



# Presentation & Property Analysis Training Guide



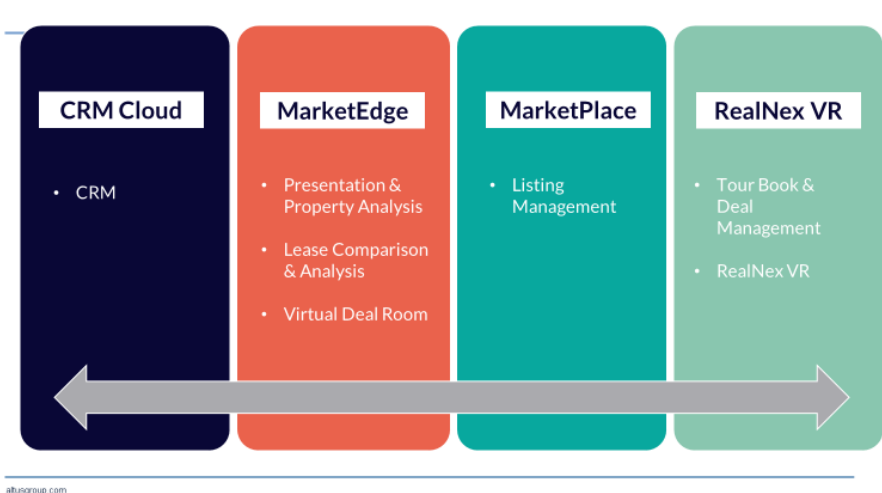
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## Introduction to RealNex Navigator

Within the CRE industry, the explosion of technology and data availability has resulted in a fragmented collection of various tools. RealNex Navigator is reshaping real estate by combining the most efficient and productive of those tools into one comprehensive suite.



## Questions about RealNex?



### Guide Me

Comprehensive help is available in the Guide Me section located on the Administrative Toolbar. While on any screen, click on the Guide Me button to receive contextual guidance and reference information. In addition, access helpful articles and “how to” videos in the Knowledge Base and Training tabs within the Guide Me application. This is a valuable resource library filled with content to help clients easily get the answers they need.

### RealNex Technical Support

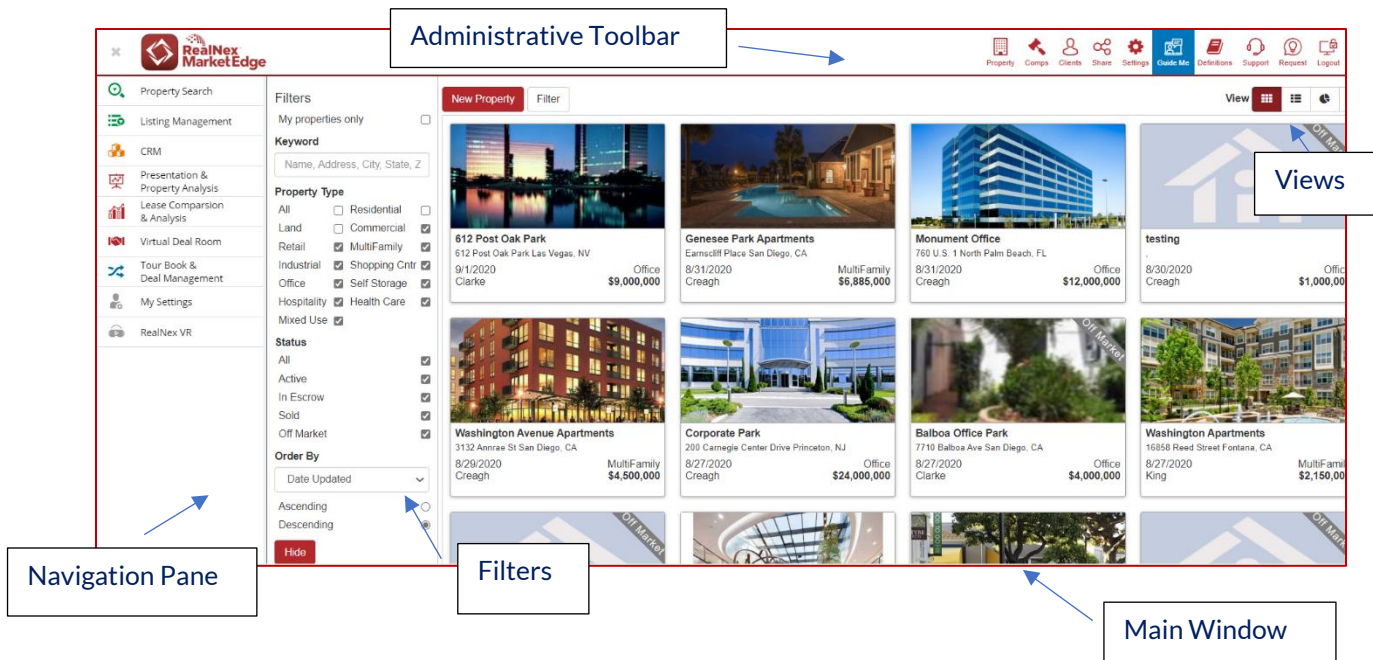
Reserve an appointment to speak with one of our support agents by clicking on the Support button from the administrative toolbar. The RealNex support team is available to assist Monday – Friday from 9:00 to 6:00 pm CST.

## Presentation & Property Analysis

The Presentation & Property Analysis is a commercial real estate software for asset management with comprehensive cash flow modelling combined with professional presentations such as flyers, brochures, and offering memorandums. This module leverages data in RealNex CRM to generate cash flow projections, DCF analysis and ROI.

## Presentation & Property Analysis User Interface

The RealNex Property user interface is designed to be intuitive and easy to navigate.

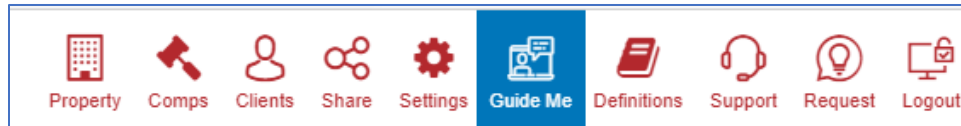










### Navigation Pane

On the left side is the navigation pane where we access the solutions in RealNex Navigator and the content specific features in the platform. RealNex is the most complete commercial real estate technology solution including listing management, CRM, presentation & property analysis, lease comparison & analysis, virtual deal rooms, tour book and deal management and virtual tours.

## Administrative Toolbar

The Administrative Toolbar is located at the top of the screen and includes Property, Comps, Clients, Share, Settings, Guide Me, Support, Request and Logout.



 Property	<p><b>Property:</b> Create, Open and Delete properties.</p>
 Comps	<p><b>Comps:</b> Export, Import, and Add comparable market data in the Comp Manager section. Note: RealNex CRM data can be imported as comps.</p>
 Clients	<p><b>Clients:</b> Add or import client information in the Client Manager section.</p>
 Share	<p><b>Share:</b> Post and search for properties in Real Estate Exchange.</p>
 Settings	<p><b>Settings:</b> View default company settings such as Logo Color, and Address. Change to international settings including currency, measurement and language. Create New Property Settings in My Default to add property type and years of the analysis.</p>
 Guide Me	<p><b>Guide Me:</b> The Guide Me feature provides instruction on how to enter data and setup fields. A great tool to help beginner and intermediate users navigate in the RealNex platform. Access to Knowledge Base and Training Videos.</p>
 Support	<p><b>Support:</b> Click Support to send questions to the RealNex support team.</p>
 Request	<p><b>Request:</b> Click Request to send our product management team enhancement requests and feedback on your experience in RealNex.</p>

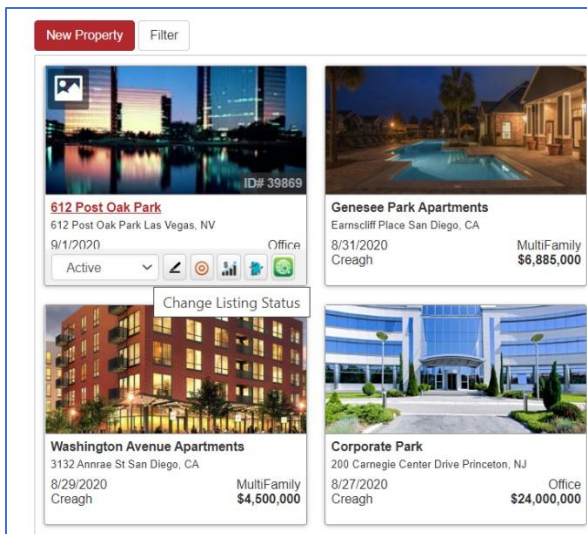
## Filters

In the filters section use the keyword search function to quickly locate a property and/or select specific criteria to display results.

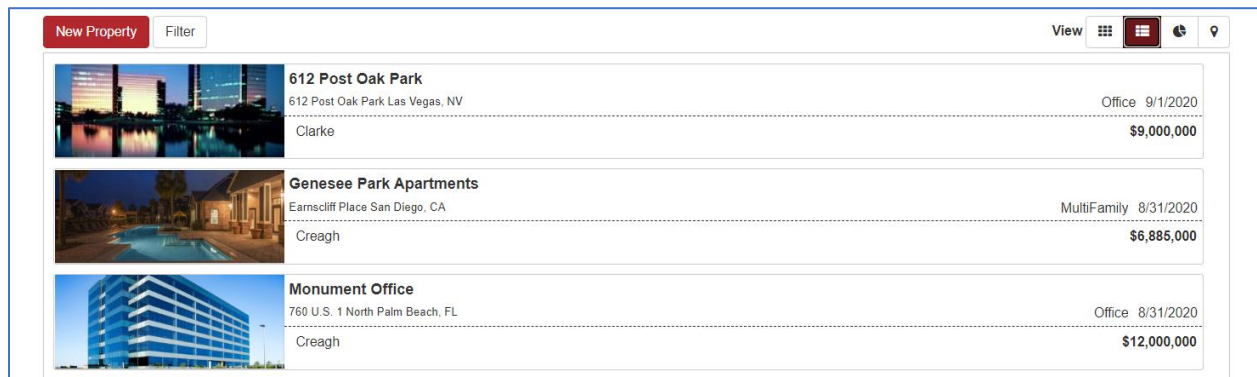
## Views

There are four view options Tile, List, Status and Map.

