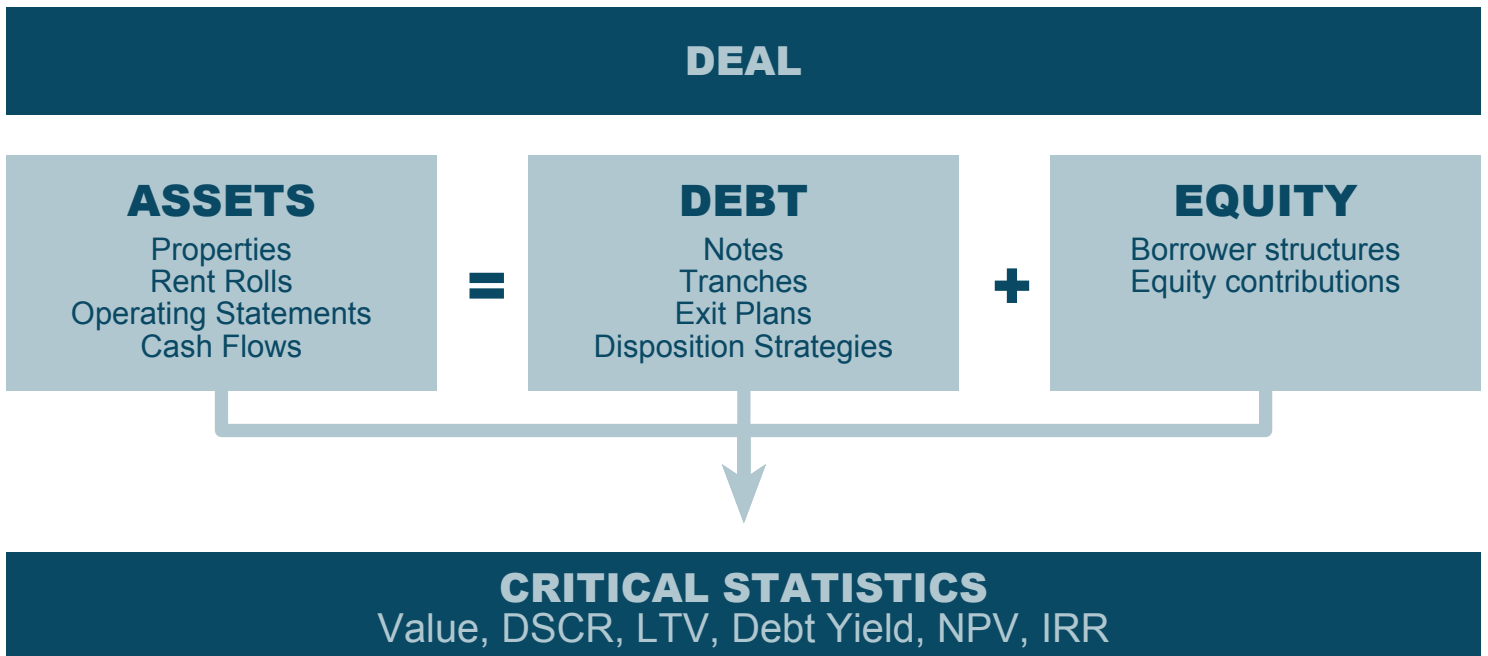# BACKSHOP

User Manual

CONTENTS

Introduction

Backshop overview

Deals are the foundation of Backshop. Deals are similar to a balance sheet where Assets = Debt + Equity.

- The Assets of a CRE Deal are called Properties.

- The Debt is called a Loan, which is made up of one or more Notes.

- The Equity is called the Borrower or Owner.

Deals are modeled in Backshop by:

- Conducting lease-by-lease underwritings of the Properties to calculate cash flow and value.

- The Notes, their payment terms and priority are modeled and, when compared to the cash flow/value of the Properties, critical statistics like Loan to Value (LTV), Debt Service Coverage Ratio (DSCR) and Debt Yield are derived.

- Finally, the Equity is modeled with both the borrower structure and the upfront and ongoing equity contribution to calculate the IRR of the Equity Investment.

Here is a simplified view of the Backshop data model:

DEAL		
ASSETS Properties Rent Rolls Operating Statements Cash Flows	**DEBT** Notes Tranches Exit Plans Disposition Strategies	**EQUITY** Borrower structures Equity contributions

CRITICAL STATISTICS
Value, DSCR, LTV, Debt Yield, NPV, IRR

How to use Backshop

The Backshop user interface employs a set of simple, consistent objects to help you work more efficiently. This page explains those objects.

Note: Because Backshop is configurable per enterprise, your interface might look different. The interface is subject to change as we improve the application.

Header

1. Deal Locator: Takes you to the Deal Locator. Useful when you are managing a large number of deals.

2. Log out [username]: Logs you out of the application. Smart when you share computers with other people, or you log in from a different location. One huge benefit of Backshop's Web interface is that you can log in anywhere with a connection. Yes, even on vacation.

3. Admin: Access administrative functions such as maintaining contacts, orgs and users, and establishing security groups.

4. Help: Takes you into Backshop's help section.

5. Deal menu: Lets you quick choose from your most recently worked deals.

6. Deal info: Snapshot of key deal attributes.
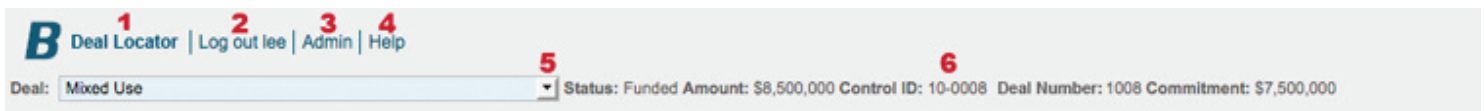
Navigation

1. Tabs: The top-row tabs denote major sections of the application. Tabs are listed left to right in line with the primary deal flow. When you click a tab, you go to the primary page for that section, and that area's sub-links are displayed.

2. Sub-links: The second-row links allow access to the major functions for the tab section. Clicking a sublink exposes the primary page for that section.

Note: Tabs and sub-links are customizable to help your enterprise operate as efficiently as possible.

Go to and Actions bars

If you're not sure where to go from where you are, check out the Go to and Actions bars immediately below the navigation.

1. Go to: These links take you to interfaces directly related to your current location.

2. Actions: Key actions pertaining to your current location. Actions include importing and exporting.

Go to	1	Property	Expense Reimbursements	Rent Roll Tenant	Inline Sales	Multiple Tenant Sales Import
Actions	2	Copy	Download Template	Upload Template	Quick Add	Download Tenant Rollup

Picker

Backshop makes it easy to toggle among multiple properties or other entities. You can open or close the picker using the ▶ ▼ arrows.

Picker closed: Switch entities using the menu.

▶ Property	Property:	Retail		Update	Add New	Delete

Picker open: Entities are listed and key information is displayed. To select an entity, click on its name. The active entity is highlighted in light blue and exposed below the picker.

▼ Property	Property: Retail				Update	Add New	Delete
Select Property	Initial Funding	Total Commit.	City	Country	Property Type		
Retail	7,500,000		San Francisco	USA	Retail - Strip Center		
Multifamily	6,500,000		San Francisco	USA	Multifamily - Student Housing		
Hotel	6,000,000		San Francisco	USA	Hospitality - Limited Service		
Conversion	3,000,000		San Francisco	USA	Condo Conversion - Conversion		
test	0			USA	Hospitality -		

| Property ID	62		Location Type	Suburban
Property Roll-Up	☐		Year Built	1975
Property Number	N/A		Last Year Renovated	2002
External Property #	62		Type of Units - Primary	sf
Property Name	Retail		Number of Units - Primary	50,000
Allocated Debt %	%		NRSF - Primary	50,000
Allocated Debt	7,500,000.00		GSF - Primary	
Property Type (Major)	Retail		Type of Units - Secondary	NAP
Property Type (Minor)	Strip Center		Number of Units - Secondary	

Entry fields

1. Read-only text has a gray background.

2. Editable text fields and form elements have light blue backgrounds.

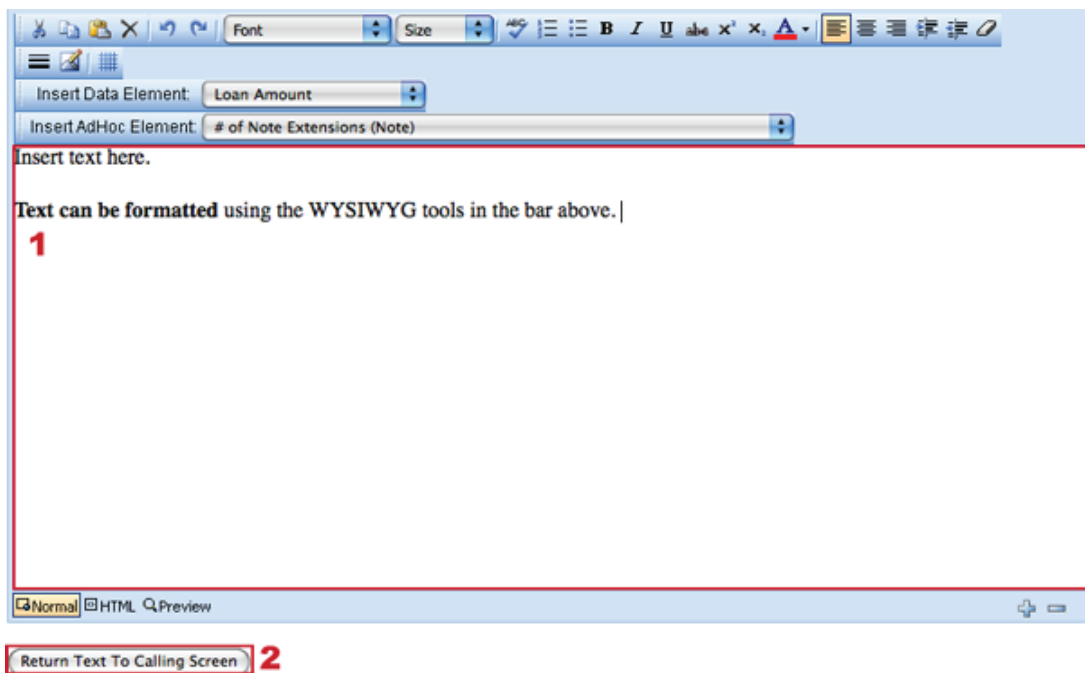| Number of Parking Spaces | 25 **2** |
| Parking Ratio | 0.50 **1** |
| Select an Underwriting Assumption: | In Place ▼ **2** |

Comments

To add a comment, click the ✎ icon.
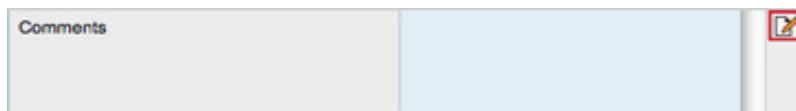
| Comments | | ✎ |

A text-input window will pop up.

