Occupancy Costs / RSF	Average Annual		Profile	2013	2014	2015	<u>2016</u>	2017	2018	2019	2020	2021	2022	2023	2024	2025
Rent & Other Expense	(\$84.84)			0	0	(54)	(83)	(86)	(88)	(91)	(93)	(96)	(99)	(102)	(105)	(35)
Add Back Free Rent	\$20.25			0	<u>0</u>	<u>20</u>	<u>0</u>	0	0	<u>0</u>	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Rent Including Free Rent	(\$83.00)			0	0	(34)	(83)	(86)	(88)	(91)	(93)	(96)	(99)	(102)	(105)	(35)
Building, Parking and Storage O & M Expenses	(\$20.40)			0	0	(13)	(20)	(21)	(21)	(22)	(22)	(23)	(24)	(24)	(25)	(8)
Electric	(\$8.15)			0	0	(5)	(8)	(8)	(9)	(9)	(9)	(9)	(9)	(10)	(10)	(3)
Real Estate Taxes	(\$8.15)			0	0	(5)	(8)	(8)	(9)	(9)	(9)	(9)	(9)	(10)	(10)	(3)
Service Charge	\$0.00			0	0	0	0	0	0	0	0	0	0	0	0	0
Total Occupancy Costs / RSF	(\$119.69)			\$0.00	\$0.00	(\$58.03)	(\$119.84)	(\$123.05)	(\$126.56)	(\$130.16)	(\$133.86)	(\$137.68)	(\$141.60)	(\$145.63)	(\$149.78)	(\$50.39)
Occupancy Costs	Average Annual	<u>Total</u>		2013	<u>2014</u>	2015	2016	2017	2018	<u>2019</u>	2020	<u>2021</u>	<u>2022</u>	2023	2024	2025
Rent & Other Expense	(\$8,483,643)	(\$93,320,076)		0	0	(5,426,400)	(8,321,260)	(8,551,127)	(8,807,454)	(9,071,466)	(9,343,393)	(9,623,473)	(9,911,949)	(10,209,074)	(10,515,107)	(3,539,373)
Add Back Free Rent	\$2,025,000	\$2,025,000		0	<u>0</u>	2,025,000	0	0	0	0	0	<u>0</u>	0	<u>0</u>	0	0
Rent Including Free Rent	(\$8,299,552)	(\$91,295,076)		0	0	(3,401,400)	(8,321,260)	(8,551,127)	(8,807,454)	(9,071,466)	(9,343,393)	(9,623,473)	(9,911,949)	(10,209,074)	(10,515,107)	(3,539,373)
Building, Parking and Storage O & M Expenses	(\$2,039,728)	(\$22,437,013)		0	0	(1,335,133)	(2,036,078)	(2,086,980)	(2,139,155)	(2,192,634)	(2,247,450)	(2,303,636)	(2,361,227)	(2,420,257)	(2,480,764)	(833,699)
Electric	(\$814,791)	(\$8,962,705)		0	0	(533,333)	(813,333)	(833,667)	(854,508)	(875,871)	(897,768)	(920,212)	(943,217)	(966,798)	(990,968)	(333,030)
Real Estate Taxes	(\$814,791)	(\$8,962,705)		0	0	(533,333)	(813,333)	(833,667)	(854,508)	(875,871)	(897,768)	(920,212)	(943,217)	(966,798)	(990,968)	(333,030)
Service Charge	\$0	\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Occupancy Costs	(\$11,968,864)	(\$131,657,500)		\$0	\$0	(\$5,803,200)	(\$11,984,005)	(\$12,305,440)	(\$12,655,625)	(\$13,015,842)	(\$13,386,378)	(\$13,767,533)	(\$14,159,611)	(\$14,562,927)	(\$14,977,806)	(\$5,039,132)
Cash Flow	Average Annual			<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	2017	<u>2018</u>	<u>2019</u>	2020	2021	2022	2023	2024	2025
Total Project Costs	(\$3,360,000)	(\$6,720,000)	V	0	(5,644,800)	(1,075,200)	0	0	0	0	0	0	0	0	0	0
TI Allowance	\$5,000,000	\$5,000,000	^	0	5,000,000	0	0	0	0	0	0	0	0	0	0	0
Total Occupancy Cost Obligations	(\$11,968,864)	(\$131,657,500)		0	0	(5,803,200)	(11,984,005)	(12,305,440)	(12,655,625)	(13,015,842)	(13,386,378)	(13,767,533)	(14,159,611)	(14,562,927)	(14,977,806)	(5,039,132)
Remaining Lease Obligation Yrs 1-15		\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Remaining Lease Obligation Yrs 16-25		\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Other		\$0		0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow	(\$11,114,792)	(\$133,377,500)		\$0	(\$644,800)	(\$6,878,400)	(\$11,984,005)	(\$12,305,440)	(\$12,655,625)	(\$13,015,842)	(\$13,386,378)	(\$13,767,533)	(\$14,159,611)	(\$14,562,927)	(\$14,977,806)	(\$5,039,132)
Net Cash Flow / RSF	(\$111.15)			\$0.00	(\$6.45)	(\$68.78)	(\$119.84)	(\$123.05)	(\$126.56)	(\$130.16)	(\$133.86)	(\$137.68)	(\$141.60)	(\$145.63)	(\$149.78)	(\$50.39)