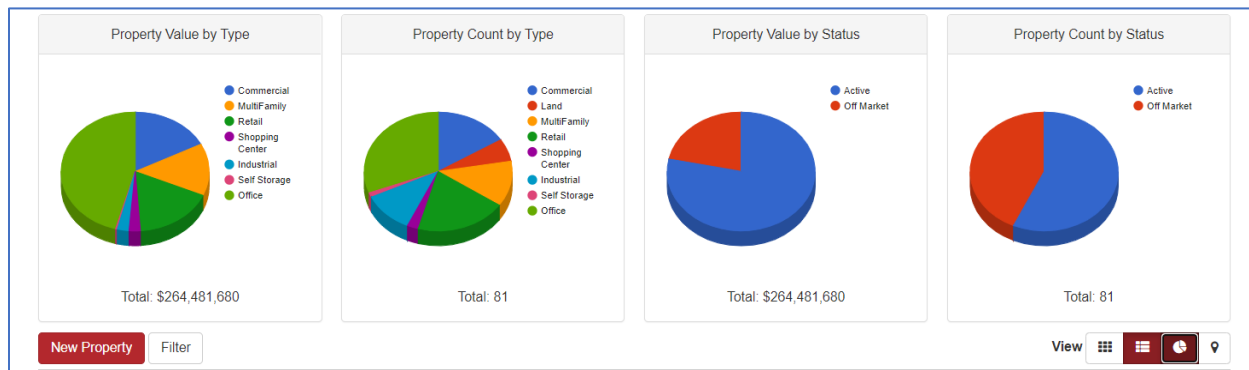
**Tile View:** From tile view select the status of the property and quickly navigate to other areas in the solutions.



**List View:** View properties in list format.



**Status View:** Display a visual of the portfolio makeup by type, count and status



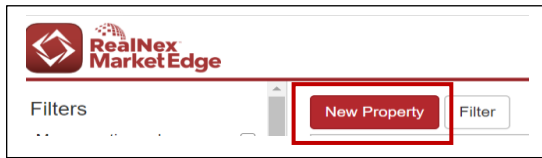
### Create a Property

In this training scenario, we received a listing for a property up for sale and need to create a financial analysis to generate a property cash flow and other key metrics to include in our marketing report packages.

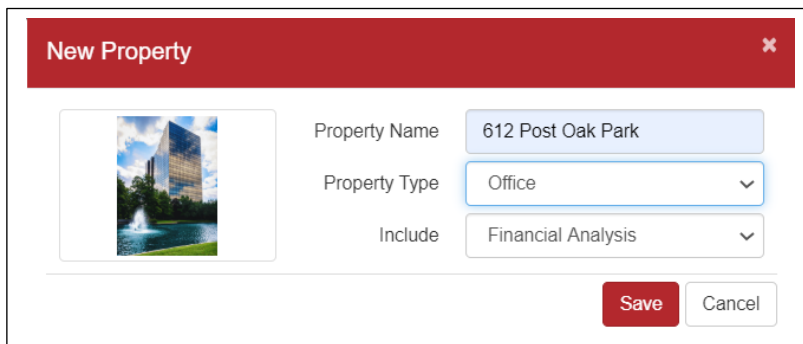


**Quick Tip:** If a property is created in CRM click **Analyze** button to push the property data from CRM to Presentation and Property Analysis module.

## New Property



○ Select **New Property**.



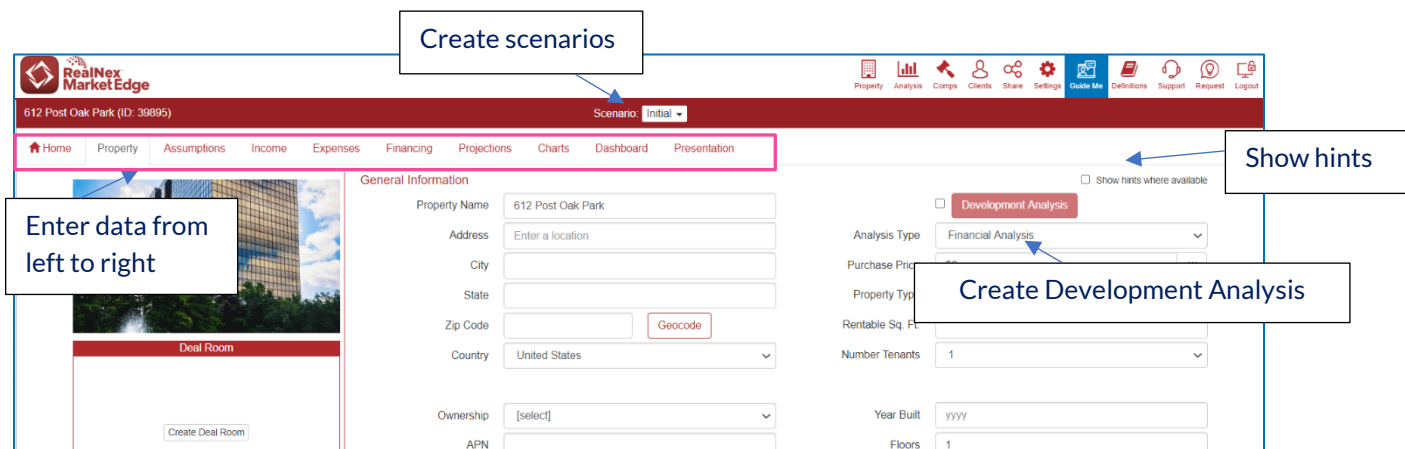
Include Financial Analysis, Rent Roll Only or None.

Enter the following entries in the New Property Window:

- Property Name: 612 Post Oak Park
- Property Type: Office
- Include: Financial Analysis
- Photo: Browse to photo file

Click **Save**.

## Presentation and Property Analysis Overview



The screenshot shows the RealNex MarketEdge web application interface. At the top, there is a navigation bar with the RealNex logo and the text '612 Post Oak Park (ID: 39895)'. Below this is a menu with tabs for Home, Property, Assumptions, Income, Expenses, Financing, Projections, Charts, Dashboard, and Presentation. A 'Scenario: Initial' dropdown is visible. The main content area is divided into sections. On the left, there is a 'Deal Room' section with a 'Create Deal Room' button. The central 'General Information' section contains input fields for Property Name (612 Post Oak Park), Address (Enter a location), City, State, Zip Code, Country (United States), Ownership ([select]), and APN. On the right, there is a 'Development Analysis' section with a 'Show hints where available' checkbox, a 'Development Analysis' button, and a dropdown menu for 'Analysis Type' (Financial Analysis). Other fields include Purchase Price, Property Type, Rentable Sq. Ft., Number Tenants (1), Year Built (yyyy), and Floors (1). Callouts with arrows point to various elements: 'Create scenarios' points to the top navigation bar; 'Enter data from left to right' points to the Deal Room section; 'Show hints' points to the 'Show hints where available' checkbox; and 'Create Development Analysis' points to the 'Development Analysis' button.

## Property Tab

The Property tab includes property information such as address, rentable SqFt, and purchase price. RealNex is flexible and provides input fields to include all property data elements such as cross streets, foundation and walls – the more information populated the more information shared with potential buyers and clients.

## General Information



**General Information**  Show hints where available

<p>Property Name: 612 Post Oak Park</p> <p>Address: 612 Post Oak Park</p> <p>City: Las Vegas</p> <p>State: NV</p> <p>Zip Code: 89103 <span style="border: 1px solid red; padding: 2px;">Geocode</span></p> <p>Country: United States</p> <p>Ownership: [select]</p> <p>APN: <input type="text"/></p> <p>Lot Size: 0 <span style="border: 1px solid #ccc; padding: 2px;">Square Feet</span></p> <p>Listing Status: Active</p>	<p><input type="checkbox"/> <span style="background-color: #e91e63; color: white; padding: 2px;">Development Analysis</span></p> <p>Analysis Type: Financial Analysis</p> <p>Purchase Price: \$9,000,000</p> <p>Property Type: Office</p> <p>Rentable Sq. Ft.: 50,000</p> <p>Number Tenants: 5</p> <p>Year Built: yyyy</p> <p>Floors: 3</p> <p>Building Size: <input type="text"/></p> <p>Parking: <input type="text"/></p> <p>Parking Ratio: <input type="text"/></p>
--	--

Add the following data elements to 612 Post Oak Park in the **Property Tab**:

- Address: 612 Post Oak Park, Las Vegas, NV 89103
- Listing Status: Active
- Purchase Price: \$9M
- Rentable SqFt: 50,000 SqFt
- Number Tenants: 5
- Floors: 3



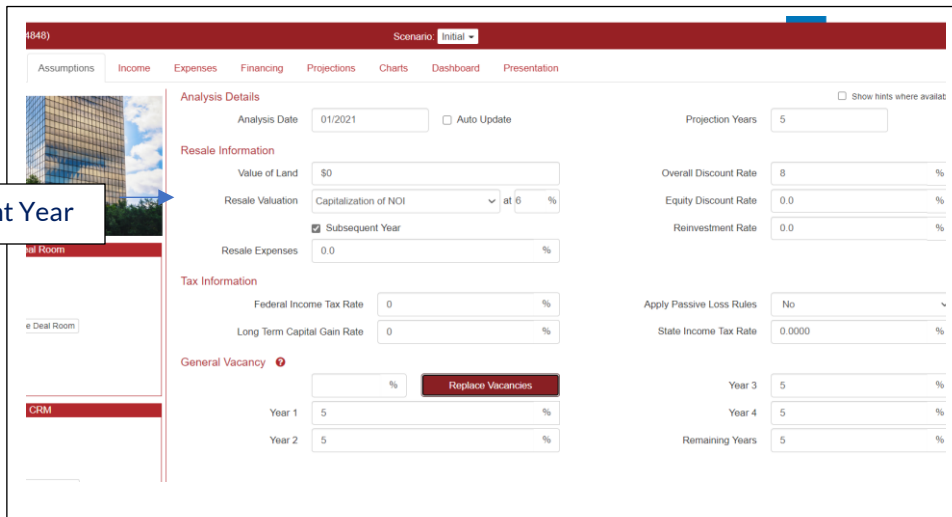
**Quick Tip:** The number of tenants entered in the Property Tab correlates to the number of rows added in the rent roll in the Income Tab.

## Assumptions Tab

Analysis details, resale information, tax information, and general vacancy are entered in the Assumptions tab. In this training scenario, the analysis will begin January 1, 2021 over a 5-year holding period. Discount rate is 8% and resale method is capitalize following 12 months of NOI at a 6% cap. Add a general vacancy rate of 5%.



