

## **INVESTMENT ANALYSIS RETAIL CANADIAN EXAMPLE USING RENT ROLL AND TWO CATEGORIES**

### **INTRODUCTION**

This comprehensive retail example uses the Rent Roll and Categories and includes all the lease features such as Free Rent, % Rent and the application of Rent Caps and Recoverable Expense Caps and Stops.

This example shows you how to set up your own Categories to create “Profit Centres”

For simplicity there are only two tenants.

Tenant Unit 1A Retail Space. Sport’s Affair. Gross Leasable Area: 20,000 Sq. Ft  
Tenant Unit 1B Food Court area. Cara Catering Gross Leasable Area: 12,000 Sq. Ft

The two Categories are;

Retail  
Food Court

Categories are Profit Centres, which means that the Income & Expense Statement is produced for the Retail Category, Food Court Category and the Combined Total.

The Investit Template used is “Invest Retail + Rent Roll & Cat”

This practice example consists of two Sections;

1. The input information for the project
2. The instructions for entering the project data

### **PROJECT INFO. Folder**

Property Name: Park Royal Village  
Description: Investment Retail +Rent Roll & Categories  
Starting Date: Year 1 Jan  
Analysis Period: 9 Years  
Purchase Price: \$10,000,000  
Building Area 36,000 Sq Ft  
Gross Leasable Area: 32,000 Sq. Ft  
Land Area: 128,000 Sq Ft  
Frontage: 320 Ft

### **INVESTOR Folder**

Marginal Tax Rate: 42.00%  
Capital Gain: 50.00%  
Discount Rate: Before Tax 13.00%  
Short Term Rates Before Tax for calculating the Modified Internal Rate of Return (MIRR)  
Financing Rate: 8.000%  
Reinvestment Rate: 3.000%

## **INVESTMENT Folder**

**CCA Claim:** Claim CCA up to Taxable Income

### **Land**

Description: Land  
Amount: \$3,000,000  
Year 1 Jan  
CCA Class: Land

### **Building**

Description: Building  
Amount: \$7,000,000  
Year 1 Jan  
CCA Class: Building  
CCA Rate: 4.00%  
First Year: 50.00%  
CCA Claim Last Year: Yes

## **EXPENSES Folder**

Operating expenses paid for by the investor such as taxes, insurance, maintenance, property management etc.

For simplicity the total operating expenses are expressed as \$ per Sq. Ft per Yr which includes real estate taxes, insurance and maintenance.

The operating expenses are broken down between Retail and Food court in order to set up the Retail and Food Court profit centres.

### **Retail operating expenses. Gross Leasable Area 20,000 Sq. Ft**

#### **Op Expenses Retail**

\$9.00 per Sq. Ft per Yr paid monthly for 12 months then increasing at 3.00% compounding per year.  
Category: Retail

### **Food Court. Gross Leasable Area 12,000 Sq. Ft**

#### **Op Expenses Food Court**

\$7.00 per Sq. Ft per Yr paid monthly for 12 months then increasing at 3.00% compounding per year  
Category: Food Court

## **GENERAL REVENUE Folder**

General revenue is revenue that is not specific to an individual tenant such as public parking.

### **Public Parking**

100 spaces  
\$50 per space per Mo for 12 months then increasing at 3.00% compounding per year  
Category: Retail

## **RENT ROLL REVENUE Folder**

Used to enter the rent for each tenant

The rent paid by the tenant to the landlord is entered in the Rent Roll Revenue folder for each of the two tenants as follows;

**Unit 1A Sport's Affair. Gross Leasable Area: 20,000 Sq. Ft**

**Base Rent**

\$20.00 per Unit of Tenant's GLA per Yr paid monthly. Two terms of 5 years. Increase for the second term is based on 3.00% compounding for five years

**Category:** Retail

**Free Rent**

First three months. 100% of Base Rent.

**% Rent**

6.00% of retail sales

**Retail Sales** for the first year are as follows;

<b>Year 1</b>	<b>Retail Sales</b>
Jan	\$600,000
Feb	\$600,000
Mar	\$600,000
Apr	\$600,000
May	\$800,000
June	\$800,000
July	\$800,000
Aug	\$800,000
Sept	\$800,000
Oct	\$900,000
Nov	\$1,000,000
Dec	\$1,300,000

The retail sales are projected to increase at 4.00% compounding per year for remaining 9 years.

**Additional Rent**

\$7.00 per Unit of Tenant's GLA per Yr paid monthly for 12 months then increasing at 3.00% compounding per year. **Subject to a Recoverable Expense Cap** of \$14,000 per month.

This means that the maximum additional rent the tenant will pay is \$14,000 per month.

**Category:** Retail

**Unit 1B Cara Catering Food Court space. Gross Leasable Area: 12,000 Sq. Ft**

**Base Rent**

\$20.00 per Unit of Tenant's GLA per Yr paid monthly. Two terms of 5 years. Increase for the second term base on 3.00 % compounding for five years

**Category:** Food Court

**Additional Rent**

\$8.00 per Unit of Tenant's GLA per Yr paid monthly for 12 months then increasing at 3.00% compounding per year for 9 years

**Category:** Food Court

**VACANCY Folder**

This analysis assumes no vacancies

**FINANCING Folder**

The financing to buy the property is;

Description: First Mortgage  
Commencing: Year 1 January  
Type: Standard Mortgage  
Amount: \$7,500,000  
Time Period: 10 years  
Amortization: 25 years  
Nominal Interest Rate: 8.00%%  
Compound

**SALE Folder**

**Real Estate Commissions**

6.00% of Sale Price

**Selling Expenses**

Selling Expenses 2.00% of Sale Price

Legal Fees: \$15,000

**Sale Price**

Based on a Cap Rate of 7.50% using the Income for the year following the Sale i.e., based on the Income & Expenses for year 10.

## INSTRUCTIONS FOR ENTERING THE PROJECT INTO INVESTOR PRO

### Getting started

The first step is to open the Investit Pro Template "Invest Retail + Rent Roll & Cat" as follows:

1. Open Investor Pro.
2. Select the New Project Folder then select the Investit Template folder

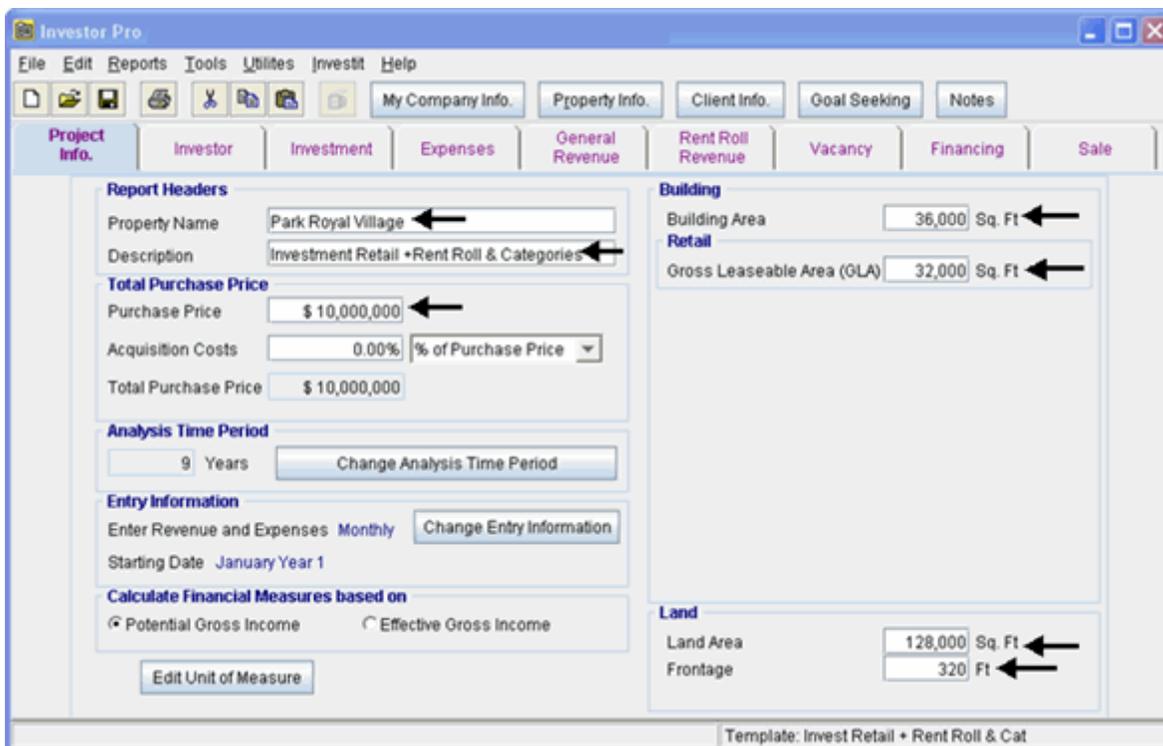


3. Select and open the Investit template "Invest Retail + Rent Roll & Cat". The analysis period dialog will open at this point.
4. Enter 9 years and click OK

