



COMMERCIAL INCOME & EXPENSE REPORT

DUE DATE: April 15, 2014

Reporting Period January 1, 2013 to December 31, 2013

Complete this report in accordance with accounting methodologies used for Federal Income Tax reporting. DC Code §47-821 stipulates that all information contained in this report shall be kept in strict confidence. **Failure to submit complete and accurate information requested by the above date is a violation of DC Code and will result in a ten percent penalty of taxes due assessed to your following year tax bill.**

**Government of the District of Columbia
Office of the Chief Financial Officer
Office of Tax and Revenue
1101 4th Street, SW, Suite W550
Washington, DC 20024**

Building Name	Square	Suffix	Lot
Premise Address			

If your operation encompasses more than one Square, Suffix and Lot (SSL), you may list additional SSLs below. This will afford you filing credit for the parcels within the economic unit without the necessity of filing individual forms.

Owner:		
Address:		
Address:		
City:	State:	Zip:

CERTIFICATION
I certify under penalty of law that the information provided is true, correct and complete to the best of my knowledge and belief. Making a false statement as to material facts is punishable by criminal penalties, D.C. Code §22-2514

Management Company:		
Title/Relationship:		
Responsible Contact Person:	Phone:	
Address	State:	Zip:
Date:	Contact Person E-mail:	Owner's EIN#:

Type Name	Signature

Specify Gross Building Area SF: _____ Net Leasable: _____ # Parking Spaces: _____
 Office Space _____ Retail Space _____ Storage Space _____
 Below Grade Space _____
 Measuring Method: GSA () BOMA () Other (Specify) () _____

Interior finish or build out of space was provided by: Owner () Tenant ()

For Industrial Use, please complete the following:

Office Space: _____sf
 Unfinished Area: _____sf
 Heated _____sf Cooled _____sf Ceiling Height _____ft.

Annual Income:

1. Retail/Office/Storage/Warehouse Space @ 100% Occupancy	\$ _____
2. Retail/Office/Storage/Warehouse Space @ 100% Occupancy	\$ _____
3. Retail/Office/Storage/Warehouse Space @ 100% Occupancy	\$ _____
4. Overage (percentage) rents	\$ _____
5. Parking Income	\$ _____
6. Other Income	\$ _____
7. Total Possible Income (Lines 1-6)	\$ _____
8. Vacancy & Collection loss due to bad debt	\$ _____
9. Tenant Tax Reimbursements	\$ _____
10. Tenant Utility Reimbursements	\$ _____
11. Tenant Maintenance Reimbursements	\$ _____
12. Total Actual Income (Line 5 Less line 6 in addition to lines 7-9)	\$ _____

Concessions:

13. Total TY 15 Concessions for new leases <i>(see end of form for new lease reporting requirements)</i>	\$ _____
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Expenses:

	Paid by Owner	Paid by Tennant	
Management & Administrative :			
14. Management Fees			\$ _____
15. Advertising			\$ _____
16. Other Administrative/Payroll/Leasing			\$ _____
Utilities:			
17. Water and Sewer			\$ _____
18. Electricity			\$ _____
19. Heating Fuel List: _____			\$ _____

Repairs Maintenance & Contract Services:

20. Maintenance/Payroll/Supplies/Contract Services			\$ _____
21. Mechanical Repairs (electric, plumbing, HVAC)			\$ _____
22. Elevator (parts, labor, contract services)			\$ _____
23. Janitorial/Cleaning/supplies/contract services			\$ _____
24. Landscaping/Common area/Ground Maintenance			\$ _____
25. Trash			\$ _____
26. Other Repairs(Explain itemized list required)			\$ _____
27. Operating Expenses (do not include Real Estate Taxes)			\$ _____

Fixed Expenses:

28. Insurance (One year, Fire, Casualty)	\$
29. Miscellaneous Taxes (non payroll, non real estate)	\$
30. Total Operating Expenses.	\$

Capital Expenditures/Reserves:

31. Actual capital reserves deposited (Cash Basis)	\$
32. Have there been any capital expenditures, if yes please provide cost and detailed list attached.	\$