Select Subsequent Year



Add the following data elements to 612 Post Oak Park in the **Assumptions Tab**:

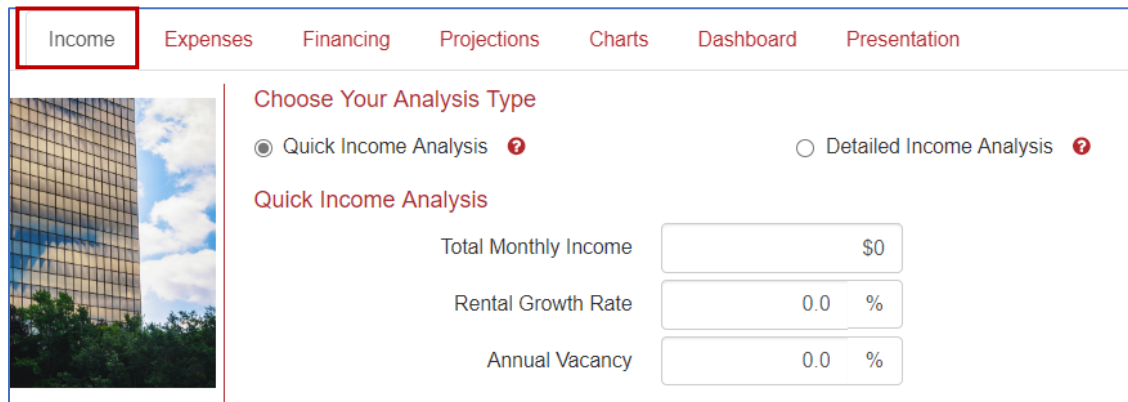
- Analysis Date: 01/2021 (Uncheck Auto Update)
- Projection Years: 5 years
- Resale Valuation: Capitalization of NOI @ 6% (check Subsequent Year)
- Discount Rate: 8%
- General Vacancy: 5%



**Quick Tip:** When Auto Update is checked, the Analysis Start Date is updated to the current month when property is opened.

## Income Tab

The Income Tab is where all the revenue producing elements of your property is entered including lease and miscellaneous income.



**Quick Income Analysis** – Select this option for a simple analysis and to quickly create a presentation package.

**Detailed Income Analysis** – Select this option to create a lease by lease analysis including rent roll, reimbursement and miscellaneous income detail in the property.



In this example, select **Detailed Income Analysis**.



**Quick Tip:** If space information is entered in RealNex CRM you can click **Analyze** to push the data to the rent roll which makes the data entry process seamless and efficient.

## Rental Income

Rental income is used to model existing or speculative lease information including tenant size, start and end dates, base rent, fixed steps, free rent periods, recoveries, leasing costs and renewal assumptions.

## Adding Tenant Information

Tenant information can be entered in manually or imported via excel.

Note: The # of Tenants Field must be filled out in the Property tab to add tenants.



Avail.	Suite	Tenant	Sq. Ft.	Base Rent	Rent per	Start Date	Expiration	Escalations & Reimbursements
<input type="checkbox"/>	101	Dynamo Software	5000	15	SqFt/Y <input type="text"/>	01/01/2021	12/31/2023	<input type="text"/>
<input type="checkbox"/>				\$0.00	Month <input type="text"/>			<input type="text"/>
<input type="checkbox"/>				\$0.00	Month <input type="text"/>			<input type="text"/>
<input type="checkbox"/>				\$0.00	Month <input type="text"/>			<input type="text"/>
<input type="checkbox"/>				\$0.00	Month <input type="text"/>			<input type="text"/>

Total RSF: 50,000 Used: 5,000

Add the following tenant information:

- Tenant Name: Dynamo Software
- Suite: 101
- Size: 5,000 SqFt
- Base Rent: \$15/SqFt/Yr
- Start Date: 1/1/2021
- Expiration Date: 12/31/2023


Rentable square feet and usable square feet are displayed.

## Escalations

Escalations are increases to the base rent over the term of the lease that can be described as either a % of base rent, \$/SqFt/Mo or \$/SqFt/Year.

Dynamo Software has a .50/SqFt/Year increase to the base rent each anniversary of their lease term.



Avail.	Suite	Tenant	Sq. Ft.	Base Rent	Rent per	Start Date	Expiration	Escalations & Reimbursements
<input type="checkbox"/>	101	Dynamo Software	5000	15	SqFt/Y <span>▼</span>	01/01/2021	12/31/2023	

- Click the **Escalations & Reimbursement** ellipses

Escalations & Reimbursements
✕

Tenant: Dynamo Software

**Escalations**

Lease Expires 12/2023

Increase Type SqFt/Yr ▼

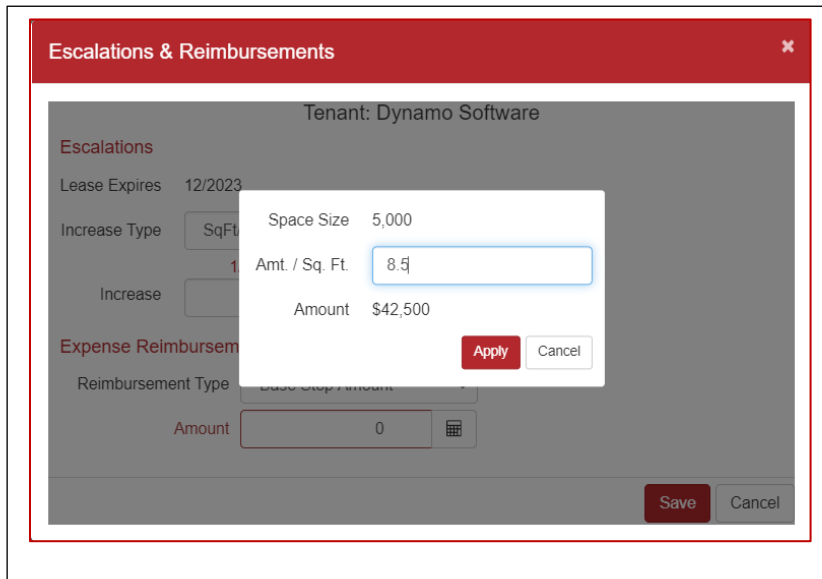
	1/2022	1/2023
Increase	<input style="width: 60px;" type="text" value="0.50"/>	<input style="width: 60px;" type="text" value="0.50"/>

- Select **Increase Type** SqFt/Yr
- Enter **0.50** in each year of the lease.

## Reimbursements

In the Escalations & Reimbursements window enter the Expense Reimbursement details such as Net Pro Rata Share or Base Year Stop.

In our example, Dynamo Software reimbursements are based on year 1 expenses which is a \$8.50/SqFt stop or \$425,000. The base stop amount entered in the field is the tenant's pro rata of the expense stop which is \$42,500 or \$8.50.

The screenshot shows the 'Escalations & Reimbursements' window for 'Tenant: Dynamo Software'. A modal dialog is open, allowing the user to enter reimbursement details. The dialog contains the following information:

- Space Size: 5,000
- Amt. / Sq. Ft.: 8.5
- Amount: \$42,500

The dialog has 'Apply' and 'Cancel' buttons. The main window has 'Save' and 'Cancel' buttons at the bottom right.

- Click on the calculator icon to enter the \$8.50 /SqFt stop and click **Apply**.

**Free Rent**

Free rent is the number of tenant income abated as of the beginning of the lease term.

**Vacancy**

The absorption period or months when the space is physically vacant.

**Tenant Improvement**

Tenant improvement is the sum of money allocated to make the alterations to the space based on the lease agreement and needs of the potential tenant.

**Leasing Commissions**

Leasing commission is a fee paid by the property landlord to the broker in exchange for signing a lease.

**Renewal & More**

Enter renewal information based on the conditions and data in the market that will be applied to the financials once the contract lease expires such as Market Rent, TI, LCs and Free Rent. In addition, add lease information such as Tenant Credit Rating, Stock Symbol and Notes.



Avail.	Suite	Tenant	Sq. Ft.	Base Rent	Rent per	Start Date	Expiration	Escalations & Reimbursements	Rent Abatement	TIs	Commission	Renewals & More
<input type="checkbox"/>	101	Dynamo Software	5,000	\$15.00	SqFt/Yi	01/01/2021	12/31/2023	...	3	\$10.00	3.00 %	...

- Free Rent: 3 Months
- TIs: \$10/SqFt
- Commissions: 3%

Renewals & More
✕

Tenant: Dynamo Software

**Lease Renewal Details** ⓘ

Term (years)	<input type="text" value="5"/>	Tenant Improvements	<input type="text" value="\$10.00"/>
Rent Abatement	<input type="text" value="3"/>	Leasing Commissions	<input type="text" value="3.00 %"/>
Turnover Vacancy	<input type="text" value="6.00 months"/>		

**Lease Renewal Rent Increases** ⓘ

Term to Term Increase Type:

Term to Term Increase Amount:  (every 5 years)

Within Term Increase Type:

	Year 2	Year 3	Year 4	Year 5
Within Term Increase Amount	<input type="text" value="3.00"/>	<input type="text" value="3.00"/>	<input type="text" value="3.00"/>	<input type="text" value="3.00"/>

**Additional Information**

Lease Type	Guarantor
Credit Rating	Web Site
Stock Symbol	Open Date
Landlord Responsibilities	(mm/yyyy)

Lease Notes (Maximum of 150 characters)

Enter the following data elements in the Renewal window:

- Term (years): 5 Years
- Rent Abatement: 3 Months
- Turnover Vacancy: 6 Months
- Tenant Improvement: \$10
- Leasing Commissions: 3%
- Term to Term Increase Type: % of base
- Term to Term Increase Amount: 5%
- Within Term Increase Amount: 3%

## Tenant Cash Flow Analysis

Click on Projections and view Dynamo Software's' tenant cash flow.