1. Enter your text. Format it using the WYSIWYG tools.

2. Click the Return text to Calling Screen button.

Insert Data Element: Loan Amount

Insert AdHoc Element: # of Note Extensions (Note)

Insert text here.

Text can be formatted using the WYSIWYG tools in the bar above.

1

Normal HTML Preview

Return Text To Calling Screen **2**

Your comment will appear in the comment box.

| Comments | Comment appears here. | ✎ |

Dates

You can enter a date in two ways:

1. Simply enter text in MM/DD/YYYY format.

2. Click the ▦ icon.

Rent Roll Date	**1**	**2** ▦

Clicking the ▦ icon brings up a calendar interface.

Find the date you want and click it.
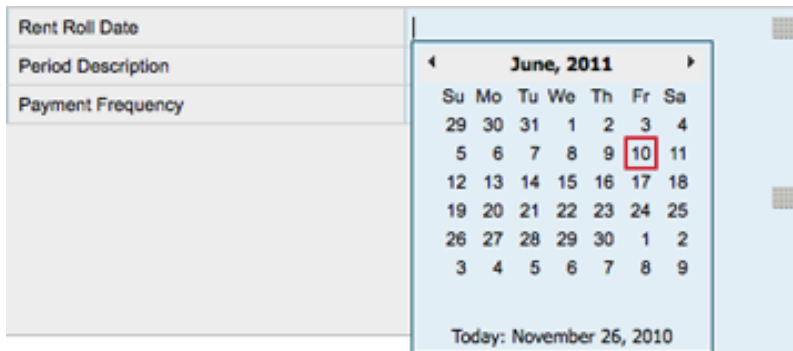
The date entry field will be populated.

Rent Roll Date	6/10/2011	▦

Plus boxes

Plus boxes allow you to quickly add items from preset libraries.

Click the ➕ icon.

Primary Broker Firm		➕

The ➕ icon brings up a window pre-populated with available choices.

Find the entry you want and click Select.

The field will be populated.

Primary Broker Firm	Absolute Financial Resources	➕

Modules

Backshop is organized into modules for clear organization and so you can manage your screen space. Hide and show modules using the ▶ ▼ arrows.

Module open: Usual default.

Module closed: Helps you focus on your immediate task.

Deal tasks

Create a deal

The Deal Wizard makes creating a deal (or deals) a simple, linear process.

Go to Deal Locator

Click the Add Deal link on the Actions bar.

Follow the Deal Wizard

Step 1 of 4: Enter deal information

1. If you want to work on a deal you've started but not yet finished, select it in the Unfinished Deals menu.

2. Enter your deal information, starting with the required fields. Enter as much information as you like; you can always return to this form.

3. Click the Next button. This saves your information and takes you to the next step.

Step 2 of 4: Enter property information

1. Enter property information, starting with the required fields.

2. To add another property to this deal, click the Add Property button.

3. Click the Next button to save your information, even if you don't plan to go to the next step at this time.

Step 3 of 4: Enter note information

1. Enter note information, starting with the required fields.

2. To add another note to this deal, click the Add Note button.

3. Click the Next button to save your information, even if you don't plan to go to the next step at this time.

Step 4 of 4: Confirm

Review the displayed information.

1. If you are satisfied, click the Create Deal button.

2. If you need to change anything, use the Back button.

Remember: Backshop saves your information, so you can always come back and finish your deal later.
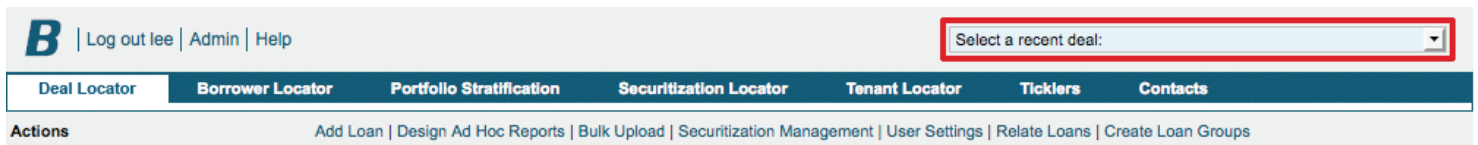
Find a deal

The Deal Locator makes it easy to find and sort your deals.

When you log into Backshop, you automatically go to Deal Locator.

Find a recent deal

Simply click on the "Select a recent deal" menu at the top right of the Deal Locator.

Tip: Choose a recent deal from any page in the app

Simply click on the Deal menu at the upper left of the page.

Search for a deal

Log in or navigate to Deal Locator (if you're inside the app, the Deal Locator link is at top left; see above screen shot).

By default, the Deal Locator lists all of your deals.

You can also filter your deals with one of more of the criteria in the search field.

1. Enter your desired deal criteria.

2. Click the Search button.

3. Matching deals appear below the search field.

4. Sort your deals by clicking the column headings.

5. To access a deal, click its name.

To start a new search or see all your deals again, click the Clear button then click the Search button.

Use deal dashboard

After your deal is set up, use the deal dashboard to quickly view and access key information and functions. Consider the deal dashboard your home base for working a deal.

Get to the deal dashboard

1. Verify that the deal you want is in the Deal menu.

2. Click the Deal tab and the Dashboard sublink.
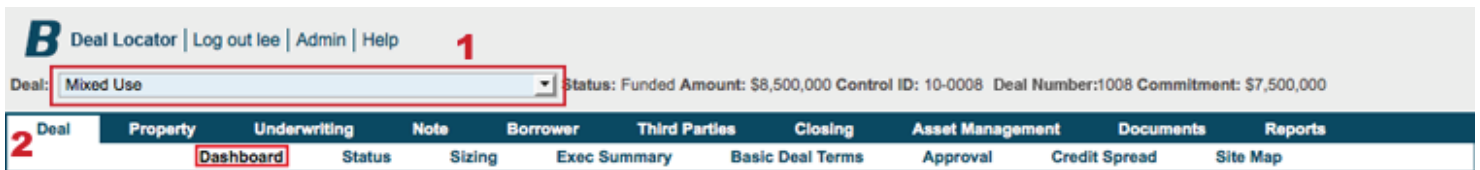
Use the deal dashboard

1. Actions
User-configurable functions — including copy deal, add to deal group, kickoff notification and lock deal — are at your fingertips.

2. Dealwide Underwriting Snapshot
Select an underwriting assumption using the menu, then immediately see total value, NCF, DSCR and LTV.

3. Notes
See key stats for most recent notes. Go to the notes section. Add new notes.

4. Property
Select a property and underwriting in the menus.

Review property information, and quickly understand stabilized and discounted cash flow statistics.

Go to the property section. Add new properties.

5. Rent Rolls
Choose rent roll in the menu.

Review rent roll statistics and information for top tenants.

6. Operating statements
Instantly see revenue, expenses, NOI, capital and NCF for all of the deal's operating statements.

See image on next page...

B Deal Locator | Log out lee | Admin | Help

Deal: Mixed Use ▼ | Status: Funded Amount: $15,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $15,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
		Dashboard	Status	Sizing	Exec Summary	Basic Deal Terms	Approval	Credit Spread	Site Map

Actions 1   Copy Deal | Add to Deal Group Select DealGroup ▼ | Kick Off Notification | Lock Deal

▼ **Mixed Use**

Property Type (Major)	Retail, Hospitality, For Sale Units, Multifamily	**2**	**Dealwide Underwriting Snap Shot**	
Number / Type of Units	50,000 / sf, 98 / Rooms, 120 / Units		Select an Underwriting Assumption:	In Place ▼
Total Debt	15,500,000		**Stabilized Cash Flow**	
Deal Status	Funded		Total Value	16,673,103
Deal Team	Portfolio Manager, Amy Anderson		Total NCF	1,342,944
	Transaction Manager, David McCormack		Last Dollar DSCR	0.95
	Primary Banker, Jim Flaherty		Last Dollar LTV	93.0%
	Underwriter, Jeff Flaherty		**Discounted Cash Flow**	
	Closer, Eric Hooshmand		Total Value	17,155,586
	Legal, Marcus Reed		Last Dollar LTV	90.3%

▼ **Notes 3**   View All Notes | Add New Note

Note Name	Lien Position	Loan Amount	Per Unit	Int. Rate	Constant	Term	Debt Service	DSCR	Debt Yield	LTV
A note	First	$10,500,000	210	8.55 %	8.86 %	60	930,414	1.44	12.79 %	63.0 %
Mezz	Second	$5,000,000	310	9.55 %	9.68 %	36	484,132	0.95	8.66 %	93.0 %
		$15,500,000	310	8.87 %			1,414,546			

▼ **Property** **Property:** Retail ▼ **Underwriting:** In Place ▼ **4**   View All Properties | Add New Property

Property Name	Retail		Stabilized Cash Flow			Discounted Cash Flow	
Property Type (Major)	Retail		UW Value	6,443,750		NPV	6,876,780
Property Type (Minor)	Strip Center		UW NOI	515,500		Cap Rate	8.00 %
Number / Type of Units	50,000 / sf		UW NCF	452,440		Discount Rate	10.00 %
Street Address	1234 Retail Way		LTV	240.5 %		LTV	221.1 %
City	San Francisco		Cap Rate	8.00 %		Value Per Unit	137.54
State	CA		Value Per Unit	128.88		Analysis Term (yrs)	5
MSA	San Francisco, CA PMSA						
Year Built / Renovated	1975 / 2002						

▼ **Rent Rolls 5**   View All Rent Rolls | Add New Rent Roll

Choose a Rent Roll	Total Rent	Total Rent / SF	Number / Type of Units	Physical Occupancy
In Place ▼	$868,700	$17.37	50,000 / sf	80.00 %

Tenant Name	Size	Remaining Term	Base Rent	Base Rent / SF	% of Total Base Rent	Market Rent / SF	Over / Under Market	Lease Type	Credit Rating
Retail Tenant	15,000	5	$384,000	$25.60	45.07 %	$28.00	-9.4 %	NNN	AA2 / AA+
Retail Tenant 3	15,000	7	$300,000	$20.00	35.21 %	$15.00	25.0 %	NNN	A3 / BBB
Retail Tenant 4	5,000	10	$96,000	$19.20	11.27 %	$25.00	-30.2 %	NNN	A1 / BBB+
Other Occupied Tenants	5,000	2	$72,000	$14.40	8.45 %	$25.00	-73.6 %		
Vacant Space	10,000	0	$0	$0.00	0.00 %	$25.00	0.0 %		

See All Tenants >

▼ **Operating Statements 6**   View All Op Statements | Add New Op Statement

| Statement Year	TTM	Appraisal	2008	2007	2006
Revenue	1,025,500	1,007,500	1,137,000	967,500	948,500
Expenses	287,000	328,000	163,000	261,000	271,000
NOI	738,500	679,500	974,000	706,500	677,500
Capital	0	0	0	0	0
NCF	738,500	679,500	974,000	706,500	677,500

Create executive summary

Backshop's executive summary is a user-defined report that tells the story of the deal.