### PROJECT INFO Folder

1. Enter the Property Name: Park Royal Village
2. Enter Description: Investment Retail + Rent Roll & Categories
3. Enter Purchase Price: \$10,000,000
4. Enter Building Area: 36,000 Sq. Ft
5. Enter Gross Leasable Area (GLA): 32,000 Sq. Ft
6. Enter Land Area: 128,000 Sq. Ft
7. Enter Frontage: 320 Sq. Ft

The Project Info screen should look like this;



### Investor Folder

1. Enter the Discount Rate Before Tax: 13.00%

Notes:

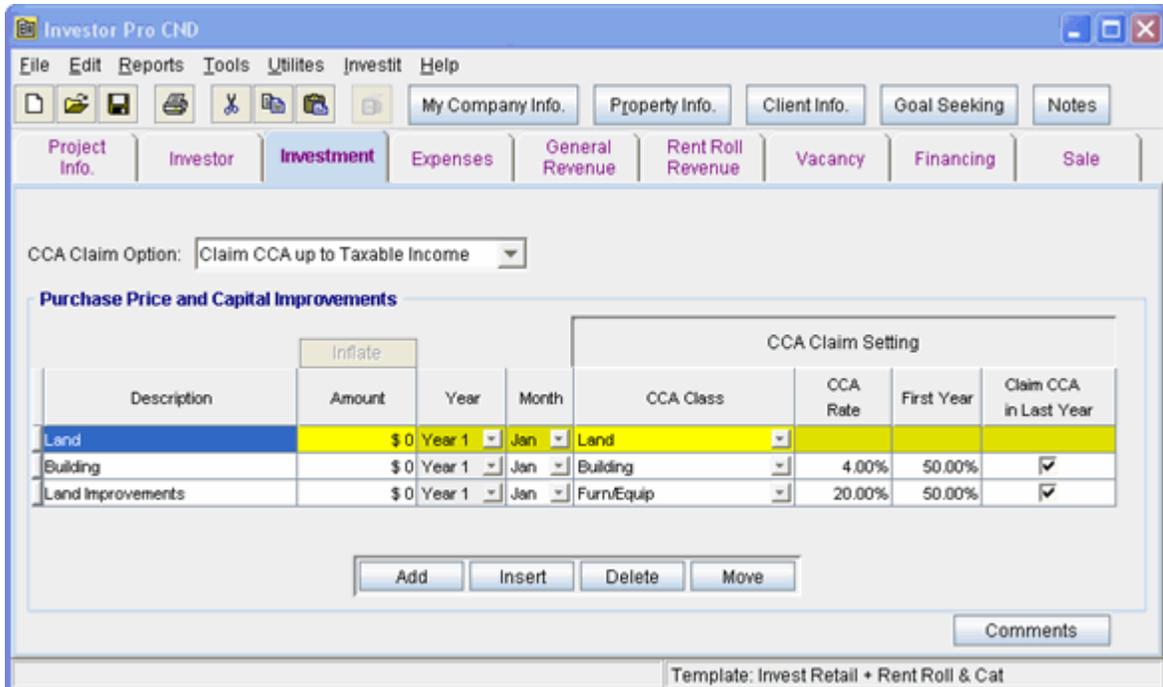
The Discount Rate is used to calculate the Net Present Value

The program automatically calculates the Discount Rate After Tax

2. Enter Short Term Rates Before Tax  
    Financing Rate: 8.00%  
    Reinvestment Rate: 3.00%

### INVESTMENT Folder

The Investment Folder should appear like this;



First Row

1. Enter the Amount: \$3,000,000

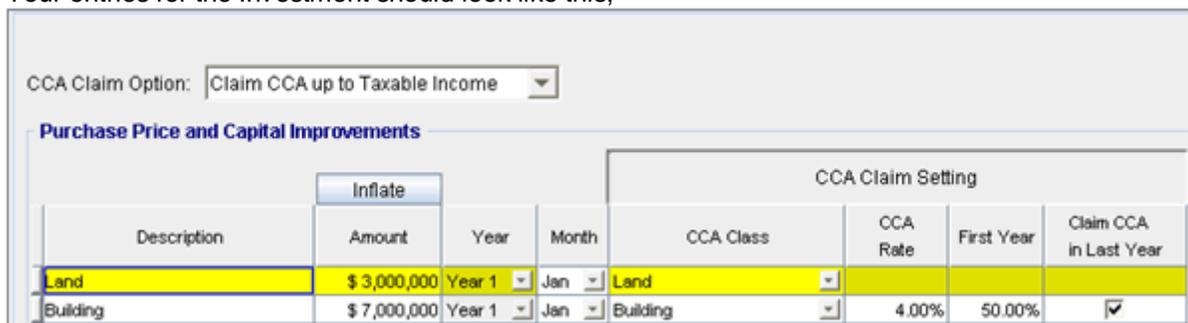
Second Row

1. Select row 2 'Building'
2. Enter the Amount: \$5,500,000

Third Row

1. Select row 3 'Land Improvements'
2. Click on the  button

Your entries for the Investment should look like this;



**EXPENSES Folder**

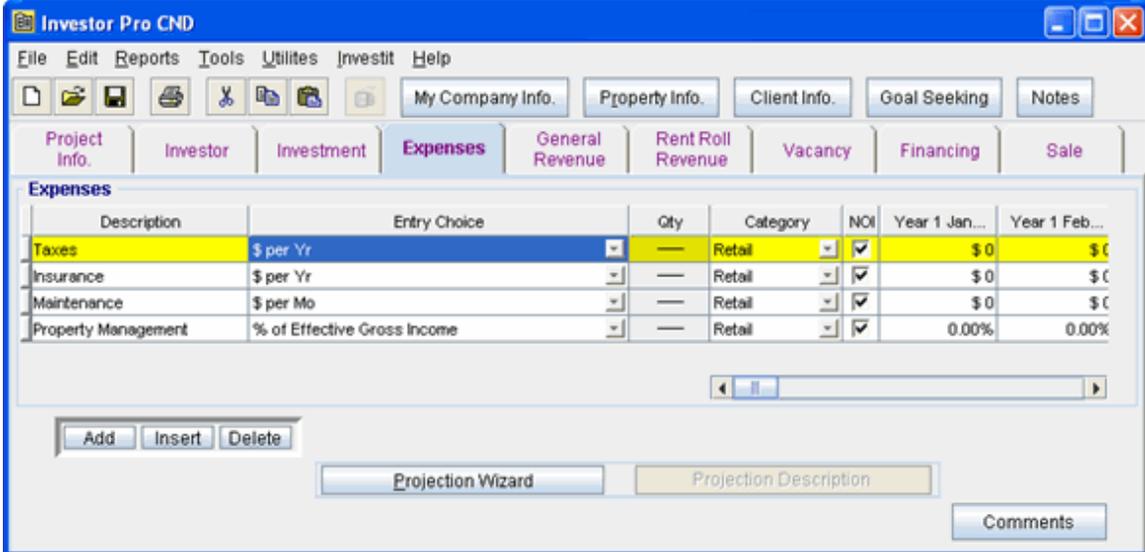
**Retail operating expenses. Gross Leasable Area 20,000 Sq. Ft**

Op Expenses Retail: \$9.00 per Sq. Ft per Yr paid monthly for 12 months then increasing at 3.00% compounding per year. **Category:** Retail

**Food Court . Gross Leasable Area 12,000 Sq. Ft**

Op Expenses Food Court: \$7.00 per Sq. Ft per Yr paid monthly for 12 months then increasing at 3.00% compounding per year. **Category:** Food Court

The Expenses folder should appear like this;



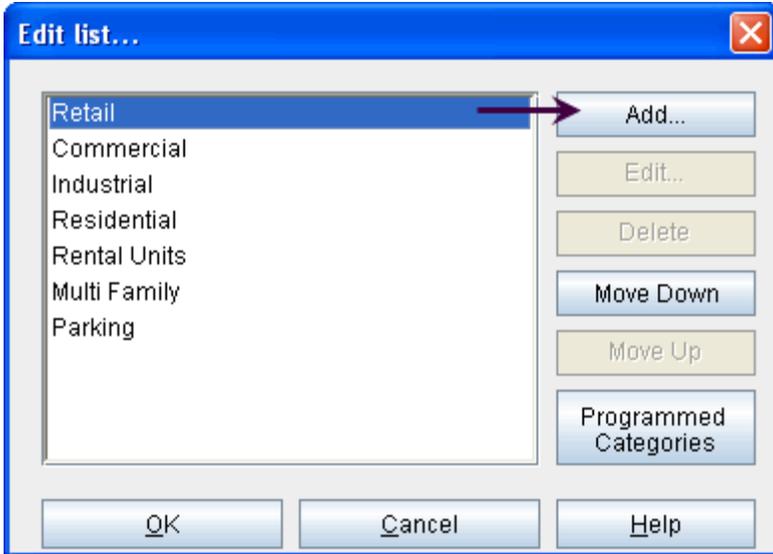
Steps for setting up the Expenses folder