Select Projection		Tenant Cash Flow Analysis		1 Dynamo Software	
Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025
<b>Potential Tenant Revenue</b>					
Base Rental Income	\$75,000	\$77,500	\$80,000	\$84,000	\$86,520
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0
Rent Abatement	(\$18,750)	\$0	\$0	(\$21,000)	\$0
Turnover Vacancy	\$0	\$0	\$0	(\$42,000)	\$0
Expense Reimbursements	\$0	\$0	\$0	\$0	\$0
<b>Total Potential Revenue</b>	<b>\$56,250</b>	<b>\$77,500</b>	<b>\$80,000</b>	<b>\$21,000</b>	<b>\$86,520</b>
<b>Per rsf</b>	<b>\$11.25</b>	<b>\$15.50</b>	<b>\$16.00</b>	<b>\$4.20</b>	<b>\$17.30</b>
<b>Potential Tenant Costs</b>					
Tenant Improvements	(\$50,000)	\$0	\$0	(\$50,000)	\$0
Leasing Commissions	(\$6,975)	\$0	\$0	(\$12,119)	\$0
<b>Total Potential Costs</b>	<b>(\$56,975)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$62,119)</b>	<b>\$0</b>
<b>Tenant Net Cash Flow</b>	<b>(\$725)</b>	<b>\$77,500</b>	<b>\$80,000</b>	<b>(\$41,119)</b>	<b>\$86,520</b>
<b>Per rsf</b>	<b>(\$0.15)</b>	<b>\$15.50</b>	<b>\$16.00</b>	<b>(\$8.22)</b>	<b>\$17.30</b>

## Vacant Space

The next space we will enter is currently vacant. The analysis begins in January 2021; however, this space is currently vacant and estimated to lease up in July 2021. By entering a lease start date after the analysis start date, the systems' intelligence will understand this is vacant space and account for the lease up vacancy in the cash flow results.



Avail.	Suite	Tenant	Sq. Ft.	Base Rent	Rent per	Start Date	Expiration	Escalations & Reimbursements	Rent Abatement	TIs	Commission	Renewal & More
<input type="checkbox"/>	101	Dynamo Software	5,000	\$15.00	SqFt/Yr	01/01/2021	12/31/2023	...	3	\$10.00	3.00 %	...
<input checked="" type="checkbox"/>	202	Vacant Space	7,000	\$16.00	SqFt/Yr	07/01/2021	06/30/2027	...	2	\$10.00	5.00 %	...

Check Available.

Add the Vacant Space assumptions:

- Available: Yes
- Suite: 202
- Name: Vacant Space
- Size: 7,000 SqFt
- Base Rent: \$16 SqFt/Year
- Start Date: 7/01/2021
- Expiration Date: 6/30/2027
- Escalations: 3% annual increase
- Reimbursement: Net Pro Rata Share
- Free Rent: 2 Months
- TIs: \$10
- Commissions: 5%

Renewals & More
✕

Tenant: Vacant Space

**Lease Renewal Details**

Term (years)

Rent Abatement       Tenant Improvements

Turnover Vacancy  %      Leasing Commissions  %

**Lease Renewal Rent Increases**

Term to Term Increase Type

Term to Term Increase Amount  (every 7 years)

Within Term Increase Type

Within Term Increase Amount

	Year 2	Year 3	Year 4	Year 5	Year 6
3	3	3	3	3	3

**Additional Information**

Lease Type       Guarantor

Credit Rating       Web Site

Stock Symbol       Open Date

Landlord Responsibilities  (mm/yyyy)

Lease Notes (Maximum of 150 characters)

Click **Renewals & More**

Enter the following assumptions for Vacant Space:

- Term: 7 Years
- Rent Abatement: 3 Months
- Turnover Vacancy: 3 Months
- Tenant Improvements: \$10
- Commissions: 5%
- Term to Term Increase Type: 3 % of base
- Increase within Term: 3% Annual Increase

## Tenant Cash Flow Analysis

Select Projection

Tenant Cash Flow Analysis

2 Vacant Space

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025
<b>Potential Tenant Revenue</b>					
Base Rental Income	\$112,000	\$113,680	\$117,090	\$120,603	\$124,221
Lease-up Vacancy	(\$56,000)	\$0	\$0	\$0	\$0
Rent Abatement	(\$18,667)	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0
Expense Reimbursements	\$0	\$0	\$0	\$0	\$0
<b>Total Potential Revenue</b>	<b>\$37,333</b>	<b>\$113,680</b>	<b>\$117,090</b>	<b>\$120,603</b>	<b>\$124,221</b>
<b>Potential Tenant Costs</b>					
Tenant Improvements	(\$70,000)	\$0	\$0	\$0	\$0
Leasing Commissions	(\$36,223)	\$0	\$0	\$0	\$0
<b>Total Potential Costs</b>	<b>(\$106,223)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Tenant Net Cash Flow</b>	<b>(\$68,890)</b>	<b>\$113,680</b>	<b>\$117,090</b>	<b>\$120,603</b>	<b>\$124,221</b>

## Miscellaneous Income

Revenue generating items not associated to a lease can be entered in the Miscellaneous Income window. Examples of miscellaneous income is vending machines, antennae, parking and signage income.

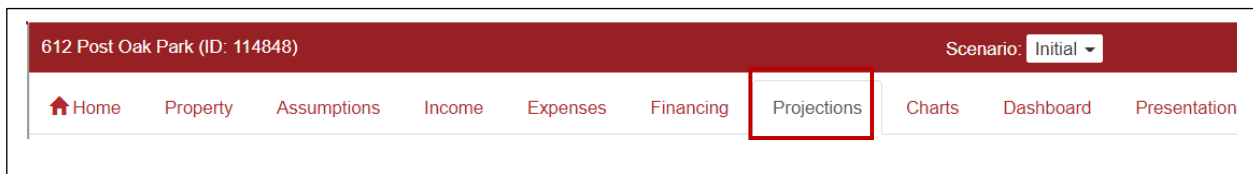


Miscellaneous Income		
Description	Monthly Income	Annual Increase
Vending Machine	\$1,250	3
	\$0	0
	\$0	0

Enter the following Miscellaneous Income:

- Vending Machine: \$1250 monthly, 3% annual growth

## Projections Tab



Access several key reports in the Projections tab. Reports available are:

- Cash Flow Projection
- Annual Property Operating Data
- Financial Indicators
- Resale Analysis
- Loan Analysis
- Investment Return Analysis
- Cumulative Analysis
- Summary Lease Analysis
- Tenant Cash Flow Analysis



## Cash Flow Analysis

Let's view the Cash Flow Analysis to ensure our numbers match and our data entry is correct.

Select Projection		Cash Flow Analysis				
Description	Year 1	Year 2	Year 3	Year 4	Year 5	
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025	
<b>Before-Tax Cash Flow</b>						
<b>Gross Scheduled Income</b>	<b>\$202,000</b>	<b>\$206,630</b>	<b>\$213,004</b>	<b>\$220,994</b>	<b>\$227,624</b>	
Lease-up Vacancy	(\$56,000)	\$0	\$0	\$0	\$0	
Rent Abatement	(\$37,417)	\$0	\$0	(\$21,000)	\$0	
Turnover Vacancy	\$0	\$0	\$0	(\$42,000)	\$0	
General Vacancy	\$0	(\$9,559)	(\$9,855)	\$0	(\$10,537)	
<b>Total Operating Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Net Operating Income</b>	<b>\$108,583</b>	<b>\$197,071</b>	<b>\$203,149</b>	<b>\$157,994</b>	<b>\$217,087</b>	
Loan Payment	\$0	\$0	\$0	\$0	\$0	
Tenant Improvements	(\$120,000)	\$0	\$0	(\$50,000)	\$0	
Leasing Commissions	(\$43,198)	\$0	\$0	(\$12,119)	\$0	
<b>Before-Tax Cash Flow</b>	<b>(\$54,615)</b>	<b>\$197,071</b>	<b>\$203,149</b>	<b>\$95,875</b>	<b>\$217,087</b>	



## Practice Exercise – Adding Tenant Data

Name, Lease Type,	Suite/Floor	Size	Start/End Date	Base Rent/Increases/Recovery
The Congo Office (Contract)	301 Floor 3	23,000 SqFt	1/1/2020 10 Years	\$15 /SqFt/Year, 2% Escalation 2020 OpEx: \$400,000 Base Stop (calculate stop based on 2020 Operation Expenses)
Macrosoft	102	7,500 SqFt	1/1/2020 10 Years	\$16/SqFt/Year, \$.50 SqFt/Year Annual Increase Net Pro Rata Share
Pineapple Inc.	201	7500 SqFt	8/1/2020 7 Years	\$14/SqFt/Year 2% Annual Increase Net Pro Rata Share

### Renewal Assumptions for The Congo, Macrosoft, Pineapple

- Term (years): 5 Years
- Rent Abatement: 3 Months
- Turnover Vacancy: 2 Months
- Tenant Improvement: \$10
- Leasing Commissions: 3%
- Term to Term Increase Type: % of base
- Term to Term Increase Amount: 2%
- Within Term Increase Amount: 2%

Save and compare your results with the following reports.

## Cash Flow Analysis

Select Projection <span style="float: right;">Cash Flow Analysis</span>					
Description Year Ending	Year 1 12/2021	Year 2 12/2022	Year 3 12/2023	Year 4 12/2024	Year 5 12/2025
<b>Before-Tax Cash Flow</b>					
<b>Gross Scheduled Income</b>	<b>\$783,525</b>	<b>\$801,061</b>	<b>\$820,523</b>	<b>\$841,789</b>	<b>\$861,884</b>
Lease-up Vacancy	(\$56,000)	\$0	\$0	\$0	\$0
Rent Abatement	(\$37,417)	\$0	\$0	(\$21,000)	\$0
Turnover Vacancy	\$0	\$0	\$0	(\$42,000)	\$0
General Vacancy	\$0	(\$39,281)	(\$40,230)	\$0	(\$42,250)
<b>Total Operating Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Operating Income</b>	<b>\$690,108</b>	<b>\$761,780</b>	<b>\$780,293</b>	<b>\$778,789</b>	<b>\$819,634</b>
Loan Payment	\$0	\$0	\$0	\$0	\$0
Tenant Improvements	(\$120,000)	\$0	\$0	(\$50,000)	\$0
Leasing Commissions	(\$43,198)	\$0	\$0	(\$12,119)	\$0
<b>Before-Tax Cash Flow</b>	<b>\$526,910</b>	<b>\$761,780</b>	<b>\$780,293</b>	<b>\$716,669</b>	<b>\$819,634</b>