MORTGAGE/SALES /MANAGEMENT INFORMATION:

1. Is there a current mortgage on the property? Yes____ No____
2. If Yes, please provide the following data:
Name of Mortgage_____ Mortgage Amount_____ Interest Rate_____
Term of Mortgage_____
3. List the most recent partial or complete interest transfer of the real property of the last 3 years:
Purchase Date: _____ Purchase Amount:_____
Percent of Ownership: _____ Special Conditions (1031 exchange, portfolio, sale, etc.)_____
4. Most Recent Professional Appraisal Date: _____ Value: _____
Appraisal Firm/Individual: _____

NEW LEASE ABSTRACT:

In addition to listing all leases in the Leasing Report, please provide additional information for all NEW leases signed in Calendar Year 2013, whether or not the tenant actually took possession in that year. Make copies of this page as needed.

Tenant Name	_____	Tenant Federal Tax ID No	_____
Location (floor(s))	_____	Occupied Net Rentable Area	_____
Measuring Method	GSA () BOMA () Other (Specify) () _____		
Status	Master Lease () New Tenant () Renewal () Option Exercised ()		
Sign Date	_____	Start Date	_____ End Date _____
Term	_____	Renewal Options	_____
Base Rent per Square Foot	_____	Annual Base Rent Increase	_____
Lease Type	Full Service () Net () NN () NNN () Other (Specify) () _____		
Tenant Pays:	All Expenses ()		
	Base		
	Tax Escalation ()	Year _____	Expense Escalation () Base Year _____
	Heat () Water () Gas () Electric () Other Utilities ()		
	Operating Expenses () Maintenance () Insurance () Real Estate Taxes ()		
	CAM Charges () Percentage Rent or Overage ()		
	How Percentage Rent or Overage Calculated _____		
Tenant Improvements:			
	Total Paid By Owner (TI allowance) _____		Per Square Foot _____
	Total Paid by Tenant _____		Per Square Foot _____
Leasing Commissions Total	_____	Total Paid \$	_____ Date Paid _____
Free Rent:	Months _____	Amount \$ _____	Other Concessions _____
Explain Other Concessions	_____		

NEW LEASE ABSTRACT:

Tenant Name	_____	Tenant Federal Tax ID No	_____
Location (floor(s))	_____	Occupied Net Rentable Area	_____
Measuring Method	GSA () BOMA () Other (Specify) () _____		
Status	Master Lease () New Tenant () Renewal () Option Exercised ()		
Sign Date	_____	Start Date	_____ End Date _____
Term	_____	Renewal Options	_____
Base Rent per Square Foot	_____	Annual Base Rent Increase	_____
Lease Type	Full Service () Net () NN () NNN () Other (Specify) () _____		
Tenant Pays:	All Expenses ()		
	Base		
	Tax Escalation ()	Year _____	Expense Escalation () Base Year _____
	Heat () Water () Gas () Electric () Other Utilities ()		
	Operating Expenses () Maintenance () Insurance () Real Estate Taxes ()		
	CAM Charges () Percentage Rent or Overage ()		
	How Percentage Rent or Overage Calculated _____		
Tenant Improvements:			
	Total Paid By Owner (TI allowance) _____		Per Square Foot _____
	Total Paid by Tenant _____		Per Square Foot _____
Leasing Commissions Total	_____	Total Paid \$	_____ Date Paid _____
Free Rent:	Months _____	Amount \$ _____	Other Concessions _____
Explain Other Concessions	_____		

INSTRUCTIONS FOR COMPLETING COMMERCIAL INCOME & EXPENSE REPORT

The following instructions are provided to aid you in filling out this questionnaire. The information submitted in this report should be in accordance with the accounting methodology used for Federal income tax purposes. Expenses are to be reported only once; double reporting is prohibited. If you have any questions, please call Mr. Anthony Daniels, Program Coordinator, at (202) 442-6794.

- List Building Name – Square Suffix and Lot (List the main SSL here)
- List the Premise Address
- You may list additional SSLs that may comprise an economic unit and receive filing credit for the additional SSLs.
- Provide the Owner's name and address.