1. Select row 1 'Taxes'
2. Enter Description "Op Expenses Retail"
3. Select Entry Choice "\$ per Sq. Ft per Yr"
4. Enter QTY: 20,000
  
5. Select row 2 'Insurance'
6. Enter Description "Op Expenses Food Court"
7. Select Entry Choice "\$ per Sq. Ft per Yr"
8. Enter QTY: 12,000

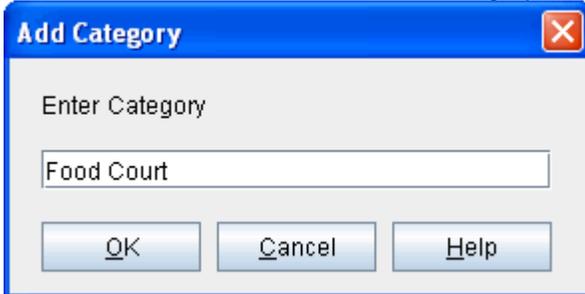
Entering Category 'Food Court' for row 2 'Insurance'

9. Click on the Category Choice scrolling menu
10. Select 'Edit List...' at the bottom

The Edit list... menu should come up;

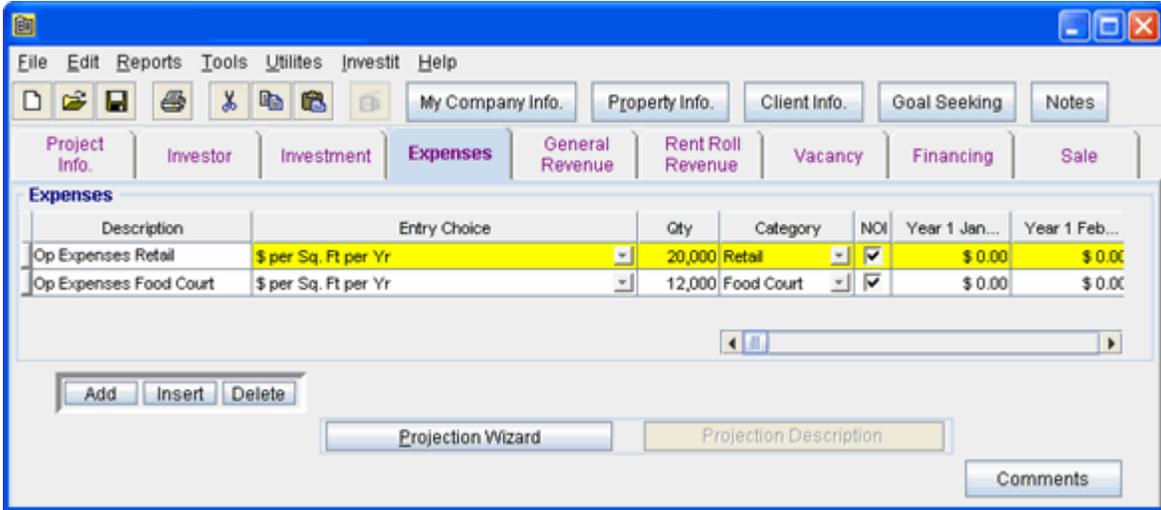


11. Click on the Add... button
12. Enter "Food Court" into the Add Category menu that pops up



13. Press OK to return to the Edit list... menu
14. Press OK on the Edit list menu to return to the Expenses folder
15. Select row with Description 'Maintenance'
16. Click on the  button
17. Select row with Description 'Property Management'
18. Click on the  button

The Expenses folder should now look like this;



Steps for setting up Retail Operating Expenses

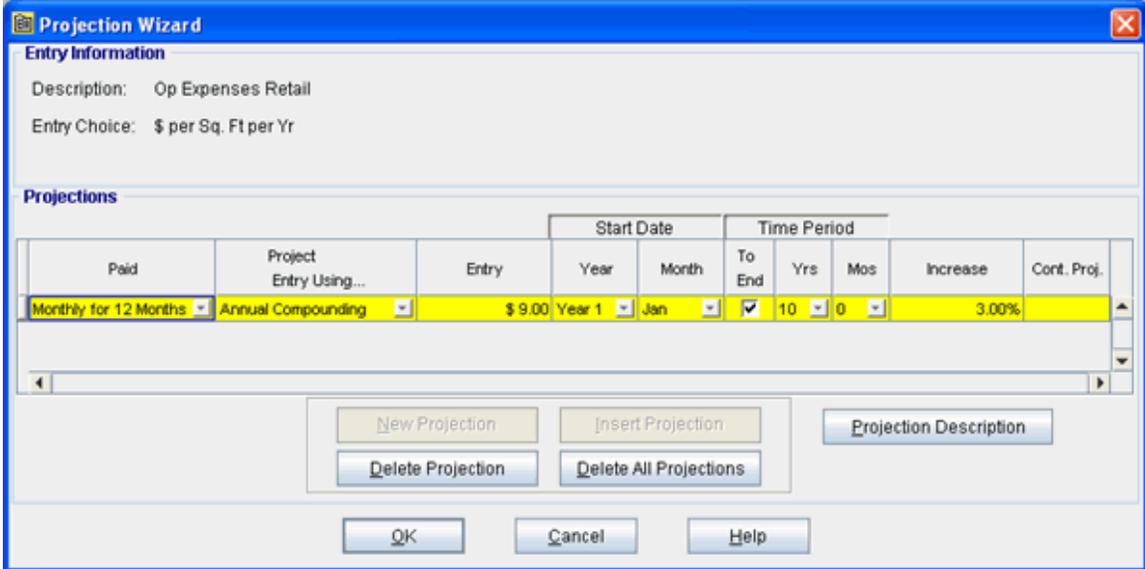
1. Select row 1 'Op Expenses Retail'
2. Click on the  button  
In the **Projection Wizard**
3. **Paid column:** Select "Monthly for 12 Months"
4. **Project Entry Using column:** Select "Annual Compounding"
5. **Entry column:** Enter \$9.00
6. **Time Period column:** Check the "To End" box. This allows the projection to continue until the end of the 10 year Analysis Period
7. **Increase column:** Enter the Compounding Rate of 3.00%

To view your entries, click on the  button, which describes the entries and projections.



Press Ok to return to the Projection Wizard

Your entries in the Projection Wizard should look like this;



Press Ok to return to the Expenses Folder

Entering the Food Court Operating Expenses

1. Select row 'Op Expenses Food Court'
2. Click on the  button  
In the **Projection Wizard**

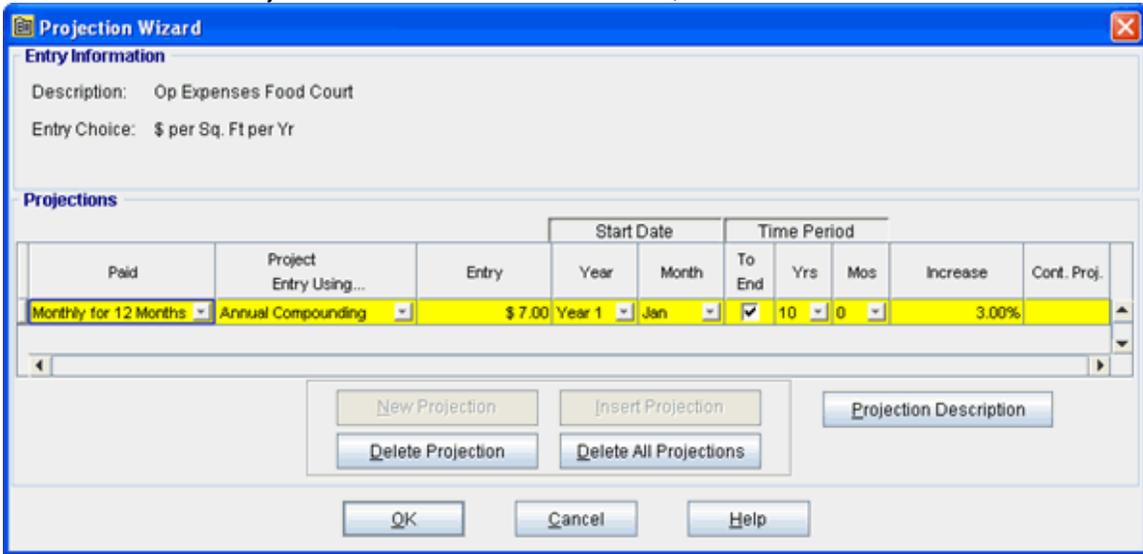
3. **Paid column:** Select "Monthly for 12 Months"
4. **Project Entry Using column:** Select "Annual Compounding"
5. **Entry column:** Enter \$7.00
6. **Time Period column:** Check the "To End" box. This allows the projection to continue until the end of the 10 year Analysis Period
7. **Increase column:** Enter the Compounding Rate of 3.00%

To view your entries, click on the  button, which describes the entries and projections.