Occupancy Costs Remaining Lease Obligation	
Depreciation	Depreciation Period
Write-off of Existing Depreciation	
Base Building Work - 5 Years	5 Years
TI + A&E - TI Allowance & Commission Share - 5 Years	5 Years
Furniture, Fixtures & Equipment - 5 Years	5 Years
Telephone / Data, Switch & Cable, Security - 3 Years	3 Years
Soft Costs, Contingency, Fees and Moving Costs - 5 Years	5 Years
Depreciation	



Average Annual (\$5,535,100) (\$55.35)

2013 0 0 0	2014 0 0 0	2015 (6,086,338) (2,401,800) 0	2016 (9,129,508) (3,662,745) 0	2017 (9,129,508) (3,754,314) 0	2018 (9,129,508) (3,848,171) 0	2019 (9,129,508) (3,944,376) 0	2020 (9,129,508) (4,042,985)	2021 (9,129,508) (4,144,060) 0	2022 (9,129,508) (4,247,661) 0	2023 (9,129,508) (4,353,853) 0	2024 (9,129,508) (4,462,699) 0	2025 (3,043,169) (1,499,760) 0	2026 0 0 0	2027 0 0 0
Year 1 2013	Year 2 2014	Year 3 2015	Year 4 2016	Year 5 2017	Year 6 2018	Year 7 2019	Year 8 2020	Year 9 2021	Year 10 2022	Year 11 2023	Year 12 2024	Year 13 2025	Year 14 2026	Year 15 2027
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1,080,000)	(1,080,000)	(1,080,000)	(1,080,000)	(1,080,000)	0	0	0	0	0	0	0	0	0	0
(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(64,000)	(64,000)	(64,000)	(64,000)	(64,000)	<u>0</u>	0	0	<u>0</u>	<u>0</u>	0	0	0	0	0
(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	0	0	0	0	0	0	0	0	0	0
(1,344,000) (13.44)	(1,344,000) (13.44)	(9,832,138) (98.32)	(14,136,253) (141.36)	(14,227,821) (142.28)	(12,977,679) (129.78)	(13,073,883) (130.74)	(13,172,493) (131.72)	(13,273,567) (132.74)	(13,377,169) (133.77)	(13,483,360) (134.83)	(13,592,207) (135.92)	(4,542,929) (45.43)	0 0.00	0 0.00