CERTIFICATION

District of Columbia law (D.C. code §22-2514) requires certification of this information by the owner or an officially authorized representative. Please print or type the name and title of the person certifying the Information, the name and phone number of the person to contact with questions on the information, and the property owner's federal tax I.D. number.

- Provide certification information. Be certain to sign the form to ensure you receive filing credit.
- Provide area sizes for different types of occupancy, select measurement method, and indicate responsibility of interior finish
- For Industrial Use Only: Provide various area sizes and height.

A. ANNUAL INCOME

Please enter the following income information for the period covered by this statement. Total potential income is 100% of the leasable square footage as though leased for 100% of 12-months at the actual contract rent for areas leased, plus any other income.

- 1-3. Please provide the total potential income from the rental of all leasable space, as described above.
4. Please provide actual income received for escalations in the base rents, overage rents, and percentage rents in accordance with the terms of the applicable leases.
- 5-6. Please provide actual income received for storage space, garage and/or surface parking.
7. Please provide any other rental income not covered by the categories listed above.
8. Sum of lines 1 through 7.
9. Please provide the actual income loss from vacancy and collection loss.
- 10-11. Please provide the actual income to the property from the tenant's pro rata share of the operating expenses (pass-through of real estate taxes, utilities, repair and maintenance services), usually above a base amount or expense stop as specified in the terms of the lease(s).
12. Subtract line 9 from line 8 and add lines 10-11.

B. CONCESSIONS

13. Any free rent or incentives provided to tenants signing new leases within the building. Additional details about new leases will be reported later in Section H, New Lease Abstract.

C. EXPENSES

These are expenses necessary to maintain the production of income from operation of the property. Do not include any expense items such as tenant improvements, ground rent, mortgage interest or amortization, personal property tax, depreciation, income taxes, or capital expenditures. **These are not operating expenses.** Capital expenditures include investments in remodeling, or replacements, which materially add to the value of the property or appreciably prolong its useful life. Capital expenditures are requested in Section E of this form. Please indicate if the expenses are paid by the owner or by the tenants. Typically, the owner pays all expenses in a full-service lease, whereas the tenant pays all expenses in a net-net-net or triple-net lease.

A. Management & Administrative:

14. Amount paid to a management company or self for operating the building. Do not count

Management expenses here if the same administrative costs are shown elsewhere.

15. Include any advertising and marketing expenses.
16. Include any other administrative payroll, office supplies, accounting, professional and legal fees.

B. Utilities:

17. Expense of water and sewer services for this reporting period.
18. Electricity expense.
19. Specify the primary heating fuel (oil, gas, etc.) used for heating the building and its expense. Do not include an amount for electric if it is listed above. If more than one type of fuel is used indicate the type and cost.

C. Repairs, Maintenance & Contract Services:

20. Expenses for repairs and maintenance include payroll and benefits for staff, expenses for maintenance supplies, annual maintenance and repairs, contract services. Examples include painting, replacing light bulbs, carpet, window treatments, etc. The extent of repairs here will be minor and normally anticipated

repairs. Extensive repairs to the roof, HVAC system, structural additions, extensions, etc. are capital expenditures, which go on line 32

21. Expenses for HVAC repairs, plumbing and electrical repairs.
22. Expense for elevator repairs which include parts, labor, contract services.
23. Expenses for janitorial services which include cleaning and supplies, contract services.
24. Expenses for landscaping services which includes common areas, ground maintenance, contract services.
25. Expenses for trash collection.
26. Expenses for other repairs. (Itemized explanation list required)
27. Sum lines 14 through 26. Operation expenses do not include Real Estate Taxes.

D. FIXED EXPENSES

List all fixed expenses incurred by the property.

28. Identify fire/casualty insurance expenses relevant to the reporting period only. Some insurance policies are multi-year contracts. Please include only one year's cost.
29. Specify any miscellaneous taxes and license fees (ex. Payroll taxes, D.C. Franchise tax, etc.). Include and identify BID, Vault and Arena taxes. Do not include Real Estate Tax.
30. Sum lines 27, 28 and 29.