Press OK to return to the Projection Wizard

Your entries in the Projection Wizard should look like this;



Press Ok to return to the Expenses folder

## GENERAL REVENUE

General revenue is revenue that is not specific to an individual tenant such as public parking.

### Public Parking

100 spaces

\$50 per space per Mo for 12 months then increasing at 3.00% compounding per year

**Category:** Retail

Steps for setting up the Expenses folder

1. Select row 1
2. Enter Description "Public Parking"
3. Select Entry Choice "\$ per Space per Mo"
4. Enter QTY: 100

5. Click on the  button  
In the **Projection Wizard**

6. **Paid column:** Select "Monthly for 12 Months"
7. **Project Entry Using column:** Select "Annual Compounding"
8. **Entry column:** Enter \$50.00
9. **Time Period column:** Check the "To End" box. This allows the projection to continue until the end of the 10 year Analysis Period
10. **Increase column:** Enter the Compounding Rate of 3.00%

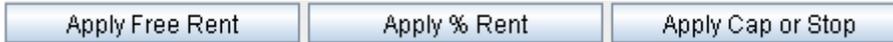
To view your entries, click on the  button, which describes the entries and projections.



### Revenue Sub-Folder

The Revenue folder is used to enter the Tenant's rent and other payments to the Landlord.

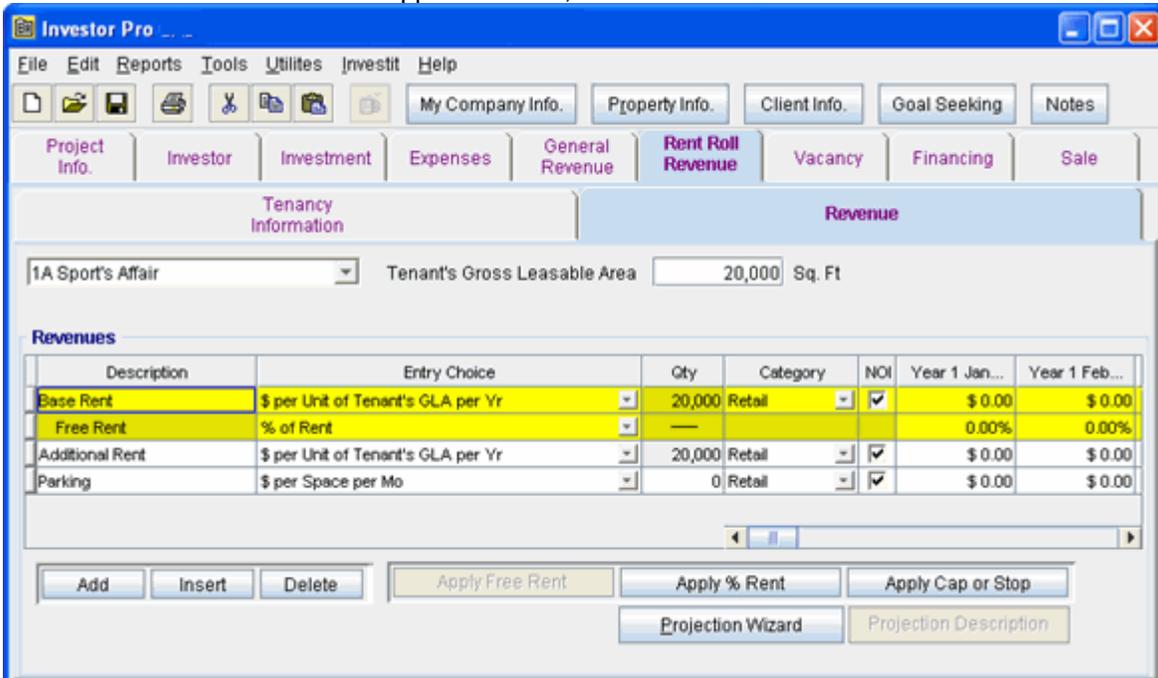
You can use the following buttons to enter Free Rent, % Rent, Rent Caps and Recoverable Expense Caps and Stops.



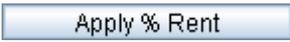
The  button provides access to the Projection Wizard, which allows you to enter and project the revenues.

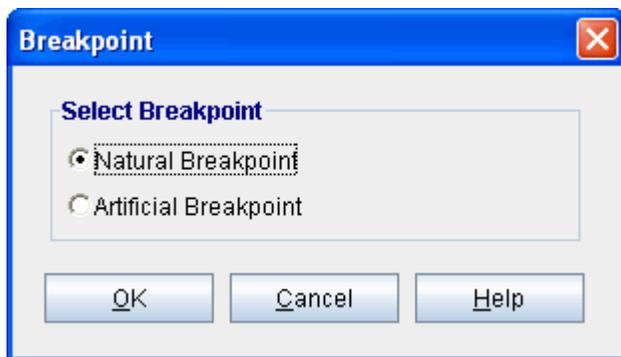
Follow these steps to enter and project the revenues;  
 Select Tenant 1A from the scroll down menu

The Revenue Sub-folder should appear like this;

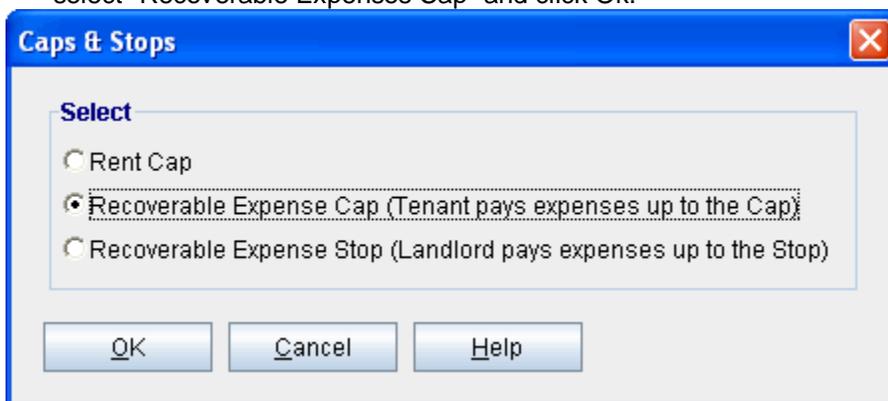


The above rows appear automatically for the first tenant to allow the user to enter their data more quickly

1. Select Row 1 Base Rent
2. Click on the  button to add the % Rent and Retail Sales rows. Select Natural Breakpoint from the breakpoint dialog that pops up

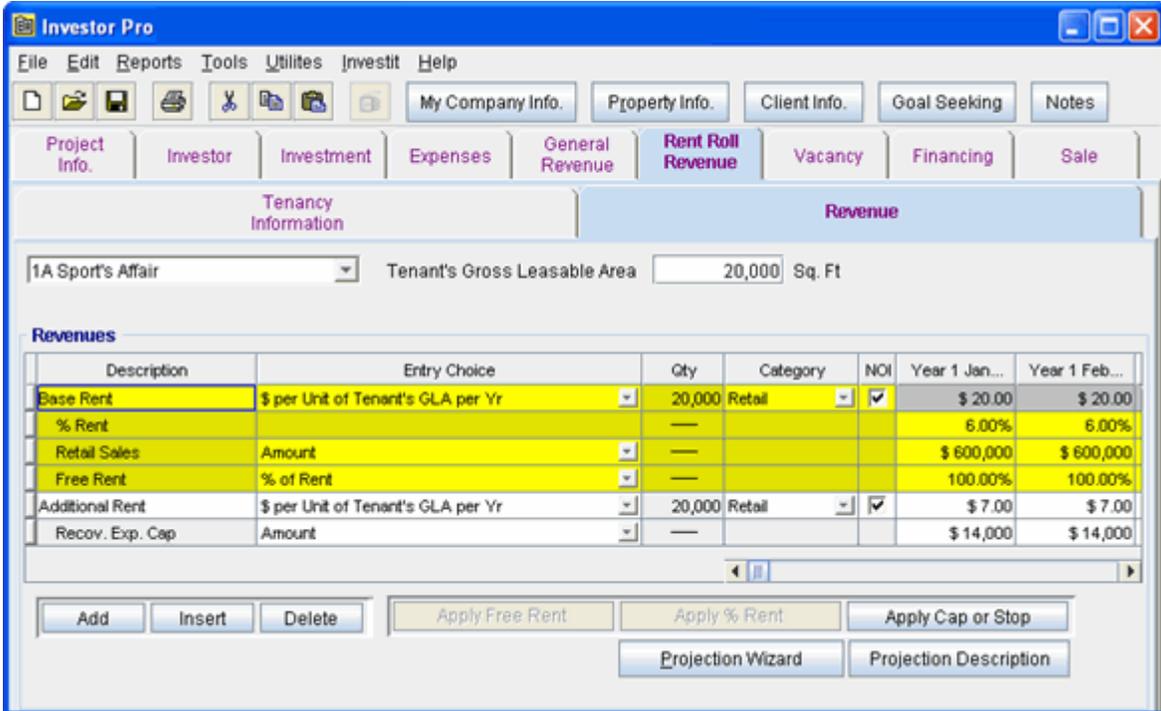


3. Click on the row with the Description "Additional Rent"
4. Click on the **Apply Cap or Stop** button to access the Rent Cap & Stop dialog and select "Recoverable Expenses Cap" and click Ok.