Go to executive summary page

1. Click the Deal tab and Exec Summary sub-link.

2. Select an element from the menu. Verify For Internal Use and For Securitization checkboxes (hidden in large image below).
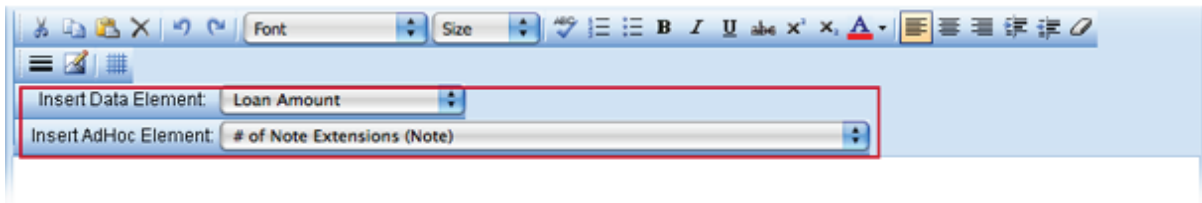
> **For Internal Use:** For internal audience
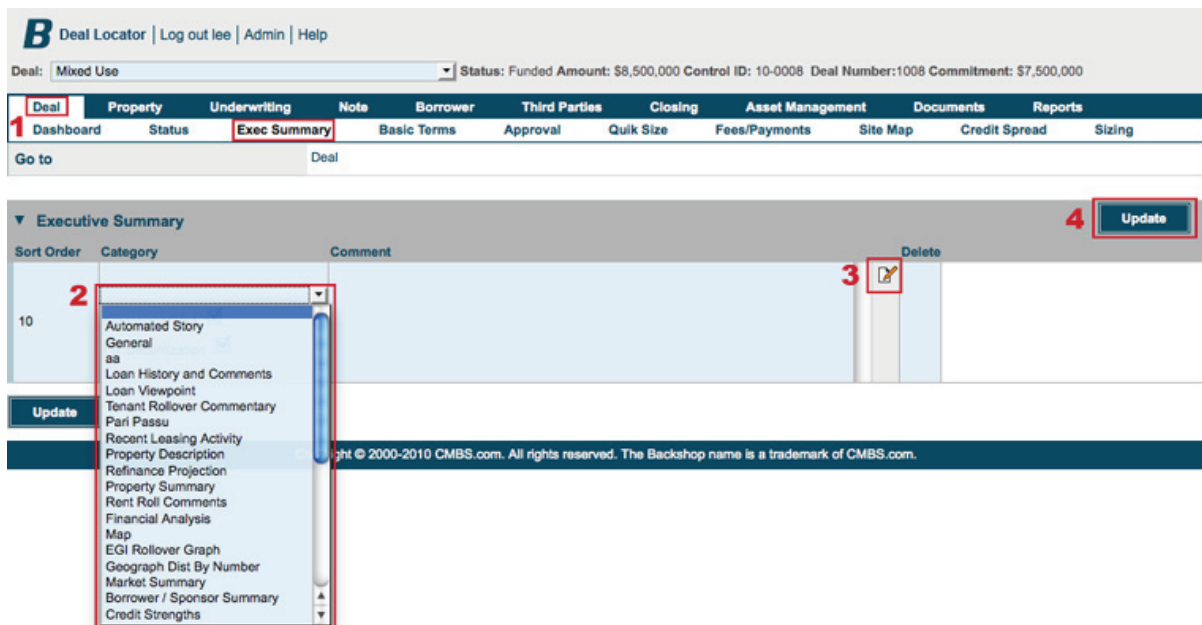>
> **For Securitization:** For external audience
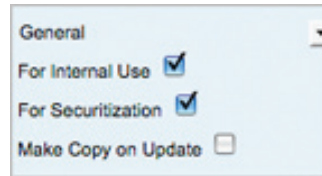
3. Enter a comment (required if a comment doesn't auto-populate).

> In the WYSIWYG text editor, you can insert data elements such as DSCR and LTV. This keeps text dynamic as your deal changes.

4. Click Update. This saves the element you just created, and it displays a blank element row.

To add more elements, repeat steps 2-4.

Generate deal reports

Log into Backshop and go to the Deal Locator. Use the filters and click Search to find the deals you are interested in. See **Find a deal**.

To run a report on the matching deals, click the Export button.
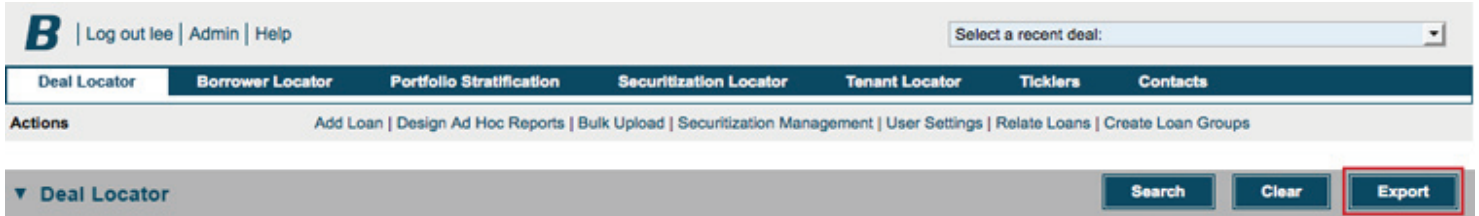
1. Specify a report or ad hoc template.

2. Click the Export button.
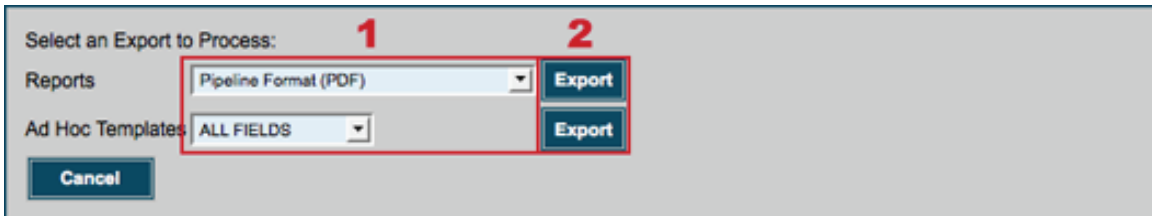
Property tasks

Enter a property

After you've created a deal, your next task is to enter a property or properties.

Go to the New Property page

1. Click the Property tab and the Detail sublink.

2. Click the Add New button on top right of the Property module.

Enter property information

On the New Property page, enter property information in the blue-highlighed fields.

1. Start with the required fields: property name, property type (major) and number of units – primary.

2. Enter as much information as you like. When you are satisfied (at least for now), click the Update button at the top or bottom of the property module. You can always return to this property record.

See image on next page...

B Deal Locator | Log out lee | Admin | Help

Deal: Mixed Use ▾ Status: Funded Amount: $8,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Detail	Operating Stmt	Rent Roll	Tax	Management	Market	Demographics	Occ History	Site Inspection

Go to Property | Ground Lease Step Up | Ground Lease | Property Hotel Franchise

Actions Map This Address | Cost Basis | Edit Property Number | Add Market

2

▾ **Property** **Property:** Retail ▾   [Update] [Add New]

Select Property	Initial Funding	Total Commit.	City	Country	Property Type
Retail	7,500,000		San Francisco	USA	Retail - Strip Center
Multifamily	6,500,000		San Francisco	USA	Multifamily - Student Housing
Hotel	6,000,000		San Francisco	USA	Hospitality - Limited Service
Conversion	3,000,000		San Francisco	USA	Condo Conversion - Conversion

Property ID		Location Type	▾
Property Roll-Up	☐	Year Built	-
Property Number	N/A	Last Year Renovated	
External Property #		Type of Units - Primary	▾
Property Name		Number of Units - Primary	
Allocated Debt %	%	NRSF - Primary	
Allocated Debt	**1**	GSF - Primary	
Property Type (Major)	▾	Type of Units - Secondary	▾
Property Type (Minor)	▾	Number of Units - Secondary	
Secondary Prop Type	▾	NRSF - Secondary	
Allocated To Secondary Use	%	GSF - Secondary	
Street Address		Number of Buildings	

Status

Property Position	▾
Property Position Status	
Percent Owner Occupied	%
Occupancy VS Market	▾
Market Forecast	▾
Foreclosure Date	🔲
REO Date	🔲
Property Comment	📝
Property Highlight	📝
Inspection Date	🔲

Ownership

Date Acquired by Borrower	🔲
Acquisition Amount	
Total Cost Basis	

Quoted Loan Conditions

Vacancy Allowance	%
Management Fee	%
Franchise Fee	%
Advertising Fee	%
Replacement Reserves	📝
Rollover Costs	📝

Valuation Parameters

Projected Moodys Cap Rate	%
Actual Moodys Cap Rate	%
Actual Fitch Cap Rate	%

Utilities Paid By Tenant

Electricity	☐
Gas	☐
Sewer	☐
Trash	☐
Water	☐

Leasing

Pct Sq Ft Expiring 1-12 mos	%
Pct Sq Ft Expiring 13-24 mos	%
Pct Sq Ft Expiring 25-36 mos	%
Pct Sq Ft Expiring 37-48 mos	%
Pct Sq Ft Expiring 49+ mos	%

2

[Update] [Add New]

Find a property

Backshop provides two easy ways to find a property record.