E. CAPITAL EXPENDITURES/RESERVES

Please list capital reserves on hand. (Cash Basis)

31. Report capital reserves held for pending expected and unexpected improvements to the property.
32. Please report and attach a detailed list of any capital improvements or renovations to the property during the current reporting period. This will include any code compliance capital expenditures. Indicate the total cost and date of the expenditure.
33. Report and attach a detailed list of any capital improvements or renovations to the property anticipated in the next five years. This will include any code compliance capital expenditures. Indicate the total cost and date of the expenditure

F. SALE OF PROPERTY OR CHANGES IN OWNERSHIP

1. Indicate if there is a mortgage on the property referenced in this questionnaire.
2. If yes, please provide information pertaining to the new or existing mortgage.
3. Sales information. If a transfer has occurred in the last 3 years, detail the most recent transfer. List the percent of ownership that changed whether it is fractional or complete.
4. Indicate when the most recent independent fee appraisal has been done for the property and by which firm.

G. LEASING REPORT

List each tenant's location, size of leased area, base rents and other relevant data associated with the occupied space. As an alternative to filling out the sheet, you may wish to download the ANNUAL LEASING REPORT spreadsheet from our website in order to electronically list larger numbers of leases.

Print the ANNUAL LEASING REPORT and attach it to the Report. Please refer to "Instructions for preparing the Annual Leasing Report" below for specific guidance.

H. NEW LEASE ABSTRACT

Identify all leases signed in the calendar year referenced for this questionnaire and all relevant data regarding the terms of the leases whether or not the tenant takes occupancy that calendar year. You may copy this page if additional space is required. Please refer to "Instructions for preparing the New Lease Abstract" below for specific guidance.

Mail your completed form to:

Real Property Tax Administration
Attention: Income & Expense
P.O. Box 71440
Washington, DC 20024

INSTRUCTIONS for preparing the ANNUAL LEASING REPORT – (RENT ROLL)