## Tenant Cash Flow Analysis - The Congo

Select Projection <span style="float: right;">Tenant Cash Flow Analysis</span>					
<span style="float: right;">3 The Congo</span>					
Description Year Ending	Year 1 12/2021	Year 2 12/2022	Year 3 12/2023	Year 4 12/2024	Year 5 12/2025
<b>Potential Tenant Revenue</b>					
Base Rental Income	\$351,900	\$358,938	\$366,117	\$373,439	\$380,908
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0
Expense Reimbursements	\$0	\$0	\$0	\$0	\$0
<b>Total Potential Revenue</b>	<b>\$351,900</b>	<b>\$358,938</b>	<b>\$366,117</b>	<b>\$373,439</b>	<b>\$380,908</b>
<b>Potential Tenant Costs</b>					
Tenant Improvements	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0
<b>Total Potential Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Tenant Net Cash Flow</b>	<b>\$351,900</b>	<b>\$358,938</b>	<b>\$366,117</b>	<b>\$373,439</b>	<b>\$380,908</b>

### Tenant Cash Flow Analysis – Macrosoft

Select Projection						
Tenant Cash Flow Analysis		4 Macrosoft				
Description	Year 1	Year 2	Year 3	Year 4	Year 5	
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025	
<b>Potential Tenant Revenue</b>						
Base Rental Income	\$123,750	\$127,500	\$131,250	\$135,000	\$138,750	
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	
Rent Abatement	\$0	\$0	\$0	\$0	\$0	
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	
Expense Reimbursements	\$0	\$0	\$0	\$0	\$0	
<b>Total Potential Revenue</b>	<b>\$123,750</b>	<b>\$127,500</b>	<b>\$131,250</b>	<b>\$135,000</b>	<b>\$138,750</b>	
<b>Potential Tenant Costs</b>						
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	
<b>Total Potential Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Tenant Net Cash Flow</b>	<b>\$123,750</b>	<b>\$127,500</b>	<b>\$131,250</b>	<b>\$135,000</b>	<b>\$138,750</b>	

### Tenant Cash Flow Analysis – Pineapple Inc.

Select Projection						
Tenant Cash Flow Analysis		5 Pineapple Inc.				
Description	Year 1	Year 2	Year 3	Year 4	Year 5	
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025	
<b>Potential Tenant Revenue</b>						
Base Rental Income	\$105,875	\$107,993	\$110,152	\$112,355	\$114,603	
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	
Rent Abatement	\$0	\$0	\$0	\$0	\$0	
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	
Expense Reimbursements	\$0	\$0	\$0	\$0	\$0	
<b>Total Potential Revenue</b>	<b>\$105,875</b>	<b>\$107,993</b>	<b>\$110,152</b>	<b>\$112,355</b>	<b>\$114,603</b>	
<b>Potential Tenant Costs</b>						
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	
<b>Total Potential Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Tenant Net Cash Flow</b>	<b>\$105,875</b>	<b>\$107,993</b>	<b>\$110,152</b>	<b>\$112,355</b>	<b>\$114,603</b>	

## Expenses Tab

Enter all expenses including reimbursable, non-reimbursable, operating and capital costs in the Expenses tab. Reimbursable expenses are expenses that the property owner will recover from the tenants. In the General Expenses table enter annual expense and escalation factors. Standard expenses are included based on most common use cases; however, you can rename any of the description names by typing a new name.



Expenses
Financing
Projections
Charts
Dashboard
Presentation

**Choose Your Analysis Type**

Quick Expense Analysis
  Detailed Expense Analysis

**Property Management Fee**

Percent of Gross Scheduled Income 2.0 %  Reimbursable

**Replacement Reserves**

Reserve Amount \$0.00 per sq. ft.

Expense the reserve instead of deducting below the NOI

**General Expenses**

Description	Annual Expense	Annual Increase	Reimbursable
Accounting	\$0.00	0.00 %	<input checked="" type="checkbox"/>
Advertising	\$0.00	0.00 %	<input checked="" type="checkbox"/>
Building Insurance	\$75,000.00	3.00 %	<input checked="" type="checkbox"/>
General Supplies	\$0.00	0.00 %	<input checked="" type="checkbox"/>
Grounds Maintenance	\$60,000.00	3.00 %	<input checked="" type="checkbox"/>
Handy Man	\$0.00	0.00 %	<input checked="" type="checkbox"/>
<b>Σ</b>	<b>\$425,000</b>		<b>\$425,000</b>

**Capital Expenses**

Description	Expense Amount	Year Expended
Parking Lot Repair	\$65,000	3

Description names can be changed by typing a new name.

Select the **Expenses** tab.

Enter the following data elements in the Expenses tab:

- Select Detailed Expense Analysis
- Property Management Fee (Non-reimbursable): 2% of Gross Scheduled Income
- Building Insurance: \$75,000, 3% Growth
- Capital Expenses Parking Lot Repair: \$65,000 in year 3



**Quick Tip:** If the amount entered is less than 100 the system will assume this is a \$/SqFt value and multiply by the total rental Square feet.



## Practice Exercise – Adding Expenses

Enter the following data elements in the Expenses tab and view the cash flow analysis projection to ensure data entry is correct. All expenses below are reimbursable.

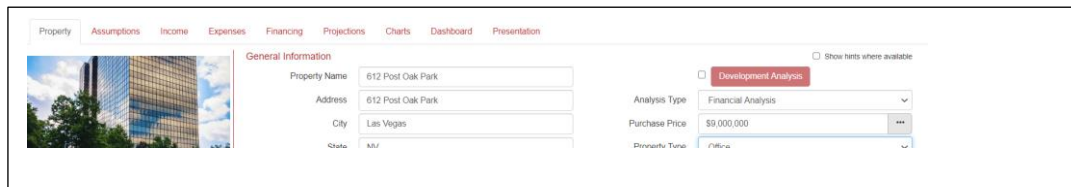
- Grounds Maintenance: \$60,000, 3% Growth
- Janitorial: \$80,000, 3% Growth
- Real Estate Taxes: \$90,000, 2% Growth
- Utilities: \$2.40/ SqFt, 3% Growth

### Projection: Cash Flow Analysis

Select Projection <span style="border: 1px solid black; padding: 2px;">Cash Flow Analysis</span> <span style="font-size: 0.8em;">▼</span>					
Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025
<b>Before-Tax Cash Flow</b>					
<b>Gross Scheduled Income</b>	\$952,275	\$1,011,411	\$1,043,061	\$1,073,204	\$1,106,191
Lease-up Vacancy	(\$56,000)	\$0	\$0	\$0	\$0
Rent Abatement	(\$37,417)	\$0	\$0	(\$21,000)	\$0
Turnover Vacancy	\$0	\$0	\$0	(\$42,000)	\$0
General Vacancy	\$0	(\$49,798)	(\$51,357)	(\$10,841)	(\$54,465)
<b>Total Operating Expenses</b>	<b>(\$444,046)</b>	<b>(\$457,078)</b>	<b>(\$469,899)</b>	<b>(\$483,036)</b>	<b>(\$496,588)</b>
<b>Net Operating Income</b>	<b>\$414,813</b>	<b>\$504,534</b>	<b>\$521,804</b>	<b>\$516,327</b>	<b>\$555,138</b>
Loan Payment	\$0	\$0	\$0	\$0	\$0
Capital Expenses	\$0	\$0	(\$65,000)	\$0	\$0
Tenant Improvements	(\$120,000)	\$0	\$0	(\$50,000)	\$0
Leasing Commissions	(\$43,198)	\$0	\$0	(\$12,119)	\$0
<b>Before-Tax Cash Flow</b>	<b>\$251,615</b>	<b>\$504,534</b>	<b>\$456,804</b>	<b>\$454,208</b>	<b>\$555,138</b>
<b>Cash-On-Cash Return</b>	<b>2.80%</b>	<b>5.61%</b>	<b>5.08%</b>	<b>5.05%</b>	<b>6.17%</b>

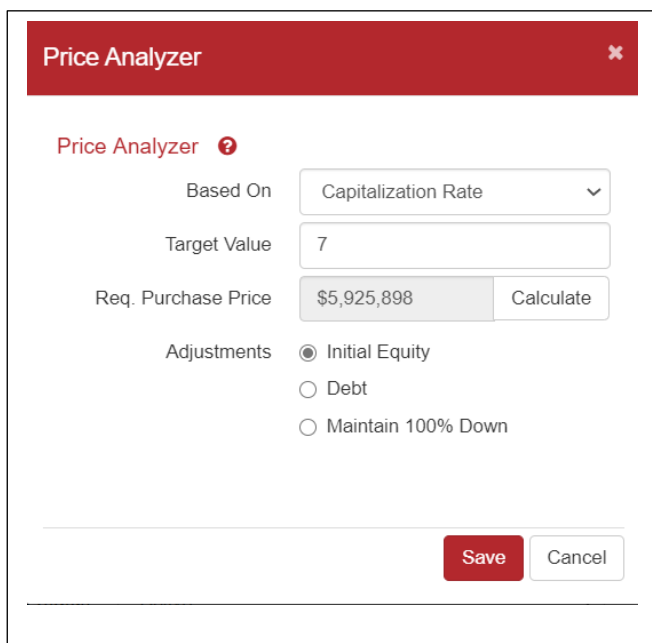
## Price Analyzer

The Price Analyzer function values a property based on a given target value and a financial indicator.

The screenshot shows the 'Property' tab in a software application. The 'General Information' section includes fields for Property Name (612 Post Oak Park), Address (612 Post Oak Park), City (Las Vegas), and State (MS). The 'Analysis Type' is set to 'Financial Analysis', and the 'Purchase Price' is \$9,000,000. The 'Property Type' is 'Office'.

- Select **Property** tab.
- Click on the **Purchase Price** ellipses.



The 'Price Analyzer' dialog box is shown. It has a red header with a close button. Below the header, there is a question mark icon. The 'Based On' dropdown is set to 'Capitalization Rate'. The 'Target Value' field contains '7'. The 'Req. Purchase Price' field shows '\$5,925,898' and a 'Calculate' button. Under 'Adjustments', 'Initial Equity' is selected with a radio button. At the bottom, there are 'Save' and 'Cancel' buttons.