First, use **Deal Locator** to find your deal.

Then, either

1. Select your desired property in the property menu at the top of the property module.

or

2. Expand the hideable picker, if needed, by clicking the arrow ▶ ▼ , then click the property's name.

Create operating statement

Depending on Property Type (Major), you will use slightly different methods to enter operating statements.

Create operating statement – Commercial

This page shows how to create a "commercial" operating statement.

Go to the New Operating Statement page

1. Click the Property tab and the Operating Stmt sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add an Operating statement button on top right of the operating statement module.

Enter operating statement information

1. Start with the required fields: statement year and months covered. Enter as much or little information as you like. You can always return to this entry.

2. When you fill in the five default NOI categories, click the Update button. Five empty NOI category rows will appear.

> **Note:** The order of the NOI categories must match the source document of the financial statement.

> **Definitions**

>> NOI Category: Standardized NOI categories for the subject property type

>> Description: Reported name of the category

>> Notes: Any adjustments or special attributes

>> Amount: Reported amount

>> Adj: Adjustments to reported amount

3. Click the Update button at the top or bottom of the operating statement module.

Download and upload templates

Download and/or upload the operating statement data in Excel format using these links:

Create operating statement – Multi

This page shows how to create a "multi" operating statement.

Go to the New Operating Statement page

1. Click the Property tab and the Operating Stmt sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add an Operating statement button on top right of the operating statement module.

Enter operating statement information

1. Start with the required fields: statement year and months covered. Enter as much or little information as you like. You can always return to this entry.

2. When you fill in the five default NOI categories, click the Update button. Five empty NOI category rows will appear.

> **Note:** The order of the NOI categories must match the source document of the financial statement.

> **Definitions**

> > NOI Category: Standardized NOI categories for the subject property type

> > Description: Reported name of the category

> > Notes: Any adjustments or special attributes

> > Amount: Reported amount

> > Adj: Adjustments to reported amount

3. Click the Update button at the top or bottom of the operating statement module.

Download and upload templates

Download and/or upload the operating statement data in Excel format using these links:

Create operating statement – Hotel

This page shows how to create a "hotel" operating statement.

Go to the New Operating Statement page

1. Click the Property tab and the Operating Stmt sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add an Operating statement button on top right of the operating statement module.

Enter operating statement information

1. Start with the required fields: statement year and months covered. Enter as much or little information as you like. You can always return to this entry.

2. When you fill in the five default NOI categories, click the Update button. Five empty NOI category rows will appear.

> **Note:** The order of the NOI categories must match the source document of the financial statement.

> **Definitions**

>> NOI Category: Standardized NOI categories for the subject property type

>> Description: Reported name of the category

>> Notes: Any adjustments or special attributes

>> Amount: Reported amount

>> Adj: Adjustments to reported amount

3. Click the Update button at the top or bottom of the operating statement module.

Download and upload templates

Download and/or upload the operating statement data in Excel format using these links:

Create operating statement – Conversion

This page shows how to create a "conversion" operating statement.

Go to the New Operating Statement page

1. Click the Property tab and the Operating Stmt sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add an Operating statement button on top right of the operating statement module.

Enter operating statement information

1. Start with the required fields: statement year and months covered. Enter as much or little information as you like. You can always return to this entry.

2. When you fill in the five default NOI categories, click the Update button. Five empty NOI category rows will appear.

> **Note:** The order of the NOI categories must match the source document of the financial statement.

> **Definitions**

>> NOI Category: Standardized NOI categories for the subject property type

>> Description: Reported name of the category

>> Notes: Any adjustments or special attributes

>> Amount: Reported amount

>> Adj: Adjustments to reported amount

3. Click the Update button at the top or bottom of the operating statement module.

Download and upload templates

Download and/or upload the operating statement data in Excel format using these links:

Create operating statement – Sellout

This page shows how to create a "sellout" operating statement.

Go to the New Operating Statement page

1. Click the Property tab and the Operating Stmt sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add an Operating statement button on top right of the operating statement module.

Enter operating statement information

1. Start with the required fields: statement year and months covered. Enter as much or little information as you like. You can always return to this entry.

2. When you fill in the five default NOI categories, click the Update button. Five empty NOI category rows will appear.

> **Note:** The order of the NOI categories must match the source document of the financial statement.

Definitions

> NOI Category: Standardized NOI categories for the subject property type
>
> Description: Reported name of the category
>
> Notes: Any adjustments or special attributes
>
> Amount: Reported amount
>
> Adj: Adjustments to reported amount

3. Click the Update button at the top or bottom of the operating statement module.

Download and upload templates

Download and/or upload the operating statement data in Excel format using these links:

Import multiple operating statements

Backshop allow you to enter multiple operating statements quickly and easily.

1. Click the Property tab and the Operating Stmt sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Multiple Operating Statement Import link on the Go To bar.

1. Select operating statement years.

2. Click the Refresh Grid button.

1. Establish the NOI categories and their sort order. The order of the NOI categories must match the source document of the financial statement.

2. To save your changes, click the Update/Delete NOI Categories button.

You can manually enter values into the input fields, or you can import them from an Excel or text file.

3. To import values, click the Import Description and Statement Year Values button.

See image on next page...

B Deal Locator │ Log out flahertyj │ Admin │ Help

| Deal: | Mixed Use | ▼ | **Status:** Test Loans **Amount:** $7,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000 |

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Detail	Operating Stmt	Rent Roll	Tax		Management Co	Market	Demographics	Occ History	Site Inspection

| Go to | Operating Stmt |

Multiple Operating Statement Import

| 1997 |
| 1999 |
| 2000 |
| 2000i |
| 2000ii |
| 2000iii |
| 2001 |

Refresh Grid

Import Description and Statement Year Values   **3**

Update/Delete NOI Categories   **2**

Sort Order	NOI	Description	2000	2001	2002	2003	2004	Delete
		Months Covered						
		Period Covered						
		Period Sort Order						
		End Date						
		Historical SF Occupied						
		SF Total						
		Occupancy						
80	Contract Rent ▼							☐
90	Percentage Rent ▼							☐
100	Expense Reimbursement ▼							☐
110	Other Income ▼							☐
120	Vacancy and Credit Loss ▼							☐
130	Management Fee ▼							☐
140	Payroll and Benefits ▼							☐
150	Utilities ▼							☐
160	Repairs and Maintenance ▼							☐
170	Cleaning Expense ▼							☐
180	Security ▼							☐
190	Landscaping and Grounds ▼							☐
200	Parking Expenses ▼							☐
210	CAM Expenses ▼							☐
220	Tenant Improvements ▼							☐
230	Leasing Commissions ▼							☐
240	Replacement Reserves ▼							☐
250	Extraordinary Capital ▼							☐
260	▼							☐
270	▼							☐
280	▼							☐
290	▼							☐
300	▼							☐

1 (marker next to Sort Order column)

Update/Delete NOI Categories   **2**

Import to Operating Statement Summary

1. In your text or Excel file, make sure the header field and NOI rows are in the correct order.

2. Paste text into each column. In Excel, select the column header, select copy then paste into the text box.

Note: Each value must be entered on a new line. If two values are on the same line, the second one will be ignored.

3. Click the Import button.

This takes you back to the Multiple Operating Statement Import page. Review the values.

When you are satisfied with the values you input or imported, click the Import to Operating Statement Summary button.

Operating statement actions

After you've created operating statements, Backshop gives you easy access to powerful actions.

Copy

Annualize

Combine

Add or subtract

Select 1 or more Operating Statement to AddSubtract:

| 2008 ▼ | + ▼ | 2008 ▼ |

Select new Statement Year: 1997 ▼

OK   **Cancel**

Download Excel Rollup

B	C	D	E	F	G	H	I	J	K	L	M
OPERATING STATEMENT EXCEL DOWNLOAD TEMPLATE											
	Adjusted Numbers										
Statement Type	2008		Budget		TTM- Recent		Appraisal		Adjusted Roll Up	Adjustments	Original
Statement End Date	12/31/2008		8/31/2010		8/31/2010		8/31/2010				
REVENUES											
Contract Rent	950,000		1,250,000		1,100,000		1,000,000		4,300,000		4,300,000
Potential Gross Income	950,000		1,250,000		1,100,000		1,000,000		4,300,000	-	4,300,000
EGI Before Other Income	950,000		1,250,000		1,100,000		1,000,000		4,300,000	-	4,300,000
Effective Gross Income	950,000		1,250,000		1,100,000		1,000,000		4,300,000	-	4,300,000
OPERATING EXPENSES											
Management Fee	45,000		47,000		50,000		55,000		197,000		197,000
Utilities	25,000		28,000		27,500		28,000		108,500		108,500
Repairs and Maintenance	15,000		17,500		18,000		20,000		70,500		70,500
Advertising and Marketing	10,000		12,500		13,000		13,000		48,500		48,500
Other Expenses -Variable	20,000		30,000		25,000		25,000		100,000		100,000
Real Estate Taxes	60,000		65,000		63,000		63,000		251,000		251,000
Insurance	55,000		50,000		48,000		48,000		201,000		201,000
TOTAL OPERATING EXPENSES	230,000		250,000		244,500		252,000		976,500	-	976,500
Net Operating Income	720,000		1,000,000		855,500		748,000		3,323,500	-	3,323,500
CAPITAL EXPENDITURES											
TOTAL CAPITAL EXPENDITURES	-		-		-		-		-	-	-
Net Cash Flow	720,000		1,000,000		855,500		748,000		3,323,500	-	3,323,500
Adjustments											
Comments											

Add rent roll

Depending on Property Type (Major), you will use slightly different methods to enter rent rolls.

Add rent roll – Commercial

Rent rolls are the key to lease-by-lease underwriting and future securitization transparency.

This page shows how to create a "commercial" rent roll.