See Reverse for INSTRUCTIONS for preparing the New Lease Abstract

- 1) **Tenant:** Type in the name of the individual who, or organization name which, are signatories to the lease or identify the trade name which will provide easy recognition of the tenant and/or leased space.
- 2) **Tenant Federal Tax I.D. Number:** Please provide each tenant's Federal tax I.D. number, if known.
- 3 & 4) **Lease Status & Use Type:** In this column indicate whether the lease status is Occupied or Vacant. Also, indicate the use type (Office, Retail, Storage, Garage). Example; if an office space is vacant, type in Vac./Off. If an office space is occupied but delinquent (more than three months behind in rent payments) then type in Dlqnt./Off. Designate other uses similarly (Retail, Vac./Retl, Dlqnt./Retl. etc.).
- 5) **Floor Level:** Indicate on which level above or below grade the leased space in question is located. The number 1 shall equal at-grade space, 2 one floor above, and so on up to the top floor. The top floor should be designated by its ordinal sequence, not "Penthouse" or other adjective. "L1" shall designate the first floor below grade ["Lower (level) One"] and "L2" the second level below grade, (etc.). Do not use concourse or other name for below grade levels. A half-level above grade may be designated Mezz. for mezzanine.
- 6) **Area Sq. Ft.:** Enter the leased area associated with the rental payments indicated on the same line. If an individual tenant has multiple uses (office, storage, below grade office, etc...) list the square footage, which corresponds to each lease rate. This value should include any core or common area additional to the occupied area if this additional "core" area is the basis for additional rental income.
- 7) **Contract Base Rent \$ Per Sq. Ft.:** This rate should equal the actual lease payment as specified by the lease **including any percentage escalation**. The rate should reflect the actual rate in effect **during the preceding year** for the month of December, unless the lease terminates earlier in the year. The method of reporting, *i.e.*, a single full service rent vs. a triple net rent plus pass-throughs, is up to the preparer of the rent roll, however in all leases the total of the rent plus pass-throughs should be supported by actual checks or lease payments received by the ownership. A full service lease means that most of the operating expenses are borne by the landlord. Therefore, any minimal pass-throughs associated with the full service rent will be reported under column 10. A triple net lease means that most of the operating expenses are borne by the tenant. Therefore, any pass-throughs which are reimbursed by the tenant to the landlord should be included under columns 10 and 12. Lease payment receipts or canceled checks may be requested as a part of compliance audits or support for appeals.
- 8) **Tenant Improvements \$ Per Sq. Ft.:** This column represents the cost per square foot of tenant improvements. One hundred percent of the interior build-out construction cost should be reported; however, under no circumstance should Capital Expenditures such as code compliance (ADA, Fire/Life Safety, Hazard abatement) or common area updating (lobby/hallway renovation, roof or elevator replacement) be included in the tenant improvement budget. If the tenant pays directly for tenant improvements (*i.e.* with retail tenants) and the costs are unknown, then enter N/A. Tenant improvements are not an operating expense and should not be deducted from operating income to calculate net operating income.
- 9) **Expense Stop Base-Year:** Many leases require full service tenants to pay any and all increases in expenses over and above those recorded in a specified "base" year. Typically the "base-year" is the first full year following the commencement of the lease. Please indicate if the lease specifies a "base-year" and the exact "Expense Stop" (the expense stop may be a specified formula or dollar amount).
- 10) **Operating Expense Pass-Through:** Enter the dollars per square foot of leased area which are paid to the landlord as additional rent or "reimbursement" of utilities, management, repairs, maintenance, and other operating expenses. The figure should reflect 100% of operating costs for a triple net lease, 0% for a completely full service lease or the actual if some division of the operating expenses is called for in the lease. Under no circumstance should Capital Expenditures such as code compliance (ADA, Fire/Life Safety, Hazard abatement) or common area updating (lobby/hallway renovation, roof or elevator replacement) be included in the operating expense budget. Entries for code compliance under Sec.17 of the *FP-208B* should **not** be included as operating expenses.
- 11) **Tenant Pays Exp. Y / N:** In some cases tenants pay for electric or other expenses directly and the values are unknown to the landlord. In this circumstance, enter "Y" for yes in column (11), otherwise enter "N" for no. Also, indicate which expense is paid by the tenant in a footnote.
- 12) **Real Estate Tax Pass-Through:** This figure represents dollars per square foot of leased area which are paid to the landlord as additional rent or "reimbursement" of real estate taxes. The figure should reflect 100% of real estate tax for a triple net lease, 0% for a completely full service lease or the actual if some division of the real estate tax is called for in the lease.
- 13) **Lease Type:** The lease type should describe the parameters and guidelines with relation to tenant costs versus landlord costs which are usually outlined in each individual lease. Define if the lease is a FULL SERVICE LEASE, NET LEASE, NET NET LEASE, TRIPLE NET LEASE, or GROSS LEASE.
- 14) **Annual Rate of Rent Increase:** This value should represent the actual percentage by which the rent indicated in column (7) has been increased over the prior years' rent. If the lease contains a fixed percentage, that number should be included. If the lease specifies a formula based on an index (*e.g.* the Consumer Price Index or CPI) then the actual percentage which has been applied to calculate the rent indicated in column (7) should appear.
- 15) **Gross Potential Rent:** This figure is calculated by the table and does not require your input. If you are unable to acquire the Annual Leasing Report as an *Excel*, *Lotus* or *Quattro-Pro* spread sheet, then multiply the sum of columns (7), (10) and (12) times the leased area (column 6).
- 16) **Total Rent \$ Per Sq. Ft.:** This column is also calculated by the spread sheet version of the rent roll and does not require entry. For manual calculation the formula is: The sum of the Current Base Rent and Pass-Throughs (columns 7, 10 & 12).
- 17, 18, 19) **Lease Terms – Start Date, Terms (Years), Expiration Date:** The start-date, lease term and expiration date of each lease should be entered as they appear in the lease.
- 20) **Lease Commission Rate:** Specify the commission rate paid to leasing agents for this lease.