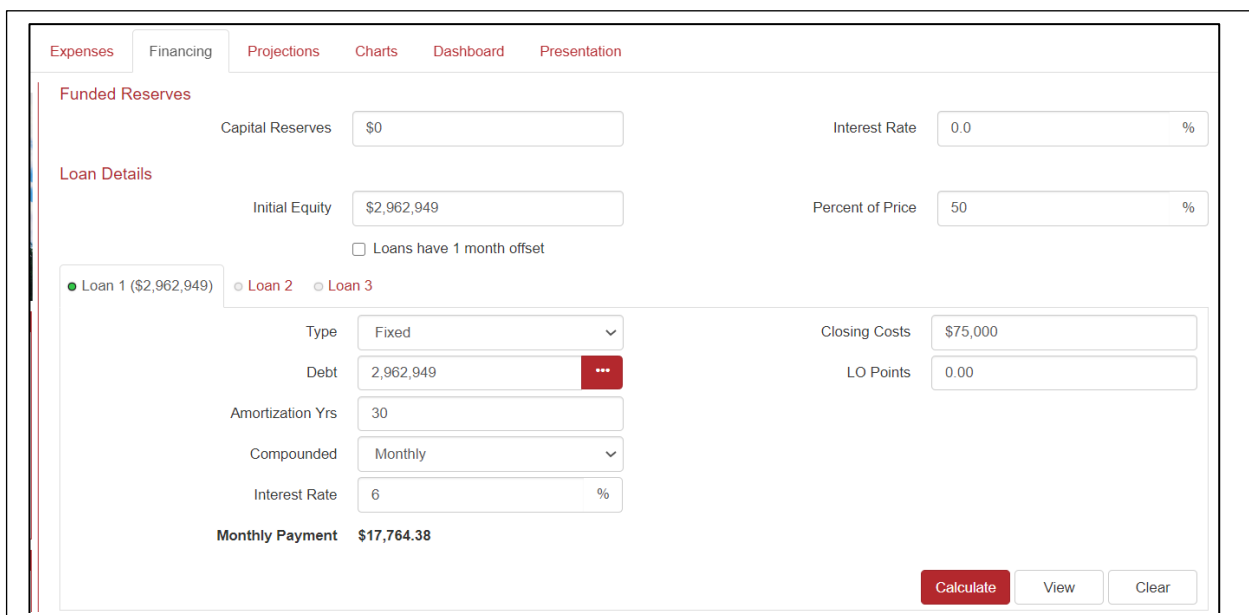
- Select Based On **Capitalization Rate**.
- Enter **7%** cap rate (Target Value).
- Click **Calculate** button.

## Financials

Enter up to 3 loans in the Financials tab. This information is used to calculate debt service payments, metrics and returns.

In this scenario the down payment will be 50% of the purchase price. Note the down payment value is required to calculate the IRR and what is used as the initial investment value in the IRR calculation.

We will fund the remaining 50% of the purchase price through a loan amortizing over a 30-year schedule at an interest rate of 6% and a closing cost fee of \$75,000.

Select the **Financials** tab.

Enter the following data elements in the Financials tab:

- Down Payment: 50% of purchase price
- Debt: 50% of purchase price
- Amortization: 30 years
- Interest Rate: 6%
- Closing Cost: \$75,000
- Click **Calculate**.

## View Loan Analysis

From the Financing tab select View to display the Loan Analysis window which will display the payment, principal, interest and balance.

Loan Analysis
✕

Analysis Period  Annual  Monthly

Year	Rate	Payment	Principal	Interest	Balance
1	6.0	\$213,172.52	\$36,385.36	\$176,787.15	\$2,926,563.64
2	6.0	\$213,172.52	\$38,629.53	\$174,542.99	\$2,887,934.11
3	6.0	\$213,172.52	\$41,012.12	\$172,160.40	\$2,846,921.99
4	6.0	\$213,172.52	\$43,541.65	\$169,630.86	\$2,803,380.34
5	6.0	\$213,172.52	\$46,227.21	\$166,945.31	\$2,757,153.13
6	6.0	\$213,172.52	\$49,078.40	\$164,094.12	\$2,708,074.74
7	6.0	\$213,172.52	\$52,105.45	\$161,067.07	\$2,655,969.29
8	6.0	\$213,172.52	\$55,319.20	\$157,853.32	\$2,600,650.09
9	6.0	\$213,172.52	\$58,731.16	\$154,441.35	\$2,541,918.93
10	6.0	\$213,172.52	\$62,353.57	\$150,818.94	\$2,479,565.35
11	6.0	\$213,172.52	\$66,199.41	\$146,973.11	\$2,413,365.94
12	6.0	\$213,172.52	\$70,282.44	\$142,890.07	\$2,343,083.50

Close

Interest Rate  %

Percent of Price  %

Closing Costs

LO Points

Calculate
View
Clear

Click **View** to display Loan

## Projection: Loan Analysis

Select Projection <span>Loan Analysis</span> <input type="button" value="v"/>					
Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025
<b>Loan 1 (Fixed)</b>					
<b>Debt Service Analysis</b>					
Principal Payments	\$36,385	\$38,630	\$41,012	\$43,542	\$46,227
Interest Payments	\$176,787	\$174,543	\$172,160	\$169,631	\$166,945
<b>Total Debt Service</b>	<b>\$213,173</b>	<b>\$213,173</b>	<b>\$213,173</b>	<b>\$213,173</b>	<b>\$213,173</b>
<b>Principal Balance Analysis</b>					
Beginning Principal Balance	\$2,962,949	\$2,926,564	\$2,887,934	\$2,846,922	\$2,803,380
Principal Reductions	\$36,385	\$38,630	\$41,012	\$43,542	\$46,227
<b>Ending Principal Balance</b>	<b>\$2,926,564</b>	<b>\$2,887,934</b>	<b>\$2,846,922</b>	<b>\$2,803,380</b>	<b>\$2,757,153</b>

## Projection: Investment Return Analysis

Select Projection <span>Investment Return Analysis</span> <input type="button" value="v"/>					
Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	12/2021	12/2022	12/2023	12/2024	12/2025
Cash Flow - To Date	\$38,442	\$329,804	\$573,436	\$814,471	\$1,156,436
Net Resale Proceeds	\$5,491,848	\$6,035,582	\$6,612,006	\$7,223,083	\$7,870,898
Invested Capital	(\$3,037,949)	(\$3,037,949)	(\$3,037,949)	(\$3,037,949)	(\$3,037,949)
Net Return on Investment	\$2,492,341	\$3,327,437	\$4,147,493	\$4,999,605	\$5,989,385
<b>Before Tax Calculations</b>					
PV (NOI + reversion)	\$8,255,350	\$8,622,500	\$8,975,606	\$9,297,347	\$9,621,665
<b>After Tax Calculations</b>					
IRR	82.04%	44.95%	34.03%	28.73%	25.82%
Modified IRR	82.04%	44.78%	33.40%	27.81%	24.69%
NPV	\$2,130,547	\$2,524,176	\$2,848,707	\$3,145,681	\$3,490,884

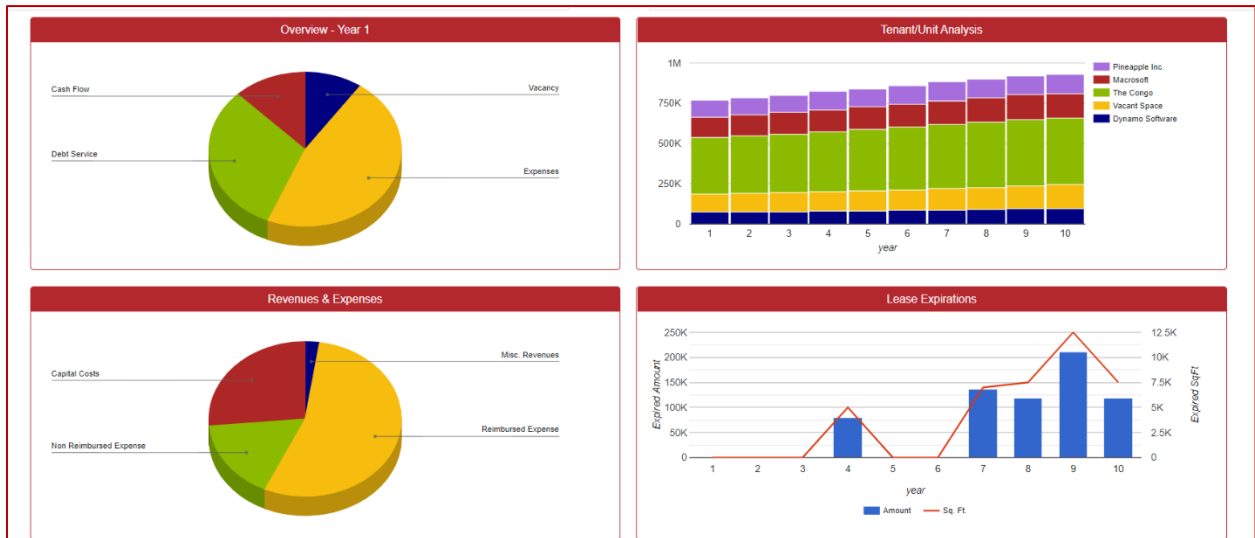
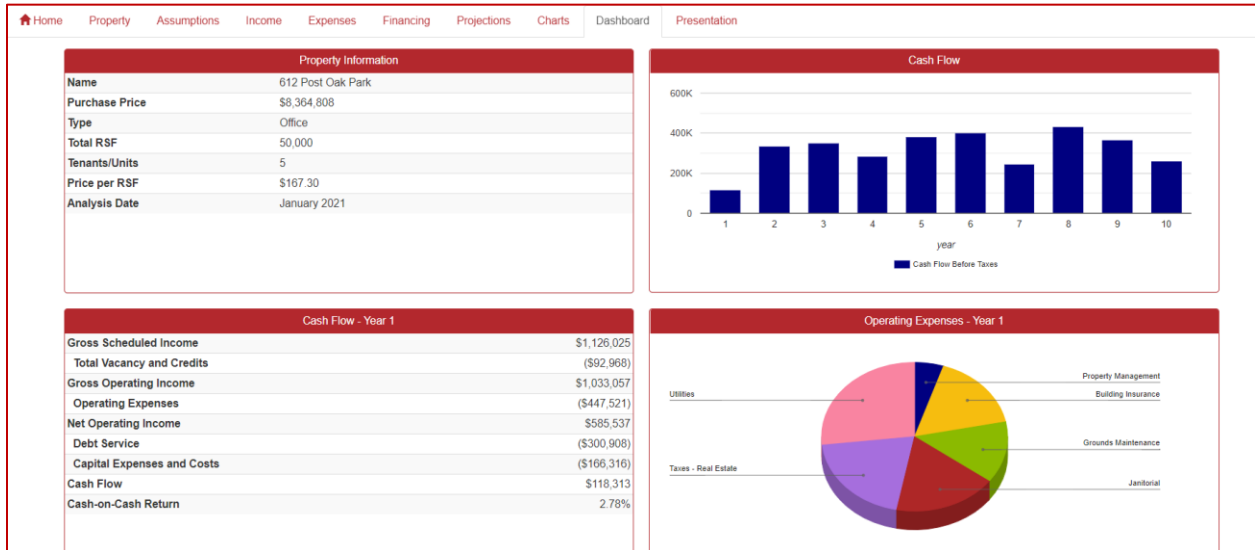
## Charts

Select the Chart tab to view charts that represent the overall performance of your property.