First you'll create a rent roll, then you'll add tenants.

Go to the New Rent Roll page

1. Click the Property tab and the Rent Roll sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add New button on top right of the rent roll module.

Enter Rent Roll information

1. Start with required fields: rent roll name, rent roll date and payment frequency. Enter as much or little information as you like. You can always return to this entry.

2. Click the Update button at the top of the rent roll module.

3. After you click the Update button, the tenant list will be enabled.

Enter tenants

For commercial properties, Backshop provides three ways to enter tenants:

   1. Quick Add – Easy way to add basic information for five tenants at a time.
   2. Bulk import – Quick way to add shared information for many tenants at a time.
   3. Add individual tenant – Add detailed information for one tenant at a time.

Quick Add

In the rent roll page's tenant list module, click the Quick Add button.

Enter information for your tenant(s) then click the Update button.

You can add up to five tenants at a time. If you need to add more, you can either click Update, then return to this screen, or you can click the Open Bulk Import Window button next to the Update button.
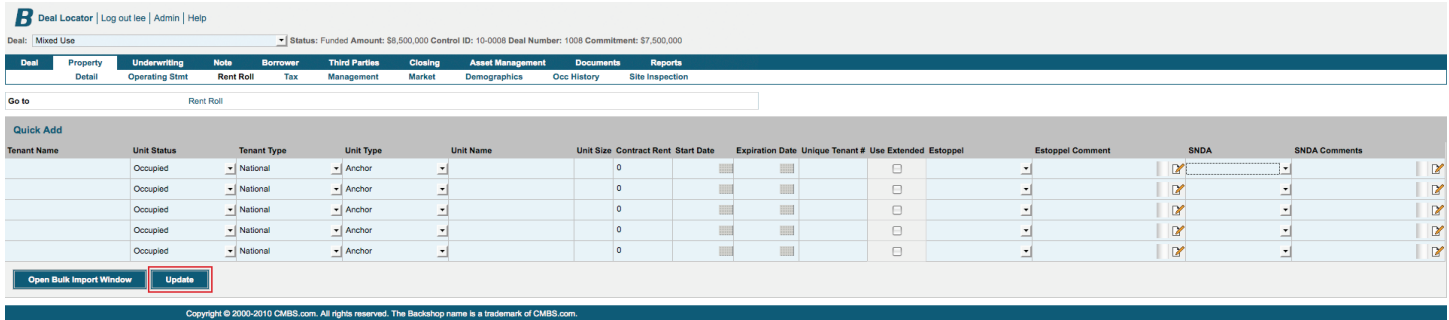
Bulk import

To reach the bulk import page:

- First reach the Quick Add page. See above.
- On the Quick Add page, click the Open Bulk Import Window button (next to the Update button in the above screen shot).

1. Set the common unit status, tenant type and unit type for all tenants you are about to import.

2. Enter each value on its own line. If two values are on the same line, the second item will be ignored.
To enter content from Excel, select the column header, select copy, then paste the column into the appropriate box. Make sure all rows lines up with each other.

Note: Tenant name, contract rent and unit status (menu next to #1 above) are required.

3. When you have entered all shared tenant information, click the Update button.
You can enter unique tenant information — or edit the tenant listings — later.
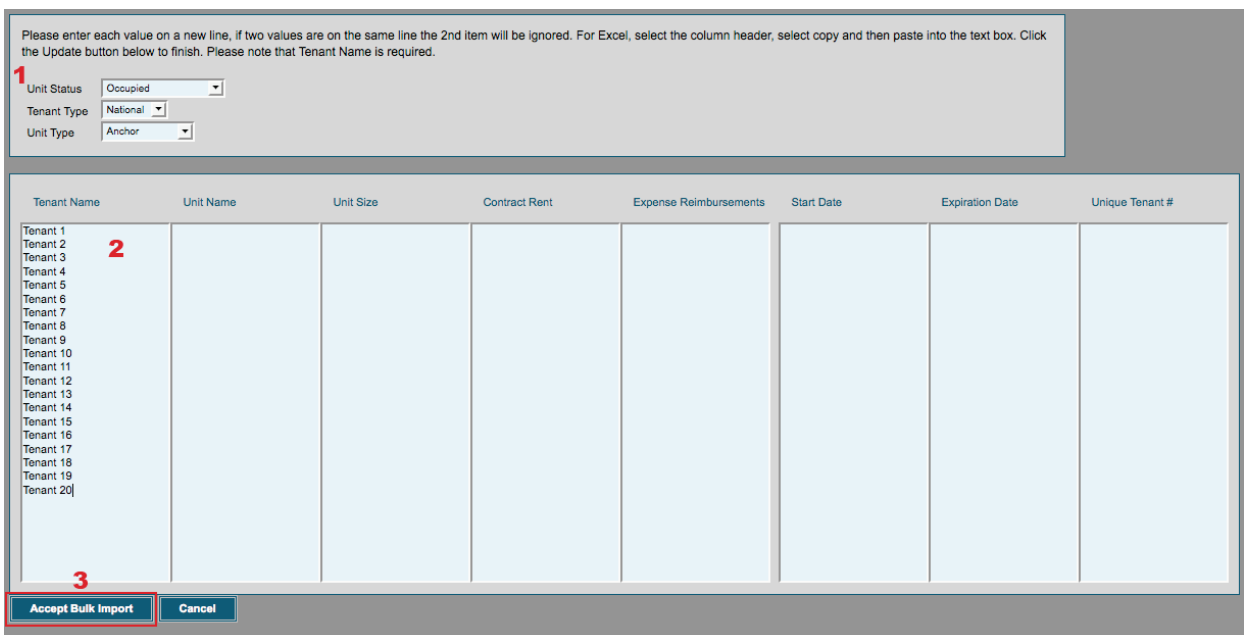
Add individual tenant

In the rent roll page's tenant list module, click the Add New button.

1. Start with the required fields: tenant name and contract rent amount.

2. Enter as much information as you like, then click the Update button. You can always add to or edit this tenant.

3. If you want to add another tenant the same way, click the Add New button.

See image on next page...

B Deal Locator | Log out lee | Admin | Help

Deal: [Mixed Use ▾]   Status: **Funded** Amount: **$8,500,000** Control ID: **10-0008** Deal Number: **1008** Commitment: **$7,500,000**

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Detail	Operating Stmt	Rent Roll	Tax	Management	Market	Demographics	Occ History	Site Inspection

Go to   Rent Roll | Tenant Hist Sales | Tenant Step Up

2   **3**

▼ **Rent Roll Tenant**   **Property:** [Retail ▾]   **Tenant:** [1 ▾]   [Update] [Add New]

Tenant Name	
Unit Status	Occupied ▾
Unit Size	
Start Date	
Expiration Date	
Unit Type	Anchor ▾
Unit Name	
Tenant Type	National ▾
Lease Type	▾
Credit Tenant	☐
Early Termination Option	☐
Early Termination Date	
Second Break Date	
Termination Payment	
Termination Comments	
Security Deposit	
Sort Order	
Unique Tenant #	
Use Extended	☐

1

	Amount
Contract Rent	🖩
Percentage Rent	🖩
Expense Reimbursement	🖩
CAM Reimbursement	🖩
Ins Reimbursement	🖩
Tax Reimbursement	🖩
Marketing Reimbursement	🖩
Utility Reimbursement	🖩
Parking Income	🖩
Total:	0.00
Market Rent	
Comment	✎
Rent Roll Comment	✎

▼ **Extended Fields**

Lease Received?	▾
Initial Lease Date	
Move In Date	
Pro Rata Share	
Lease Extension Term (Years)	
Lease Extension Comments	✎
Does lease contain co-tenancy clause	▾
Co-tenancy comment/description	✎
Tenant Rating	
Tenant Rating Fitch	▾
Tenant Rating S&P	▾
Tenant Rating Moody's	▾
Tenant Rating DBRS	▾
Tenant Operating Margin	
Tenant Debt/Equity Ratio	
Tenant Parent Company	
Parent Rating	
Parent Guarantee	☐
Ground Lease Tenant	▾

Estoppel Required?	▾
Estoppel	▾
Estoppel Comment	✎
SNDA Required?	▾
SNDA	▾
SNDA Comments	✎
Historical Tenant Improvement Allowance	
Historical Leasing Commissions ($ / sf)	
Go dark clause	☐
Go dark/cont op/co-tenancy comments	✎
Tenant National Annual Sales Avg	
Tenant's National Average Sales PSF	0.00
Tenant National Average Store Size	
Percentage rent in lieu	▾
Consolidated Tenant Sales	
Sales Per Square Foot	0.00
Period Start (MM)	
Period Start (YYYY)	
Period End (MM)	
Period End (YYYY)	
Sales Breakpoint when percentage rent due	
Pay percentage rent on sales over	
Percentage used for percentage rent	
Percentage Rent Calc	0.00

2   **3**

[Update] [Add New]

Expense reimbursements

For commercial rent rolls, Backshop gives you a powerful interface to set up expense reimbursements.

Go to expense reimbursements page

1. Click the Property tab and Rent Roll sublink.

2. Click the Expense Reimbursements link in the Go to row.

This takes you to the expense reimbursement detail page. If you don't want to work with expense or tenant groups, skip ahead to Set up reimbursements, below.

To work with expense groups, click the Expense Groups link:

Add an expense group

1. Enter the group name (required).

2. Click the Update button.

Saving the expense group enables the expense picker.

1. Select available expenses on the left. Click the right arrow to associate them with this expense group.

2. Click Update to save changes. To add another expense group, click the Add New button.

3. When you are finished creating expense groups, click the Pro Rata Expenses link. This takes you back to the expense reimbursements page.

Add a tenant group

1. From within the expense reimbursements area, click the Tenant Groups link.

2. Enter the group name (required).

3. Click the Update button.

Saving the tenant group enables the tenant picker.

1. Select available tenants on the left. Click the right arrow to associate them with this tenant group.

2. Click Update to save changes. To add another tenant group, click the Add New button.

3. When you are finished creating tenant groups, click the Pro Rata Expenses link. This takes you back to the expense reimbursements page.