5. Select the row with the Description Parking
6. Click on the **Delete** button

The Revenue sub-folder should look like this;



The next step is to enter and project the revenues, Free Rent, % Rent, Caps and Stops using [Projection Wizard](#)

**Unit 1A Sport's Affair Retail space. Gross Leasable Area: 20,000 Sq. Ft**

**Base Rent**

\$20.00 per Unit of Tenant's GLA per Yr paid monthly. Two terms of 5 years. Increase for the second term based on 3.00% compounding for five years

**Category:** Retail

**Free Rent**

First three months. 100%.

**% Rent**

6.00% of retail sales

**Retail Sales** for the first year are as follows;

Year 1	Retail Sales
Jan	\$600,000
Feb	\$600,000
Mar	\$600,000
Apr	\$600,000
May	\$800,000
June	\$800,000
July	\$800,000
Aug	\$800,000
Sept	\$800,000
Oct	\$900,000
Dec	\$1,000,000

Dec	\$1,300,000
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The retail sales are projected to increase at 4.00% compounding per year for remaining 9 years.

**Additional Rent**

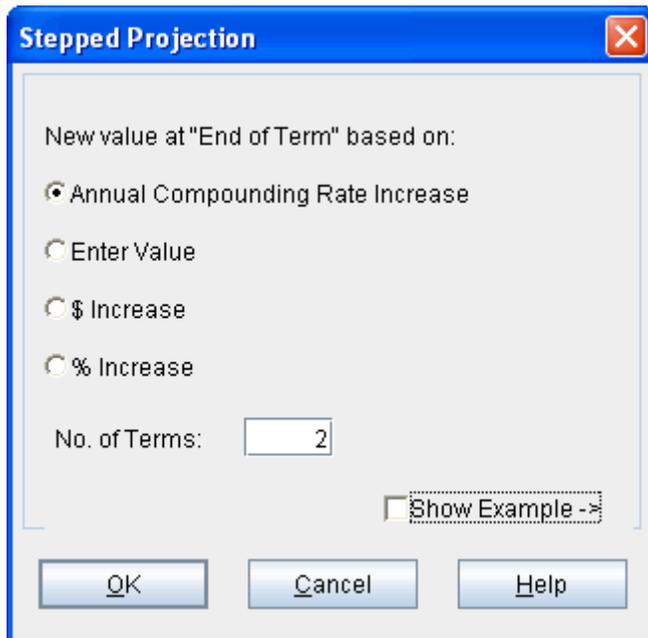
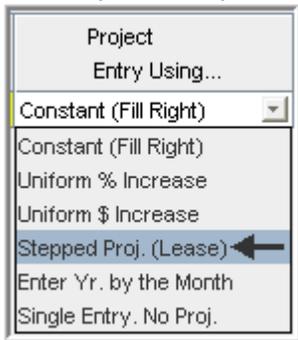
\$7.00 per Unit of Tenant's GLA per Yr paid monthly for 12 months then increasing at 3.00% compounding per year.

**Subject to a Recoverable Expense Cap** of \$14,000 per month. This means that the maximum additional rent the tenant will pay is \$14,000 per month.

**Category:** Retail

Following are the steps for entering the for tenant Unit 1A Sport's Affair Retail

1. Select row 1: 'Base Rent'
2. Click on  button
3. **Project Entry Using.. column:** select "Stepped Proj. (Lease)"



4. Set the No. of Terms to 2, which is the default setting and click OK

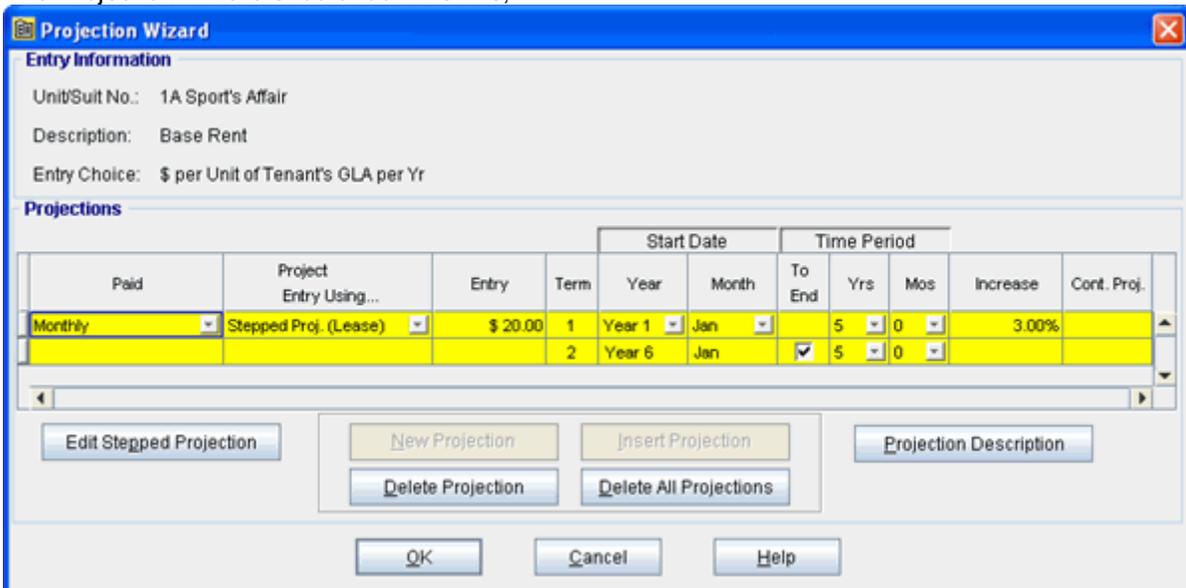
5. **Entry column:** Enter the lease rate \$20.00
6. **Time Period column:** Set Term 1 (the first row) to 5 years and Term 2 (second row) to 5 years (or check the "To End" box).
7. **Increase column:** Enter the Annual Compounding Rate at 3.00%

To view your entries, click on the  button, which describes the entries and projections.

1A Sport's Affair  
 Base Rent  
 Entry Choice: \$ per Unit of Tenant's GLA per Year  
 Quantity: 20,000  
 Year 1 Jan      Stepped Projection (Lease)  
                          Term 1: \$20.00 per Unit of Tenant's GLA per Year paid monthly for 5 years  
                          Term 2: Increased by 3.00% compounding per year to \$23.19 per Unit of Tenant's GLA per Year paid monthly for 5 years

Press OK to return to the Projection Wizard

The Projection Wizard should look like this;