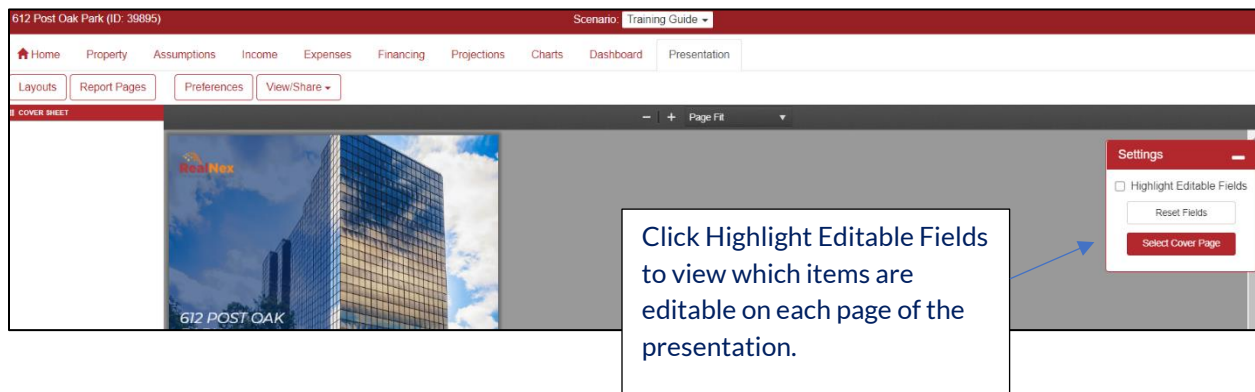
## Dashboard

Select the Dashboard tab to view key performance metrics that represent the overall performance of your property. The Dashboard displays a snapshot into year 1 of our analysis and displays the overall cash flow and tenant exposure.



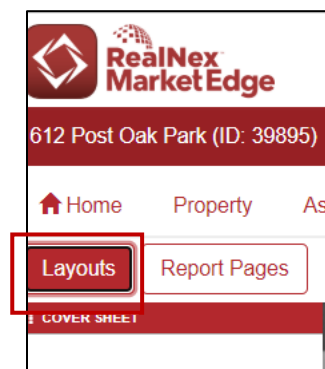
## Presentation Tab

All the data in the platform is readily available to create marketing collateral and brochures for potential buyers and client. Personalize presentations and create a brand by choosing company color schemes and logos.

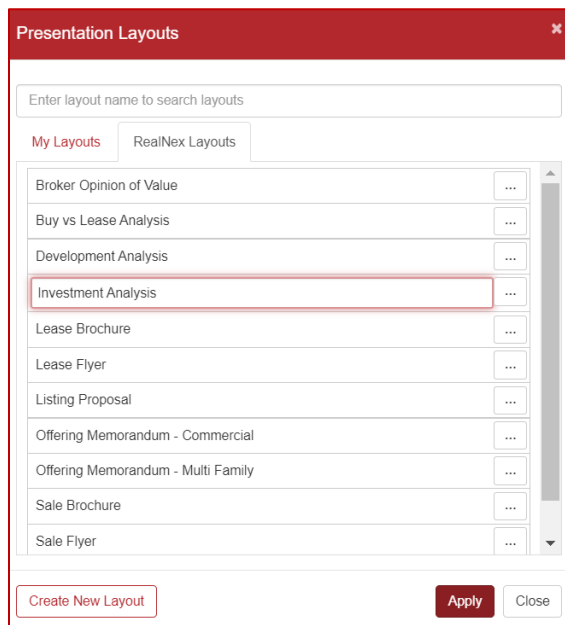


## Layouts

Building presentations can be a time-consuming process, but not with RealNex. RealNex includes over a dozen layouts covering the most common use cases based on feedback from our clients. These layouts reside in the RealNex Layouts tab and include BOVs, Investment Analysis, Listing Proposals, Flyers and so much more. If you want to create your own layout, simply Select Create New Layout and include the pages and format designed for your needs. All custom layouts will reside in the My Layouts Tab.

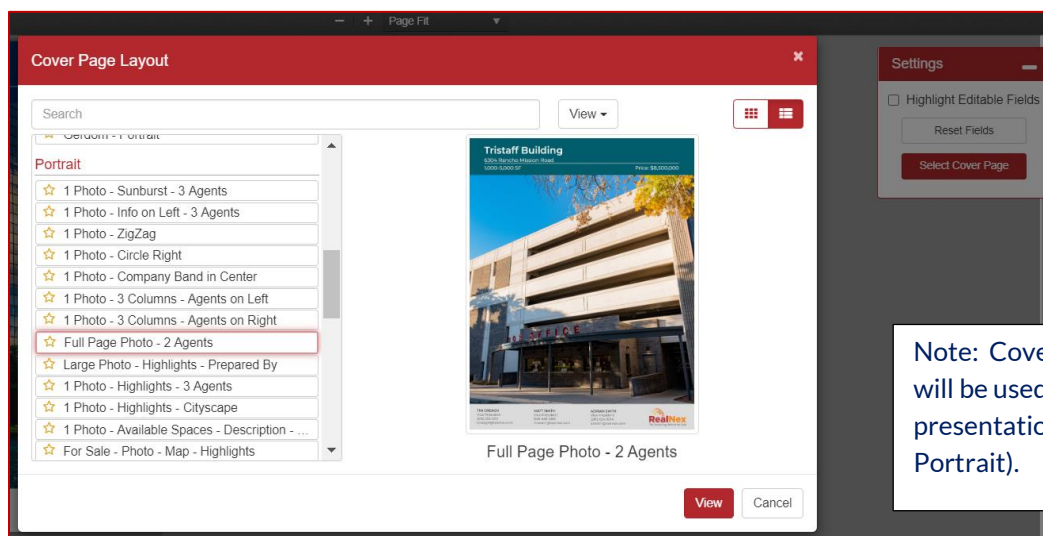


In our training scenario we want to create an investment analysis presentation for 612 Post Oak Park. Select the Investment Analysis layout.



### Select Cover Page

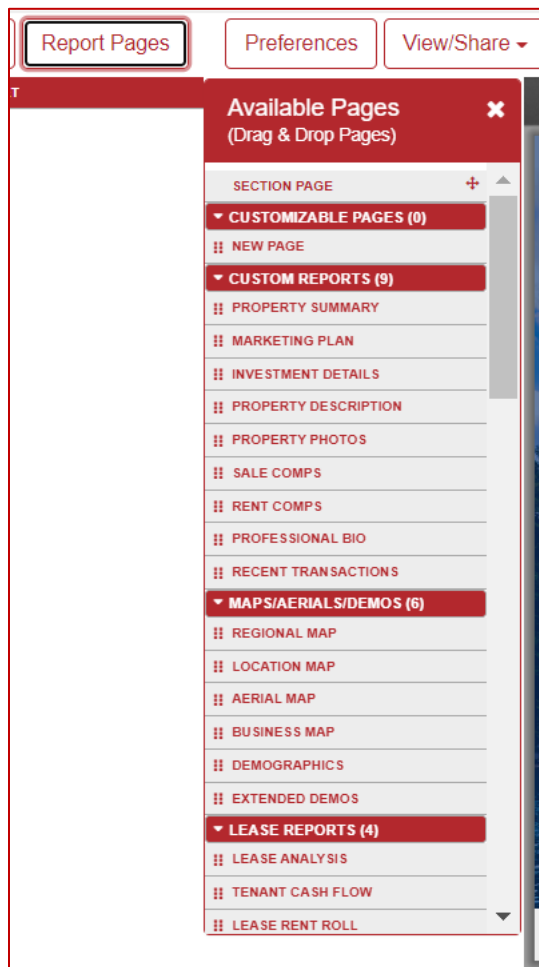
Click Select Cover Page from the settings menu on the right side of the window. Choose from portrait or landscape designs which will drive the layout of the pages in the presentation. In our example, we will select the Full-Page Photo with 2 Agents design in Portrait.



Note: Cover page orientation will be used throughout presentation (Landscape or Portrait).

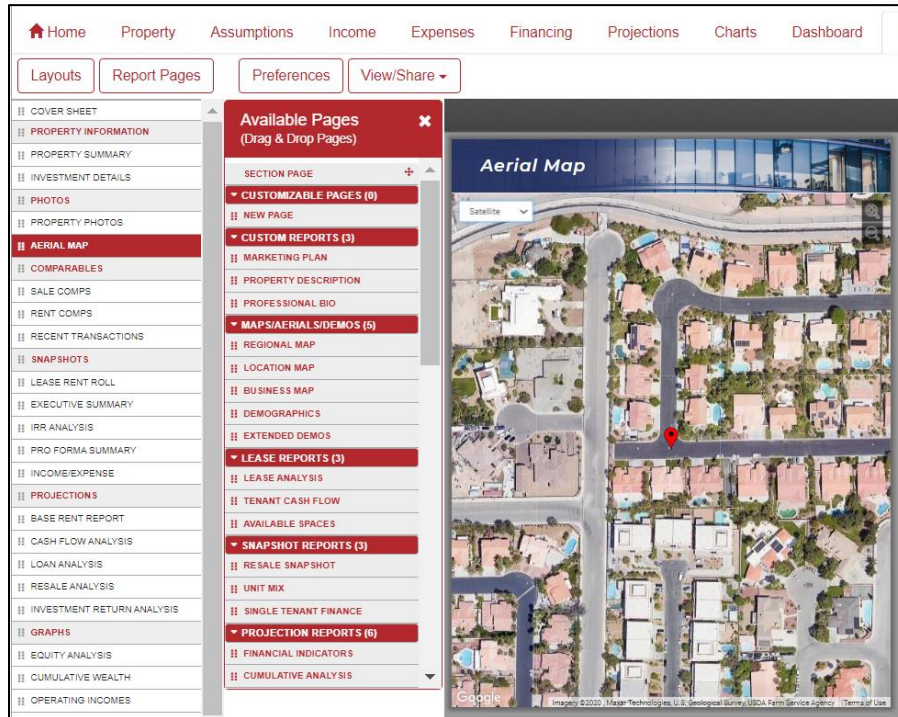
## Report Pages

Click on Report Pages to choose from numerous reports organized by categories such as maps, lease reports, projection reports and graphs. In addition to the standard pages available, create custom pages and design the layout and content for each page.