Set up reimbursements

1. Select an expense or an expense group.

2. Select one or more detail types. Choose from default, unit type, tenant group or specific tenant.

3. If needed, specify the unit type, tenant group or specific tenant.

4. Set the Numerator and Denominator to determine the Pro Rata percent. Input Admin Gross Up as a percent (115 equals an admin gross up multiplier of 1.15 or 15%). Set the Base Year, Building Allocation and expense cap/floor/add on.

5. Click Update to save your changes.

Add rent roll – Multi

Rent rolls are the key to lease-by-lease underwriting and future securitization transparency.

First you'll create a rent roll, then you'll add tenants.

Go to the New Rent Roll page

1. Click the Property tab and the Rent Roll sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add New button on top right of the rent roll module.

Enter Rent Roll information

1. Start with required fields: rent roll name, rent roll date and payment frequency. Enter as much or little information as you like. You can always return to this entry.

2. Click the Update button at the top of the rent roll module.

When you click the Update button, your rent roll is created, and your tenant list is enabled.

Enter tenants

Backshop provides two ways to enter tenant information, depending on whether MF Mode (shown directly below rent roll name) is set to summary or detail.

Summary mode
This is the default mode. It lets you enter groups of tenants that share tenant type, unit type and floor plan.

In the rent roll page's tenant list module, click the Add New button.

Continue on next page...

1. Start with the required information: Enter or confirm the tenant type and unit type. Enter or choose a floor plan.

2. Enter the total number of units of this type, as well as the different statuses of non-occupied units: vacant, employee, model and down.

3. Click the Update button. You can always modify your tenant listing later.

4. To add another tenant group, click the Add New button.

B Deal Locator │ Log out lee │ Admin │ Help		

Deal: Mixed Use   Status: Funded Amount: $7,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Detail	Operating Stmt	Rent Roll	Tax	Management Co	Market	Demographics	Occ History	Site Inspection

Go to   Rent Roll

3   **4**

▼ **Rent Roll Tenant**   [Update] [Add New] [Delete]

Tenant Type	Standard	**1**	Number of Units	**2**	100
Unit Type	Studio		Occupied		75
Floor Plan	2bd 2ba		Vacant		10
	Or		Employee		5
			Model		5
Avg Size	0		Down		5
Avg Contract Rent	0.00				
Market Rent	0.00				

Detail mode

Detail mode lets you enter tenant-by-tenant information rather than summarizing tenants into groups. To switch from the default summary mode to detail mode:

1. Enter or verify required Rent Roll Information.

2. Click the Update button if you haven't already done so.

3. Click the Convert to Detail button.

Continue on next page...

1. Note that MF Mode has changed from Summary to Detail.

2. Click Add New button in the tenant list module

1. Start with required fields: tenant name, floor plan and contract rent amount. Enter as much or little information as you like. You can always return to this entry.

2. Click the Update button to save this information.

To add another individual tenant, click the Add New button. Repeat for your remaining tenants.

Add rent roll – Conversion

Rent rolls are the key to lease-by-lease underwriting and future securitization transparency.

Go to the New Rent Roll page

1. Click the Property tab and the Rent Roll sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add New button on top right of the rent roll module.

Enter Rent Roll information

1. Start with rent roll name, which is required. Enter as much or little information as you like. You can always return to this entry.

2. Click the Update button at the top of the rent roll module.

After you click the Update button, the tenant list will be enabled.

Add tenants

In the rent roll page's tenant list module, click the Add new button.

1. Tenant name and contract rent amount are required.

2. Enter or edit as much information as you like, then click the Update button. You can always modify your tenant listing later.

3. If you want to add another tenant, click the Add New button.

Add Rent Roll – Sellout

Rent rolls are the key to lease-by-lease underwriting and future securitization transparency.

Go to the New Rent Roll page

1. Click the Property tab and the Rent Roll sublink.

2. Verify that the proper property is displayed in the property menu.

3. Click the Add New button on top right of the rent roll module.

Enter Rent Roll information

1. Enter the rent roll name, which is required.

2. Enter or verify number of units, which is required. Enter or edit as much information as you like. You can always return to this entry.

3. Click the Update button.

After you click the Update button, the tenant list will be enabled.

Add tenants

In the rent roll page's tenant list module, click the Add new button.

1. Enter floor plan, which is required.

2. Enter number of vacant units, which is required. Enter or edit as much additional information as you like.

3. Click the Update button.

4. To add another tenant, click the Add New button.

Create stabilized cash flow

Depending on Property Type (Major), you will use slightly different methods to create stabilized cash flows.

Create stabilized cash flow – Commercial

This page shows how to create a "commercial" stabilized cash flow.

Set up your underwriting assumptions

1. Click the Underwriting tab and Assumptions sublink.

2. Verify that the correct property is selected.

3. Enter the underwriting name, which is required. Enter as much additional information as you like. You can always return to this form.

> **Included Operating Statements:** Select the historical operating statements you want to include in your under writing. Default is all.

4. Click the Update button to save your assumptions.

1. Verify income assumptions.

>   **Rental Calc:** Determines how the vacant space will be treated.

>   **Market Adjustment:** Determines the method of any mark-to-market adjustments.

>   **Reimbursement Calc:** "From Detail" pulls from the Expense Reimbursement data entered on the rent roll page. "From rent roll" pulls reimbursements based on the value entered for the tenant.

>   **Exclude Units by Status:** If excluded, tenants of the selected unit status will be treated as vacant space.

>   **Apply Override Rent:** Selecting Yes enables the ability to override contract rent on tenants in the Lease Level Assumptions section below.

>   **Percentage Rents:** Allows percentage rent to be calculated based on actual historical sales or per the \ amount entered on the tenant rent roll.

2. Verify expense assumptions.

>   **Op Statement Assumption:** The action (Average, Max, Min) and the inflation factor are used to calculate all expenses except management fee.

>   **Management Fee:** Calculated as a percent of EGI.

3. Verify capital assumptions.

>   **TI and LC Rollover Approach:** Either Straight Line (the normalized amount per the lease level assumptions) or Actual Approach (the actual roll per the entered term based on the lease level assumptions).

>   **Rent to Use for LC:** The lease value used to calculate the leasing commission due.

4. Enter lease level assumptions.

>   **Type:** Enter lease level assumptions that affect all tenants (Default), all tenants of a certain Unit Type (Unit Type), or by the individual tenant (Tenant).

5. Click Update.

>   **Analysis and Tools:** These sections display critical data such as tenant lists, details of the Actual Approach, details of the straight line approach and tenant-by-tenant details.

See image on next page...

B Deal Locator | Log out flahertyj | Admin | Help

Deal: [Mixed Use ▾]   Status: Test Loans Amount: $7,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions	Multi Year Cash Flow		Sources and Uses	Cash Flow Roll Up		UW Adjustments

Actions   Lock | Copy

5

▼ Stabilized Cash Flow   Property: [Retail ▾]   Underwriting: [In Place ▾]   [Open Cash Flow in New Window]   [Update]

Underwriting Name	Rent Roll Name	NOI	NCF	DSCR	Value	LTV	Loan Amount	Official Underwritings	Last Modified
In Place	In Place	768,820	706,030	1.55	7,688,198	97.55 %	$7,500,000	Securitization	11/9/2010 by Jim Flaherty
Pro Forma	In Place	724,601	667,097	1.47	6,670,971	112.43 %	$7,500,000		10/19/2010 by Jim Flaherty

[Official Underwritings]

Underwriting Name	In Place	DSCR	1.731
Effective Date	9/16/2010	LTV	95.26 %
Rent Roll goto	In Place	Debt Yield	10.50 %
Cash Flow Cap Rate ☐ Bifurcate Cap Rate	10.00 % of [NOI ▾]	Value	7,872,924
Included Operating Statements	2008, TTM- Recent, 2007, Appraisal	Comment	
	> Assign/Change Operating Statements		

▼ Income

1

Rental Calc	[Actual Contract Rent ▾]	Exclude Units by Status	Dark
Market Adjustment	[Contract Rent ▾]		> Assign/Change Excluded Unit Statuses
	at Lesser of Actual or Market ▾	Apply Override Rent	[No ▾]
Reimbursement Calc	[From Detail ▾]	Percentage Rents	[Sum from Calculated Sales ▾]
		Sales Year (for Calculated Sales)	[2009 ▾]

▶ NOI Categories	Calculations Edit income calculations	Totals
Effective Gross Income		1,250,935

▼ Expense

2

Op Statement Assumption	[Average ▾] of 2007 / 2008 / Appraisal	Inflation Factor	1.02 %
		Management Fee	5.00 %

▶ NOI Categories	Calculations Edit expense calculations	Totals
NET OPERATING INCOME		857,042

▼ Capital

3

TI Rollover Approach	[Actual Approach ▾] yrs [10 ▾]	Rent to Use For LC	[Contract Rent ▾]
LC Rollover Approach	[Straightline ▾]	Vacant Units TI/LC	[Exclude TI/LC ▾]

▶ NOI Categories	Calculations Edit capital calculations	Totals
NET CASH FLOW		787,292

▼ Lease Level Assumptions

4

Type	Identifier	Annual Market Rent ($)	Ave Rent ($)	Ave Total Rent	Vacancy Assump. (%)	Ave Occ (%)	Lease Term for TI (mo)	Ave Term	Renewal Probability (%)	TI New ($)	TI New Calc	TI Renewal ($)	TI Renewal Calc	LC Data Type	Lease Term for LC (mo)	LC New Value	LC Renew Value	Cap Ex Replace Reserve	Delete
Default		25.00	21.60	26.60	10.000	80.0 %	120	124	50.000	10.00	7.13	5.00	3.56	[Percent ▾]	120	4.000	2.000	0.15	
[Unit Type ▾]	[Anchor ▾]	35.00	1,500.00	1,500.00	5.000	100.0 %	120	0	80.000		495.00		247.50	[▾]					
5 [▾]		0.00	0.00		5.000	0.0 %		0			0.00		0.00	[▾]					

[Update] [Add New] [Delete]

Analysis and Tools   ▼ Open All Panels | ▶ Close All Panels

▶ Rent Roll Summary
                  Rent Roll Name **In Place** Rent Roll Date **6/15/2010** Payment Frequency **Monthly** Number Of Units **50,000**

▶ Actual Approach

▶ Straightline Rollover

▶ Tenant Breakdown

View stabilized cash flow

Backshop gives you two ways to access the stabilized cash flow:

1. Click the Cash Flow sublink. This opens the cash flow in the same window, within the application's navigation system.

2. Click the Open Cash Flow in New Window button. This is ideal if you have two computer monitors.

Here is the stabilized cash flow. Notes:

1. The Export to Excel button gives you this cash flow in spreadsheet form.

2. Change View hides/shows the per unit and percent values.

3. Calculations being used for the stabilized cash flow are shown in the related rows. To override the default calculations, click the Edit links. For more information, see Edit Calculations below.