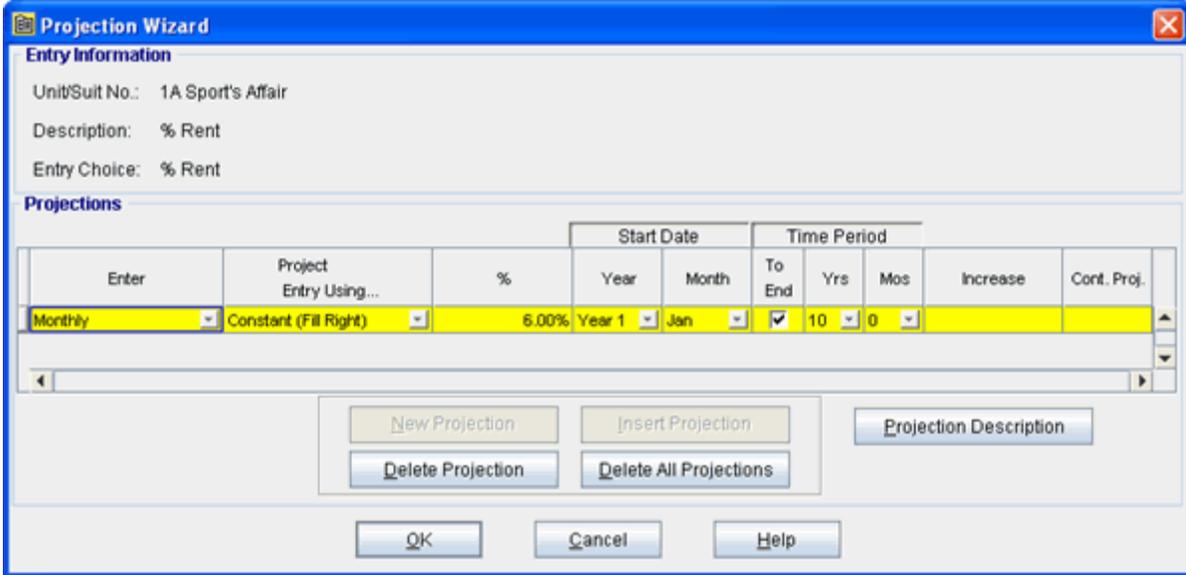
Paid	Project Entry Using...	Entry	Term	Start Date		Time Period			Increase	Cont. Proj.
				Year	Month	To End	Yrs	Mos		
Monthly	Stepped Proj. (Lease)	\$ 20.00	1	Year 1	Jan	<input type="checkbox"/>	5	0	3.00%	
			2	Year 6	Jan	<input checked="" type="checkbox"/>	5	0		

Press Ok to return to the Revenue sub-folder

Entering the % Rent (second row)

1. Revenue Folder: Select row 2: '% Rent'
2. Click on  which displays the Projection Wizard
3. **% column:** Enter 6.00%
4. **Time Period column:** Click on the "To End" check box

The projection wizard entries should look like this;



The Retail Sales for the first year have to be entered as follows;

Year 1	Retail Sales
Jan	\$600,000
Feb	\$600,000
Mar	\$600,000
Apr	\$600,000
May	\$800,000
June	\$800,000
July	\$800,000
Aug	\$800,000
Sept	\$800,000
Oct	\$900,000
Dec	\$1,000,000
Dec	\$1,300,000

1. Revenue Folder: Select row 3: 'Retail Sales'
2. Click on  which displays the Projection Wizard
3. **Project Entry Using... column:** Select "Enter Year by the Month" and enter the retail sales as follows;

Note: For repeating entries highlight the necessary boxes and press "Fill Down"

**Enter Year by the Month**

Starting Year: Year 1

Starting Month: Jan

Month	Amount
Year 1 - Jan	600,000
Year 1 - Feb	600,000
Year 1 - Mar	600,000
Year 1 - Apr	600,000
Year 1 - May	800,000
Year 1 - Jun	800,000
Year 1 - Jul	800,000
Year 1 - Aug	800,000
Year 1 - Sep	800,000
Year 1 - Oct	900,000
Year 1 - Nov	1,000,000
Year 1 - Dec	1,300,000
Total	9,600,000

Buttons: OK, Cancel, Help

To project the Retail Sales at 4.00% Compounding per year for the remaining 9 years

5. Check the "Cont. Proj." box
6. **Project Entry Using column:** Select "Annual Compounding"
7. **Time Period column:** Check the "To End" box
8. **Increase column:** enter 4%

The projection wizard entries should look like this;

**Projection Wizard**

**Entry Information**

Unit/Suit No.: 1A Sport's Affair  
 Description: % Rent: Retail Sales  
 Entry Choice: Amount

**Projections**

Paid	Project Entry Using...	Amount	Start Date		Time Period			Increase	Cont. Proj.
			Year	Month	To End	Yrs	Mos		
Monthly	Enter Yr. by the Month		Year 1	Jan					<input checked="" type="checkbox"/>
	Annual Compounding		Year 2	Jan	<input checked="" type="checkbox"/>	9	0	4.00%	

Buttons: Edit Enter Year by the Month, New Projection, Insert Projection, Delete Projection, Delete All Projections, Projection Description, OK, Cancel, Help

**Entering the Free Rent.**

100% of the Base Rent for the for the first three months

1. Enter 100% in Year 1 Jan, Feb and March on the entry grid

Description	Entry Choice	Qty	NOI	Year 1 Jan...	Year 1 Feb...	Year 1 Mar...
Base Rent	\$ per Unit of Tenant's GLA per Yr	20,000	<input checked="" type="checkbox"/>	\$ 20.00	\$ 20.00	\$ 20.00
% Rent		—		6.00%	6.00%	6.00%
Retail Sales	Amount	—		\$ 600,000	\$ 600,000	\$ 600,000
Free Rent	% of Rent	—		100.00%	100.00%	100.00%

**Additional Rent**

\$7.00 per Unit of Tenant's GLA per Yr paid monthly for 12 months then increasing at 3.00% compounding per year.

**Subject to a Recoverable Expense Cap** of \$14,000 per month. This means that the maximum additional rent the tenant will pay is \$14,000 per month. **Category:** Retail

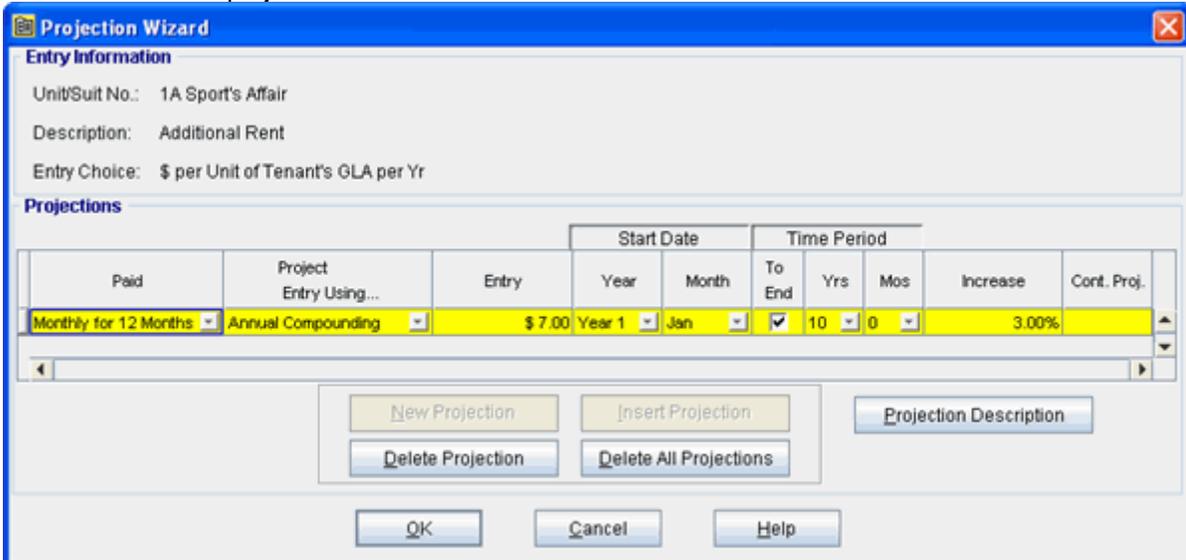
**Entering the Additional Rent**

1. Select row with Description "Additional Rent"
2. Click on  which displays the Projection Wizard

**In the Projection Wizard**

3. **Paid column:** Select "Monthly for 12 Months"
4. **Project Entry Using column:** Select "Annual Compounding"
5. **Entry column:** Enter \$7.00
6. **Time Period column:** Check the "To End" box.
7. **Increase column:** Enter the compounding rate of 3.00%

Your entries in the projection wizard should look like this:

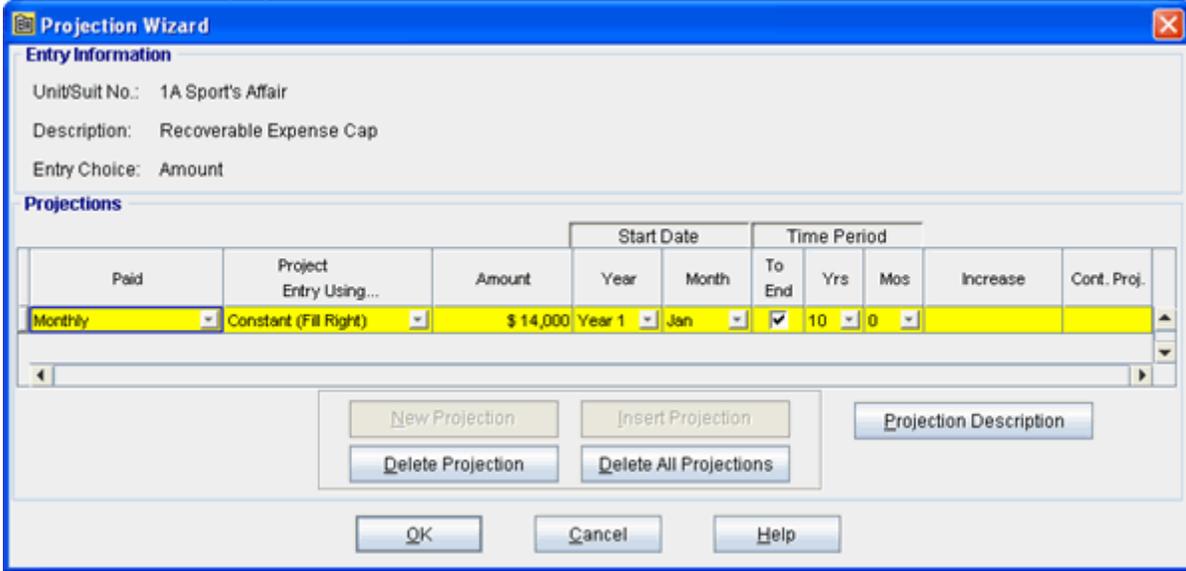


Press Ok to return to the Revenue sub-folder

**Entering the Recoverable Expense Cap**

1. Select the row with the entry choice: Rec. Exp. Cap
2. Click on  which displays the Projection Wizard
3. Amount column: Enter \$14,000
4. Check the "To End" box

Your entries in the projection wizard should look like this;



Press Ok to return to the Revenue sub-folder

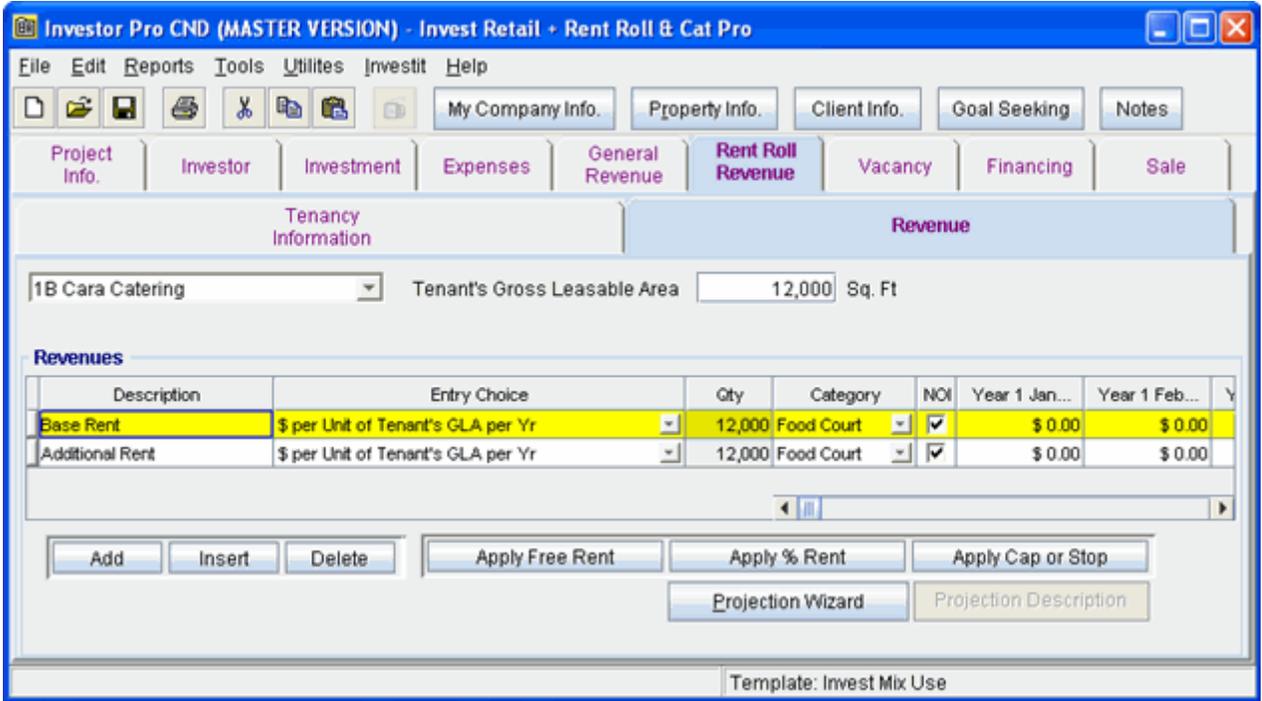
5. Select Tenant 1B Cara Catering from the scroll down menu

**Unit 1B Cara Catering Food Court. Gross Leasable Area: 12,000 Sq. Ft**

Follow these steps to enter and project the revenues

1. Enter Description: 'Base Rent'
  2. Entry Choice column: Select "\$ per Unit of Tenant's GLA per Yr"
  3. Select Category: 'Food Court'
- Note: The Food Court category created in the Expenses folder should appear in the Category scrolling menu on all folders
4. Press the  button to add another row
  5. Enter Description: 'Additional Rent'
  6. Entry Choice column: Select "\$ per Unit of Tenant's GLA per Yr"
  7. Select Category: 'Food Court'

The Revenue screen should look like this;

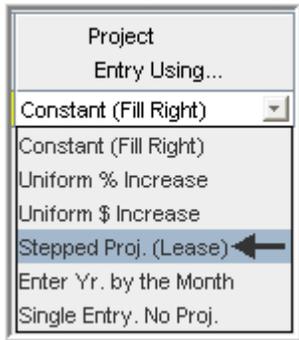


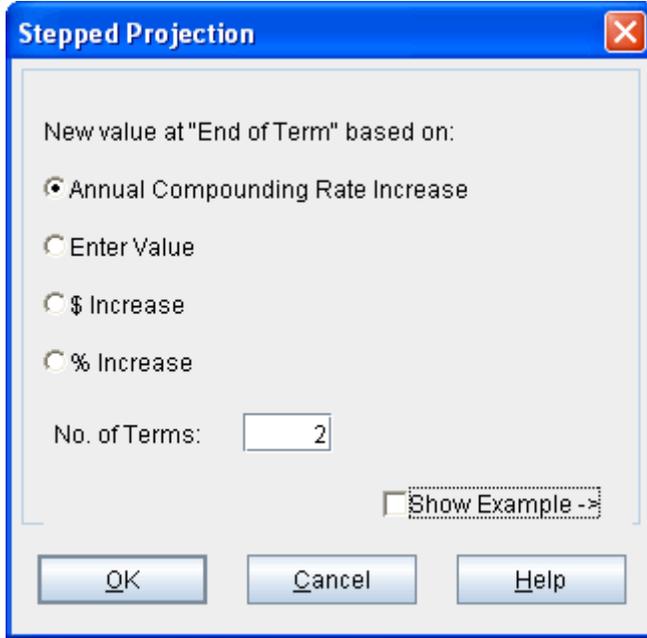
**Base Rent**

\$20.00 per Unit of Tenant's GLA per Yr paid monthly. Two terms of 5 years. Increase for the second term based on 3.00 % compounding for five years. **Category:** Food Court

Following are the steps for entering the Revenue for tenant Unit 1B Cara Catering

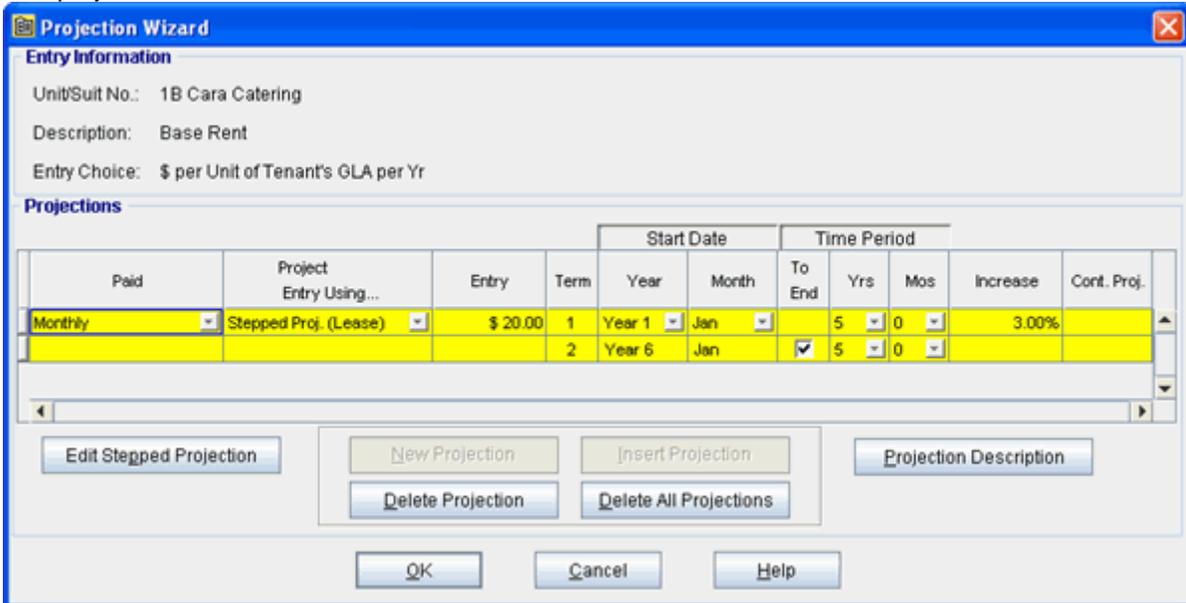
1. Select row 1: 'Base Rent'
2. Click on  which displays the Projection Wizard
3. **Project Entry Using.. column:** select "Stepped Proj. (Lease)"