*Leasing Commisions cannot be dated later than the Expiration Date of the Lease

						TOTAL EXPENSI	E (RENT, PARKING	, SIGNAGE, ET	C.)									
							•		•						1.00% of Gros	s Sales above B	reakpoint	
		Annual	Escal	lation Factor:		Monthly Rental	Monthly O&M	Monthly Taxes	Electric	Monthly	Monthly Parking	Monthly Storage	Add Back Fr	ee Rent	% Rent, Paid 1 M	onth After End	of Lease Year	Total
From	To	Rate per SF	Percentage	Step Factor	# Months	Expense	Expense	Expense	Evenese	Service Charge	Expense	Expense	Months .	Annual Total	Gross Sales	Breakpoint	% Rent Amoun	Periodic Expense
5/1/2015	4/30/2016	\$81.00			12	(\$675,000)	(\$13,908)	(\$5,556)	(\$5,556)	\$0	(\$3,300)	\$0	3	\$2,025,000	\$10,000,000	\$8,100,000	(\$19,000)	(\$6,433,825)
5/1/2016	4/30/2017	\$83.43	3.00%	\$0.00	12	(\$695,250)	(\$167,239)	(\$66,806)	(\$66,806)	\$0	(\$3,383)	\$0	0	\$0	\$0	\$8,343,000	\$0	(\$11,993,796)
5/1/2017	4/30/2018	\$85.93	3.00%	\$0.00	12	(\$716,108)	(\$171,420)	(\$68,476)	(\$68,476)	\$0	(\$3,467)	\$0	0	\$0	\$0	\$8,593,290	\$0	(\$12,335,356)
5/1/2018	4/30/2019	\$88.51	3.00%	\$0.00	12	(\$737,591)	(\$175,706)	(\$70,188)	(\$70,188)	\$0	(\$3,554)	\$0	0	\$0	\$0	\$8,851,089	\$0	(\$12,686,706)
5/1/2019	4/30/2020	\$91.17	3.00%	\$0.00	12	(\$759,718)	(\$180,098)	(\$71,942)	(\$71,942)	\$0	(\$3,643)	\$0	0	\$0	\$0	\$9,116,621	\$0	(\$13,048,129)
5/1/2020	4/30/2021	\$93.90	3.00%	\$0.00	12	(\$782,510)	(\$184,601)	(\$73,741)	(\$73,741)	\$0	(\$3,734)	\$0	0	\$0	\$0	\$9,390,120	\$0	(\$13,419,915)
5/1/2021	4/30/2022	\$96.72	3.00%	\$0.00	12	(\$805,985)	(\$189,216)	(\$75,584)	(\$75,584)	\$0	(\$3,827)	\$0	0	\$0	\$0	\$9,671,824	\$0	(\$13,802,364)
5/1/2022	4/30/2023	\$99.62	3.00%	\$0.00	12	(\$830,165)	(\$193,946)	(\$77,474)	(\$77,474)	\$0	(\$3,923)	\$0	0	\$0	\$0	\$9,961,978	\$0	(\$14,195,782)
5/1/2023	4/30/2024	\$102.61	3.00%	\$0.00	12	(\$855,070)	(\$198,795)	(\$79,411)	(\$79,411)	\$0	(\$4,021)	\$0	0	\$0	\$0	\$10,260,838	\$0	(\$14,600,486)
5/1/2024	4/30/2025	\$105.69	3.00%	\$0.00	12	(\$880,722)	(\$203,765)	(\$81,396)	(\$81,396)	\$0	(\$4,121)	\$0	0	\$0	\$0	\$10,568,663	\$0	(\$15,016,803)
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
		\$0.00	0.00%	\$0.00		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0			\$0
	Net Effective Rental Rate.	\$89.61	3.00% Avg.		120	(\$92,857,422)	(\$20.14) Avg. PSF (\$	8.05) Avg. PSF (\$8	8.05) Avg. PSF	\$0.00	(\$0.44) Avg. PSF	\$0.00	3	\$2,025,000	\$10,000,000	\$92,857,422	(\$19,000)	(\$127,533,161)

\$92.86 Avg. Annual Rent

				CASH FLOW	S FOR CAPITAL EXPENI	DITURES				
					Leasing Commissions					
				Rate for Years 1-10	Rate for Years 11+	Date Paid*	\$/SF/Yr	Amount on Rent	Amount on Service Charge	Total Amou
Tenant Broker	Payment #1:	50%	(\$92,857,422)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
	Payment #2:	50%	(\$92,857,422)	0.00%	0.00%	5/1/2015	\$0.00	\$0	\$0	\$0
LL Broker	Payment #1:	0%	(\$92,857,422)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
	Payment #2:	100%	(\$92,857,422)	0.00%	0.00%	5/1/2015	\$0.00	\$0	\$0	\$0
Other			(\$92,857,422)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
			(\$92,857,422)	0.00%	0.00%	6/1/2013	\$0.00	\$0	\$0	\$0
			Tenar	t Improvements (Includi	ng all Hard and Soft Costs)	and Landlord Concess	sions			
			101111	a improvemento (incidar	ing an Traite and cost costs)	una Lunaiora Concess	3010			
Total Project Cost	(\$6,720,000)									
Payment Start	1/1/2014	Month 8					(\$1.72)	(\$1,720,000)	(\$5,000,000)	
Duration	16 Months						PSF			
Moving Allowance				6/1/2013			\$5.00	\$500,000)	
Other Expenditures	Specify, if any	Expenditure #1	\$0.00	6/1/2013			\$0.00	\$0)	
	Specify, if any	Expenditure # 2	\$0.00	6/1/2013			\$0.00	\$0)	
	Specify, if any	Expenditure # 3	\$0.00	6/1/2013			\$0.00	\$0)	
Total Capital Expenditures	-\$1.22/	month/sf	(\$1,220,000)				\$5.00			

RENT VS. OWN ANALYSIS				
Rent Office Space and Invest in Business		Own Building/Premises		
Business Investment Value	\$100,000,000	Property Value		\$100,000,000
Interest-Only Loan for Investment	\$60,000,000	Building Value		\$80,000,000
Interest Rate	6.00%	Mortgage	60% LTV	\$60,000,000
Investment Depreciation Timeline	10 years	Interest Rate		6.00%
Firm Opportunity Cost of Capital	12.00%	Building Depreciation Timeline		20 years
Corporate Tax Rate	36.50%	Corporate Tax Rate		36.50%
Business Value Annual Growth Rate	3.00%	Sale Proceeds		\$52,500,000
NPV at 10%	(\$32,935,601)	NPV at 10%		(\$55,698,360)