4. View, edit or add comments.

Edit Calculations

To override the default stabilized cash flow calculations, click one of the Edit links.

1. Edit all calculations at the same time.

2. Edit all income (or expense or capital) calculations at once.

3. Edit an individual category.

1. Depending on which edit link you clicked on the stabilized cash flow page (above), all NOIs, a group of NOIs or an individual NOI will be checked.

>   Refine your selection by checking or un-checking the check boxes. Use the ▶ ▼ arrows to hide or expand categories.

2. The NOI categories you're currently editing are displayed here.

Aggregate calculations

3. Specify type of aggregate calculation: average, maximum, minimum or sum.

4. Indicate the desired data sources. Verify the U/W assumption and choose one or more op statements.

5. Enter a multiplier in the absolute, percent and/or per unit column. The new result is calculated automatically.

6. Click the Apply button for the calculation you want to activate. Clicking the Apply button executes the calculation and overrides the assumptions page.

Line item calculations

7. Test ideas by changing inputs and multipliers. Clicking the Apply button executes the calculation and overrides the assumptions page.

Create stabilized cash flow – Multi

This page shows how to create a "multi" stabilized cash flow.

Set up your underwriting assumptions

1. Click the Underwriting tab and Assumptions sublink.

2. Verify that the correct property is selected.

3. Enter the underwriting name, which is required. Enter as much additional information as you like. You can always return to this form.

4. Click the Update button to save your assumptions.

1. Verify income assumptions.

> **Rental Calc:** Determines how vacant space will be treated.

> **Market Adjustment:** Determines the method of any mark-to-market adjustments.

> **Vacancy Factor:** Market vacancy for the property.

> **Concessions:** The amount of free rent entered in months.

2. Verify expense assumptions.

> **Op Statement Assumption:** The action (average, max or min) and the inflation factor are used to calculate all expenses except management fee.

> **Management Fee:** Calculated as a percentage of EGI.

3. Verify capital assumptions.

> **Cap Replacement Reserve per Unit:** Amount held in escrow to replace common property.

4. Verify tenant list.

5. Click Update.

See image on next page...

B Deal Locator | Log out flahertyj | Admin | Help

Deal: | Mixed Use | ▾   **Status:** Test Loans **Amount:** $7,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions		Multi Year Cash Flow		Sources and Uses	Cash Flow Roll Up	UW Adjustments

Actions   Lock | Copy

Your records have been updated.

5

▶ Stabilized Cash Flow   **Property:** | Multifamily | ▾   **Underwriting:** | underwritingtest | ▾   [Open Cash Flow In New Window]   [**Update**]

Underwriting Name	underwritingtest		DSCR	2.126
Effective Date	12/3/2010		LTV	87.91 %
Rent Roll goto	Detail	▾	Debt Yield	11.38 %
Cash Flow Cap Rate ☐ Bifurcate Cap Rate	10.00 % of	NOI ▾	Value	9,669,116
Included Operating Statements	1999, 2008, Appraisal, TTM- Recent, Budget > Assign/Change Operating Statements		Comment	

▼ **Income**

1
Rental Calc	Gross Up at Market ▾		Vacancy Factor	5.00
Market Adjustment	Contract Rent ▾		Concessions	0.00
	at Lesser of Actual or Market ▾			

▶ NOI Categories	Calculations Edit income calculations	Totals
Effective Gross Income		1,183,548

▼ **Expense**

2
Op Statement Assumption	Average ▾ of	1999 2008 Appraisal	Inflation Factor	1.00	%
			Management Fee	5.00	%

▶ NOI Categories	Calculations Edit expense calculations	Totals
NET OPERATING INCOME		966,912

▼ **Capital**

3 Cap Replacement Reserve per Unit

▶ NOI Categories	Calculations Edit capital calculations	Totals
NET CASH FLOW		966,912

5

[**Update**] [**Add New**] [**Delete**]

▼ **Tenant List 4**

Turn Paging Off

Floor Plan	Tenant Type	Unit Type	Unit Size	Unit Status	Contract Rent	Market Rent	Rent Loss
2 bed / 2 bath	Standard	Studio	1,000	Occupied	2,000	2,200	200
2 bed / 2 bath	Standard	Studio	1,000	Occupied	2,000	2,200	200
2 bed / 2 bath	Standard	Studio	1,000	Occupied	2,000	2,200	200

View stabilized cash flow

Backshop gives you two ways to access the stabilized cash flow:

1. Click the Cash Flow sublink. This opens the cash flow in the same window, within the application's navigation system.

2. Click the Open Cash Flow in New Window button. This is ideal if you use two computer monitors.

Here is the stabilized cash flow. Notes:

1. The Export to Excel button gives you this cash flow in spreadsheet form.

2. Change View hides/shows the per unit and percent values.

3. Calculations being used for the stabilized cash flow are shown in the related rows. To override the default calculations, click the Edit links. For more information, see Edit Calculations below.

4. View, edit or add comments.

Edit Calculations

To override the default stabilized cash flow calculations, click one of the Edit links.

1. Edit all calculations at the same time.

2. Edit all income (or expense or capital) calculations at once.

3. Edit an individual category.

1. Depending on which edit link you clicked on the stabilized cash flow page (above), all NOIs, a group of NOIs or an individual NOI will be checked.

> Refine your selection by checking or un-checking the check boxes. Use the ▶ ▼ arrows to hide or expand categories.

2. The NOI categories you're currently editing are displayed here.

Aggregate calculations

3. Specify type of aggregate calculation: average, maximum, minimum or sum.

4. Indicate the desired data sources. Verify the U/W assumption and choose one or more op statements.

5. Enter a multiplier in the absolute, percent and/or per unit column. The new result is calculated automatically.

6. Click the Apply button for the calculation you want to activate. Clicking the Apply button executes the calculation and overrides the assumptions page.

Line item calculations

7. Test ideas by changing inputs and multipliers. Clicking the Apply button executes the calculation and overrides the assumptions page.

Create stabilized cash flow – Hotel

This page shows how to create a "hotel" stabilized cash flow.

Set up your underwriting assumptions

1. Click the Underwriting tab and Assumptions sublink.

2. Verify that the correct property is selected.

3. Enter the underwriting name, which is required. Enter as much additional information as you like. You can always return to this form.

4. Click the Update button to save your assumptions.

1. Verify income assumptions.

2. Verify expense assumptions.

3. Verify capital assumptions.

4. Verify tenant list.

5. Click Update.

View stabilized cash flow

Backshop gives you two ways to access the stabilized cash flow:

1. Click the Cash Flow sublink. This opens the cash flow in the same window, within the application's navigation system.

2. Click the Open Cash Flow in New Window button. This, of course, opens the cash flow in a new window.

Here is the stabilized cash flow. Notes:

1. The Export to Excel button gives you this cash flow in spreadsheet form.

2. Change View hides/shows the per unit and percent values.

3. Enter data to calculate revenue available per room (REVPAR).

4. Calculations being used for the stabilized cash flow are shown in the related rows. To override the default calculations, click the Edit links. For more information, see Edit Calculations below.

5. View, edit or add comments.

Stabilized Cash Flow — Property: Hotel — Underwriting: Current — Update — Export to Excel