4. Set the No. of Terms to 2, which is the default setting and click OK
5. **Entry column:** Enter the lease rate \$20.00
6. **Time Period column:** Set Term 1 (the first row) to 5 years and term 2 (the second row) to 5 years or check the "To End" box
7. **Increase column:** Enter the Annual Compounding Rate at 3.00%

The projection should look like this;



Press OK to return to the Revenue sub-folder

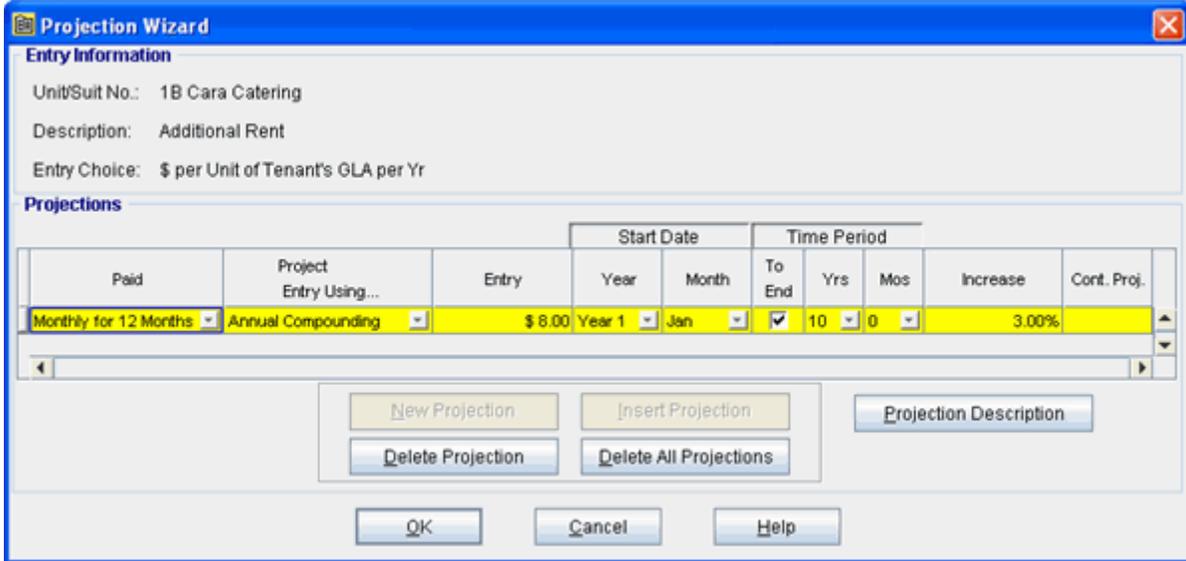
#### Additional Rent

\$8.00 per Unit of Tenant's GLA per Yr paid monthly for 12 months then increasing at 3.00% compounding per year for 9 years

Entering the Additional Rent

1. Select row with description: Additional Rent
2. Click on  which displays the Projection Wizard
3. **Paid column:** Select "Monthly for 12 months"
4. **Project Entry Using... column:** Select "Annual Compounding"
5. **Entry column:** \$8.00
6. **Time Period column:** select "To End" box
7. **Increase column:** Enter the Annual Compounding Rate at 3.00%

The projection should look like this;



Click Ok to return to the Revenue sub-folder

Select the Financing tab

**FINANCING Folder**

**Mortgage (Borrowing)**

Type: Standard Mortgage Year 1 January, \$7,500,000 Time Period 10 years, 25 year Amortization, Interest Rate 6.00%

Setting up a mortgage

1. Click on the Financing folder tab
2. Click on the Add Mortgage button
3. Amount box: \$7,500,000
4. Description box: "First Mortgage"
5. Time Period box: 10 Years
6. Amortization box: 25 Years
7. Nominal Interest Rate box: 6.00%



The mortgage dialog should look like this;

8. Press the  button
9. Press the OK button to return to the Financing folder

The financing folder should now look like this;

Select the Sale folder

**SALE Folder**

### Real Estate Commissions

6.00% of Sale Price

The Real Estate Commission should appear like this;



Entering the Real Estate Commission

1. Enter 6.00% in the appropriate box

The Real Estate Commission should now look like this;

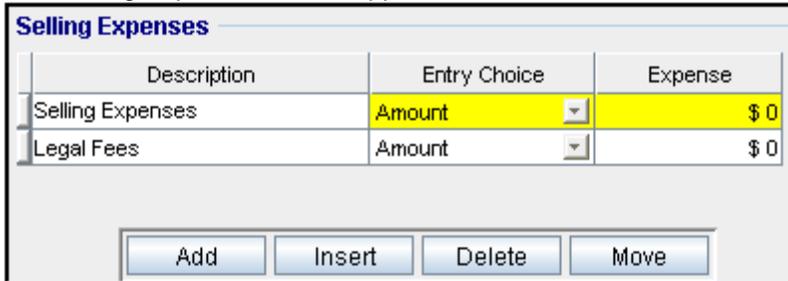


### Selling Expenses

Selling Expenses 2.00% of Sale Price

Legal Fees: \$15,000

The Selling Expenses should appear like this;



Description	Entry Choice	Expense
Selling Expenses	Amount	\$ 0
Legal Fees	Amount	\$ 0

Entering the Selling Expenses

1. Select row 1 'Selling Expenses'
2. Entry Choice: "% of Sale Price"
3. Enter Expense: 2.00%
  
4. Select row 2: 'Legal Fees'
5. Enter Expense: \$15,000

The Selling Expenses should now appear like this;

Selling Expenses		
Description	Entry Choice	Expense
Selling Expenses	% of Sale Price	2.00%
Legal Fees	Amount	\$ 15,000

**Sale Price**

Based on a Cap Rate of 7.50% using the Income for the year following the Sale i.e., based on the Income & Expenses for year 10.

The Sale Price Estimator should appear like this;

**Sale Price Estimator**

Sale Price Wizard

\$ 0

1. Press the  button

The Sale Price Wizard dialog will pop up;

**Sale Price Wizard**

Financial Measure	Based on the income for the last year Sale Price		Based on the income for the year following the Sale Sale Price	
Potential Gross Income Multiplier	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>
Effective Gross Income Multiplier	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>
Cap Rate	<input type="text" value="0.00%"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00%"/>	<input type="text" value="\$ 0"/>
Net Income Multiplier	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>
Compound Annual Growth Rate	<input type="text" value="0.00%"/>	<input type="text" value="\$ 0"/>	<input type="radio"/> Enter Your Own Estimation	
Uniform Annual Increase	<input type="text" value="0.00%"/>	<input type="text" value="\$ 0"/>		

For this example we are using a Cap Rate

Row 1

1. In the second entry field to the right of Cap Rate: enter 7.50%

Note: the field with the red box around it is the correct field on the above screenshot  
The Sale Price should now automatically appear in the field to the right

2. Click on the selection box next to the Sale Price

Note: the correct field is circled in red on the above screenshot

The Sale Price Wizard should now look like this;

Financial Measure	Based on the income for the last year		Based on the income for the year following the Sale	
	Sale Price		Sale Price	
Potential Gross Income Multiplier	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>
Effective Gross Income Multiplier	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>
Cap Rate	<input type="text" value="0.00%"/>	<input type="text" value="\$ 0"/>	<input type="text" value="7.50%"/>	<input type="text" value="\$ 15,004,206"/>
Net Income Multiplier	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>	<input type="text" value="0.00"/>	<input type="text" value="\$ 0"/>
Compound Annual Growth Rate	<input type="text" value="0.00%"/>	<input type="text" value="\$ 10,000,000"/>	<input type="radio"/> Enter Your Own Estimation	
Uniform Annual Increase	<input type="text" value="0.00%"/>	<input type="text" value="\$ 10,000,000"/>		

OK Cancel Help

Press OK to return to the Sale folder

The Sale Price Estimator should now look like this;

**Sale Price Estimator**

Sale Price Wizard

\$ 15,004,206

**SAVE YOUR PROJECT**