INSTRUCTIONS for preparing the NEW LEASE ABSTRACT

See Reverse for INSTRUCTIONS for preparing the ANNUAL LEASING REPORT

- 1) **Tenant Name:** Type in the name of the individual who, or organization name which, are signatories to the lease or identity of the trade name which will provide easy recognition of the tenant and/or leased space.
- 2) **Tenant Federal Tax I.D. Number:** Please provide each tenant's Federal tax I.D. number, if known.
- 3) **Location (floor(s)):** Indicate on which level above or below grade the leased space in question is located. The number 1 shall equal at-grade space, 2 one floor above, and so on up to the top floor. The top floor should be designated by its ordinal sequence, not "Penthouse" or other adjective. "**L1**" shall designate the first floor below grade ["Lower (level) One"] and "**L2**" the second level below grade, (etc.). Do not use concourse or other name for below grade levels. A half-level above grade may be designated Mezz. for mezzanine.
- 4) **Occupied Net Rentable Area:** Enter the leased area associated with the rental payments indicated on the same line. If an individual tenant has multiple uses (office, storage, below grade office, etc...) and different rental rates per use, fill out a new lease abstract for each new lease rate. List the square footage which corresponds to each new lease. This area should include any core or common area additional to the occupied area if this additional "core" area is the basis for additional rental income.
- 5) **Measuring Method:** Indicate which method of measurement used to calculate Gross Building Area.
- 6) **Status:** For each tenant identified in # 1, please indicate if the lease is (1) Master Lease, (2) New Tenant, (3) Renewal, or (4) Option Exercised.
- 7) **Date of Lease Signed:** Please list the actual date the lease was signed by the tenant as it appears in the lease.
- 8) **Lease Start Date:** Indicated the date the lease commenced as it appears in the lease. This should be the date the tenant began paying rent for the leased space.
- 9) **Date the Lease Ends:** Please list the actual date the lease expires as it appears in the lease.
- 10) **Term:** Please list the length of terms of the lease as it appears in the lease.
- 11) **Renewal Option:** Indicate the terms of any renewal options provided to the tenant as it appears in the lease. For example, (1/5): one option to renew after the fifth year of the current lease.
- 12) **Base Rent \$ Per Sq. Ft.:** This rate should equal the actual lease payment as specified by the lease.
- 13) **Annual Base Rent Increase:** This value should represent the actual percentage by which the rent indicated in # (12) will be increased in the subsequent years. If the lease contains a fixed percentage, that number should be included. If the lease specifies a formula based on an index (e.g. the Consumer Price Index or CPI) please note the corresponding index to be used.
- 14) **Lease Type:** The lease type should describe the parameters and guidelines with relation to tenant costs versus landlord costs which are usually outlined in each individual lease. Define if the lease is not FULL SERVICE LEASE, NET LEASE, NET NET LEASE, TRIPLE NET LEASE, then specify other.
- 15) **Tenant Pays:** Which of these expenses does the tenant pay? *Tax Escalation* – An amount over the base year real estate taxes as indicated in the lease, if Tax Escalation clause exists. *Expense Escalation* – An amount over the base year expenses as indicated in the lease, if Expense Escalation clause exists. Indicate the Base Year for each.
Which type of utility does the tenant pay? Check all that apply.
Which operating expense does the tenant pay? Check all that apply.
Is the Tenant responsible to pay a Percentage Rent or Overage? If so, how is it calculated?
- 16) **Tenant Improvements:** This column represents the cost per square foot of tenant improvements. One hundred percent of the interior build-out construction cost should be reported; however, under no circumstance should Capital Expenditures such as code compliance (ADA, Fire/Life Safety, Hazard abatement) or common area updating (lobby/hallway renovation, roof or elevator replacement) be included in the tenant improvement budget. If the tenant pays directly for tenant improvements (i.e. with retail tenants) and the costs are unknown, then enter N/A. Tenant improvements are not an operating expense and should not be deducted from operating income to calculate net operating income.
- 17) **Leasing Commission:** Specify the commission rate paid to leasing agents for this lease
- 18) **Concessions:** Explain if there are any concessions offered to tenants.