

# Below-The-Line Expenses

Below-The-Line Expenses
(Tenant Improvements)
(Leasing Commissions)
(Capital Reserves)
<b>Total Below-The-Line Expenses</b>

# Tenant Improvements

- Monetary allowance for tenant to build out suite
- Square Footage \* Tenant Improvement Allowance

Tenant Improvement Allowance/SF	\$15.00
Net Leasable Area	3,500
<b>Tenant Improvement Allowance</b>	<b>\$52,500</b>

# Leasing Commissions

- Percentage of scheduled base rent payments over the contractual lease term
- Generally excludes CAM reimbursement payments
- Free rent periods **NOT** included

Total Base Rent Over Lease Term	\$400,000
Leasing Commission	6.00%
Total Leasing Commissions	\$24,000

# Capital Reserves

- Generally expressed in \$/SF
- Used to build capital reserves in the case of necessary upgrades to the property
- Gross Leasable Area \* Capital Reserve/SF

Gross Leasable Area (SF)	100,000
Capital Reserves/SF	\$0.40
Annual Capital Reserves	\$40,000