## Adding Pages to Layout

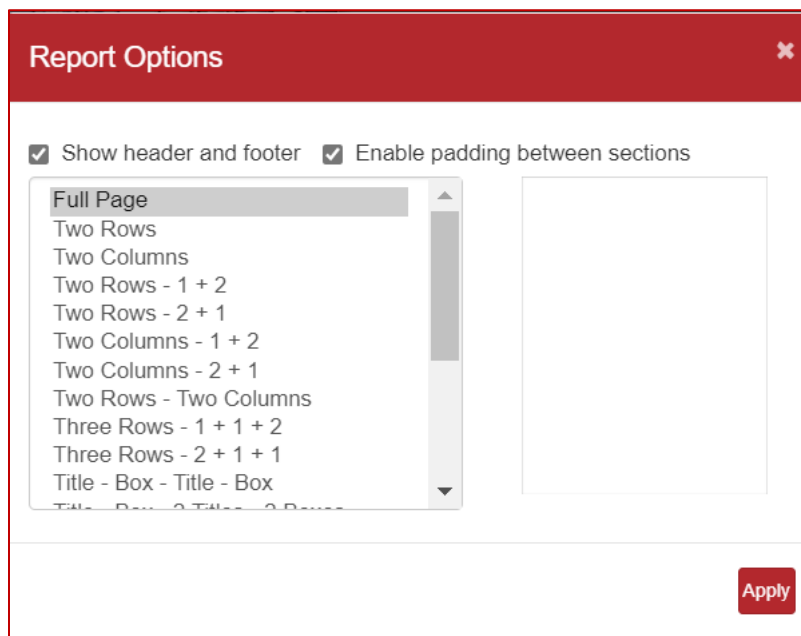
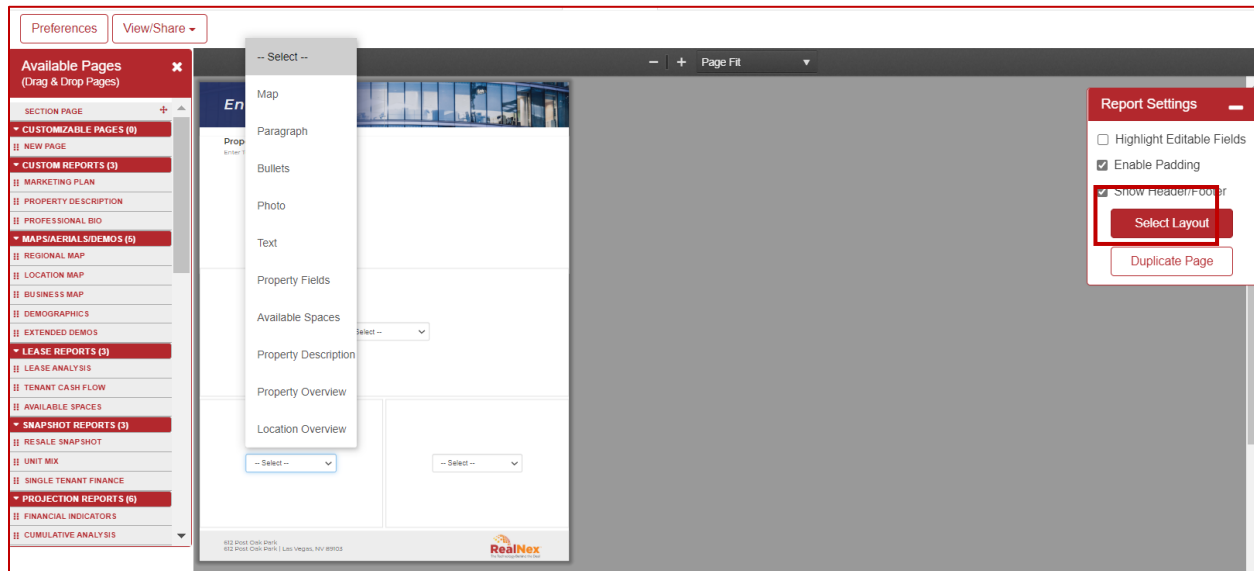
To include any page in your layout, click and drag the page. In our example, let's add aerial map.



## Customizable Pages

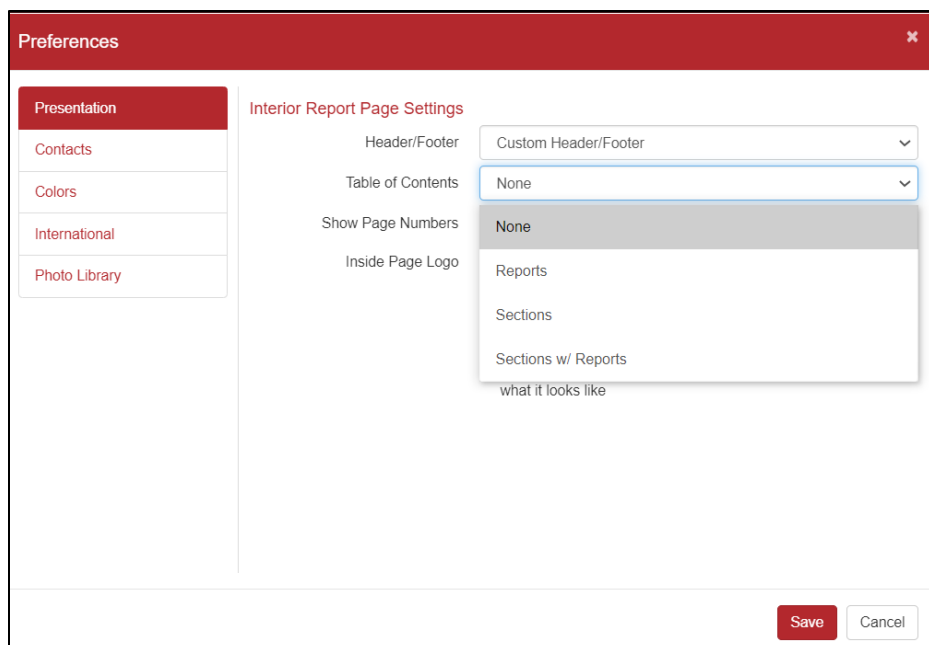
To add a customizable page to the presentation, click and drag Customizable Page,

Click on Select Layout to customize how data is displayed in the page.



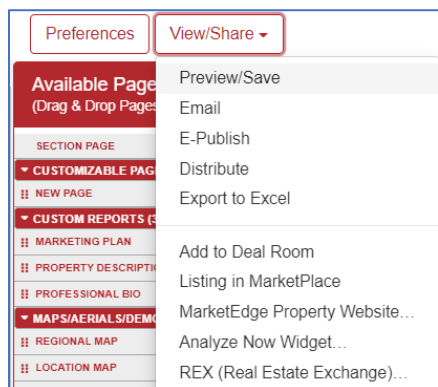
## Preferences

Click the preferences button to customize presentations and create branding. Several settings are available such as customizing headers and footers, table of contents, logos and whether to include page numbers. Add a library of photos to include in presentations such as photos of the property, site maps, or headshots.



## Publish

Once pages have been selected and edited for the presentation, click Publish to preview, email and distribute.



Proposal Preview

1 / 18

**FOR SALE | RETAIL**

**3050 POST OAK BLVD**

3050 Post Oak Boulevard | Houston, TX 77056

**PRESENTED BY**

**TIM CREAUGH, CCIM, SIOR**  
 Vice President  
 619-555-3343  
 tcreaugh@realnexus.com  
 Lic. AC-548223, CA

Click on arrow to navigate the pages.

Proposal Preview

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### Professional Bio

**Tim Creagh, CCIM, SIOR**  
 Vice President  
 RealNex, LLC | San Diego, CA  
 P: 619-555-3343

During his 30-year career, Doug Wolff has provided his clients with diverse and leading-edge real estate services, completing more than 3,000 sales and lease transactions valued at over \$2 billion. In 2019 alone, Jeff closed 103 transactions for his clients, valued at nearly \$500 million, making him the top office broker in Central Los Angeles region.

For 20 consecutive years, Jeff's consistent professionalism has landed him the Coburn Crivner Circle Award for being among the top 3% of producers in the company. When you consider CREAG's team consists of more than 3,000 producers nationally, this speaks volumes about his dedication to delivering excellence for his clients. His mission is simple: to enable his clients - owners, investors, lenders and developers - to make the best real estate decisions possible by providing strategic consulting and transaction services that enhance value, reduce costs and manage risk. With a well-rounded background in real estate development, investment, financing and construction, Jeff brings a unique perspective to the brokerage business and the ability to customize solutions for each client's specific needs. His commitment to his clients, his diverse background and skill set, his attention to detail and his passion for the real estate business have earned him long-term relationships with leaders in the development and investment communities as well as tenants in the entertainment, technology, financial, professional services, healthcare, legal and non-profit industries.

### Recent Transactions

MultiFamily 4379 Arista Street San Diego, CA 24 Units	Sale Price Cap Rate Price per Unit Year Built	\$2,000,000 7.43% \$83,333 1992	
MultiFamily 4470 Terata Place San Diego, CA 30 Units	Sale Price Cap Rate Price per Unit Year Built	\$2,200,000 7.54% \$73,333 1999	
MultiFamily 631 Sander Street San Diego, CA 27 Units	Sale Price Cap Rate Price per Unit Year Built	\$2,250,000 7.64% \$83,333 1975	
MultiFamily 4077 8th Street San Diego, CA 22 Units	Sale Price Cap Rate Price per Unit Year Built	\$1,780,000 7.68% \$79,545 1947	
MultiFamily 3408 San Diego Avenue San Diego, CA 28 Units	Sale Price Cap Rate Price per Unit Year Built	\$2,300,000 7.68% \$79,300 1959	
Commercial 6336 Greenwich Drive, Suite # San Diego, CA 44,000 RSF	Sale Price Cap Rate Price per RSF Year Built	\$4,500,000 N/A \$97.73 1987	
Commercial 2489 San Diego Ave San Diego, CA 44,000 RSF	Sale Price Cap Rate Price per RSF Year Built	\$4,650,000 6.20% \$10.23 2004	
Land 202 Monk Road New Cumberland, PA 340 Units	Sale Price Cap Rate Price per Unit Year Built	\$15,660 6.26% \$49 1980	

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Monday, July 1