	Appraisal				TTM- Recent				Budget				Current				Calculations	Comments
Change view:	$	%	PAR	POR	$	%	PAR	POR	$	%	PAR	POR	$	%	PAR	POR		
Number of Rooms	98				98				98				0					
Number of Days in Year	365				365				365				0					
Annual Occupied Rooms	28,616				28,616				30,405				0					
Annual Rooms Available	35,770				35,770				35,770				0					
Occupancy Percentage	0.80				0.80				0.85				0.00					
Average Daily Rate (ADR)	85				85				90				0					
Revenue Per Available Room (REVPAR)	68.00				68.00				76.50				0.00					
Departmental Revenues																	Edit All Departmental Revenues	
Room Revenue	2,310,000	97.0 %	$23,571.43	$80.72	2,322,000	96.9 %	$23,693.88	$81.14	2,330,000	96.5 %	$23,775.51	$76.63	2,368,440	96.9 %	$24,167.76	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Food and Beverage	28,000	1.2 %	$285.71	$0.98	30,000	1.3 %	$306.12	$1.05	32,000	1.3 %	$326.53	$1.05	30,600	1.3 %	$312.24	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Telephone Revenue	5,000	0.2 %	$51.02	$0.17	5,000	0.2 %	$51.02	$0.17	8,000	0.3 %	$81.63	$0.26	5,100	0.2 %	$52.04	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Other Operated Dept	39,000	1.6 %	$397.96	$1.36	40,000	1.7 %	$408.16	$1.40	45,000	1.9 %	$459.18	$1.48	40,800	1.7 %	$416.33	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Total Departmental Revenues	2,382,000	100.0 %	$24,306.12	$83.24	2,397,000	100.0 %	$24,459.18	$83.76	2,415,000	100.0 %	$24,642.86	$79.43	2,444,940	100.0 %	$24,948.37	$0.00		
Total Other Income	0	0.0 %	$0.00	$0.00	0	0.0 %	$0.00	$0.00	0	0.0 %	$0.00	$0.00	0	0.0 %	$0.00	$0.00		
Total Revenue	2,382,000	100.0 %	$24,306.12	$83.24	2,397,000	100.0 %	$24,459.18	$83.76	2,415,000	100.0 %	$24,642.86	$79.43	2,444,940	100.0 %	$24,948.37	$0.00		
Departmental Expenses																	Edit All Departmental Expenses	
Rooms Expense	530,000	22.9 %	$5,408.16	$18.52	575,000	24.8 %	$5,867.35	$20.09	525,000	22.5 %	$5,357.14	$17.27	586,500	24.8 %	$5,984.69	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Food and Beverage Exp	23,000	82.1 %	$234.69	$0.80	27,000	90.0 %	$275.51	$0.94	20,000	62.5 %	$204.08	$0.66	27,540	90.0 %	$281.02	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Telephone Expense	24,000	480.0 %	$244.90	$0.84	25,000	500.0 %	$255.10	$0.87	25,000	312.5 %	$255.10	$0.82	25,500	500.0 %	$260.20	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Other Operated Dept Exp	28,000	71.8 %	$285.71	$0.98	28,000	70.0 %	$285.71	$0.98	25,000	55.6 %	$255.10	$0.82	28,560	70.0 %	$291.43	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Total Departmental Expenses	605,000	25.4 %	$6,173.47	$21.14	655,000	27.3 %	$6,683.67	$22.89	595,000	24.6 %	$6,071.43	$19.57	668,100	27.3 %	$6,817.35	$0.00		
Gross Operating Profit	1,777,000	74.6 %	$18,132.65	$62.10	1,742,000	72.7 %	$17,775.51	$60.88	1,820,000	75.4 %	$18,571.43	$59.86	1,776,840	72.7 %	$18,131.02	$0.00		
General and Unapplied Expenses																	Edit All General and Unapplied Expenses	
General & Administrative	128,000	5.4 %	$1,306.12	$4.47	130,000	5.4 %	$1,326.53	$4.54	125,000	5.2 %	$1,275.51	$4.11	132,600	5.4 %	$1,353.06	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Advertising and Marketing	80,000	3.4 %	$816.33	$2.80	80,000	3.3 %	$816.33	$2.80	70,000	2.9 %	$714.29	$2.30	81,600	3.3 %	$832.65	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Property Op and Maint Exp	77,000	3.2 %	$785.71	$2.69	75,000	3.1 %	$765.31	$2.62	75,000	3.1 %	$765.31	$2.47	76,500	3.1 %	$780.61	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Utilities	75,000	3.2 %	$765.31	$2.62	80,000	3.3 %	$816.33	$2.80	75,000	3.1 %	$765.31	$2.47	81,600	3.3 %	$832.65	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Management Fee	82,000	3.4 %	$836.73	$2.87	75,000	3.1 %	$765.31	$2.62	75,000	3.1 %	$765.31	$2.47	122,247	5.0 %	$1,247.42	$0.00	5% of EGI edit	▶ Comments
Franchise Fee	230,000	9.7 %	$2,346.94	$8.04	235,000	9.8 %	$2,397.96	$8.21	235,000	9.7 %	$2,397.96	$7.73	239,700	9.8 %	$2,445.92	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Ground Rent	110,000	4.6 %	$1,122.45	$3.84	100,000	4.2 %	$1,020.41	$3.49	100,000	4.1 %	$1,020.41	$3.29	102,000	4.2 %	$1,040.82	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Other Expenses - Fixed	30,000	1.3 %	$306.12	$1.05	25,000	1.0 %	$255.10	$0.87	15,000	0.6 %	$153.06	$0.49	25,500	1.0 %	$260.20	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Total General and Unapplied Expenses	812,000	34.1 %	$8,285.71	$28.38	800,000	33.4 %	$8,163.27	$27.96	770,000	31.9 %	$7,857.14	$25.33	861,747	35.3 %	$8,793.34	$0.00		
Fixed Expenses																	Edit All Fixed Expenses	
Insurance	37,000	1.6 %	$377.55	$1.29	35,000	1.5 %	$357.14	$1.22	40,000	1.7 %	$408.16	$1.32	35,700	1.5 %	$364.29	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Real Estate Taxes	160,000	6.7 %	$1,632.65	$5.59	150,000	6.3 %	$1,530.61	$5.24	150,000	6.2 %	$1,530.61	$4.93	153,000	6.3 %	$1,561.22	$0.00	Average of TTM- Recent * 102.00% edit	▶ Comments
Total Fixed Expenses	197,000	8.3 %	$2,010.20	$6.88	185,000	7.7 %	$1,887.76	$6.46	190,000	7.9 %	$1,938.78	$6.25	188,700	7.7 %	$1,925.51	$0.00		
NET OPERATING INCOME	768,000	32.2 %	$7,836.73	$26.84	757,000	31.6 %	$7,724.49	$26.45	860,000	35.6 %	$8,775.51	$28.29	726,393	29.7 %	$7,412.17	$0.00		
▶ CAPITAL																	Edit All Capital Calculations	
Capital Total	0	0.0 %	$0.00	$0.00	0	0.0 %	$0.00	$0.00	0	0.0 %	$0.00	$0.00	0	0.0 %	$0.00	$0.00		
NET CASH FLOW	768,000	32.2 %	$7,836.73	$26.84	757,000	31.6 %	$7,724.49	$26.45	860,000	35.6 %	$8,775.51	$28.29	726,393	29.7 %	$7,412.17	$0.00		
UW Value													9,079,913					
CAPITAL BUDGET / ASSET MANAGEMENT																		
Net Present Value																		
Capital Stack																		

Update   Add new noi

Edit Calculations

To override the default stabilized cash flow calculations, click one of the Edit links.

1. Edit calculations for the entire group.

2. Edit an individual category.

1. Depending on which edit link you clicked on the stabilized cash flow page (above), a group of NOIs or an individual NOI will be checked.

Refine your selection by checking or un-checking the check boxes. Use the ▶ ▼ arrows to hide or expand categories.

2. The NOI categories you're currently editing are displayed here.

Aggregate calculations

3. Specify type of aggregate calculation.

4. Indicate the op statements you want to use as data sources.

5. Enter multipliers in one or more of the columns. The new results are calculated automatically.

6. Click the Apply button for the calculation you want to activate. Clicking the Apply button executes the calculation and overrides the assumptions page.

Line item calculations

7. Test ideas by changing inputs and multipliers. Clicking the Apply button executes the calculation and overrides the assumptions page.

Create stabilized cash flow – Conversion

This page shows how to create a "conversion" stabilized cash flow.

Set up your underwriting assumptions

1. Click the Underwriting tab and Assumptions sublink.

2. Verify that the correct property is selected.

3. Enter the underwriting name and vacancy factor, which are required. Enter as much additional information as you like. You can always return to this form.

> **Included Operating Statements:** Select the historical operating statements you want to include in your underwriting. Default is all.

4. Click the Update button to save your assumptions.

1. Verify income assumptions.

> **Rental Calc:** Determines how the vacant space will be treated.

> **Market Adjustment:** Determines the method of any mark-to-market adjustments.

> **Vacancy factor:** Gross rental income loss due to vacancy and non-collection of rent, expressed as a percentage.

> **Concessions:** Discount offered to tenants to buy their units, expressed as a percentage.

2. Verify expense assumptions.

> **Op Statement Assumption:** The action (Average, Max, Min) and the included op statements are used to calculate all expenses except management fee.

> **Inflation:** Expressed as a percentage.

> **Management Fee:** Calculated as a percent of EGI.

3. Click Update.

B Deal Locator | Log out flahertyj | Admin | Help

Deal: [Mixed Use ▼]   **Status:** Test Loans **Amount:** $7,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions		Multi Year Cash Flow		Sources and Uses	Cash Flow Roll Up	UW Adjustments

Actions   Lock | Copy

Your records have been updated.

▶ **Stabilized Cash Flow**   **Property:** [Conversion ▼]   **Underwriting:** [testunderwriting ▼]   [Open Cash Flow in New Window]   **3** [Update]

Underwriting Name	testunderwriting		DSCR	-0.122
Effective Date	12/18/2010		LTV	-1,350.01 %
Rent Roll goto	testrentroll-conversion ▼		Debt Yield	-0.74 %
Cash Flow Cap Rate ☐ Bifurcate Cap Rate	10.00 % of [NOI ▼]		Value	-555,550
Included Operating Statements	TTM- Recent > Assign/Change Operating Statements		Comment	

▼ **Income**

Rental Calc **1**	Actual Contract Rent ▼	Vacancy Factor	5.00
Market Adjustment	Contract Rent ▼	Concessions	0.00
	at Actual ▼		

▶ NOI Categories   Calculations   Edit income calculations   Totals

Effective Gross Income   0

▼ **Expense**

Op Statement Assumption **2**	Average ▼ of TTM- Recent	Inflation	0.00	%
		Management Fee	5.00	%

▶ NOI Categories   Calculations   Edit expense calculations   Totals

NET OPERATING INCOME   -55,555

▼ **Capital**

▶ NOI Categories   Calculations   Edit capital calculations   Totals

NET CASH FLOW   -55,555

3
[Update]   [Add New]   [Delete]

▼ **Tenant List**

View stabilized cash flow

Backshop gives you two ways to access the stabilized cash flow:

1. Click the Cash Flow sublink. This opens the cash flow in the same window, within the application's navigation system.

2. Click the Open Cash Flow in New Window button. This is ideal if you have two computer monitors.

Here is the stabilized cash flow. Notes:

1. The Export to Excel button gives you this cash flow in spreadsheet form.

2. Change View hides/shows the per unit and percent values.

3. Calculations being used for the stabilized cash flow are shown in the related rows. To override the default calculations, click the Edit links. For more information, see Edit Calculations below.

4. View, edit or add comments.

Remember: If you make changes, be sure to click the Update button.

See image on next page...

Stabilized Cash Flow Property: Conversion ▾ Underwriting: testunderwriting ▾ **Update** **Export to Excel** **1**

Change view: **2**
Show All ▾

	TTM- Recent peek | go			testunderwriting peek | go			Calculations **3**	Comments
	$	%	per Units	$	%	per Units		**4**
Units: 8 Occupancy:	100.0 %			100.0 %			Edit All Calculations	
▶ INCOME							Edit All Income Calculations	
▾ Contract Rent	200,000	100.0 %	$25,000.00	0	0.0 %	$0.00	Contract Rent per the Rent Roll edit	
Contract Rent	200,000	100.0 %	$25,000.00	0	0.0 %	$0.00	Contract Rent per the Rent Roll edit	▶ Comments
Potential Gross Income	200,000	100.0 %	$25,000.00	0	0.0 %	$0.00		
Vacancy and Credit Loss	0	0.0 %	$0.00	0	0.0 %	$0.00		
EGI Before Other Income	200,000	100.0 %	$25,000.00	0	0.0 %	$0.00		
Total Other Income	0	0.0 %	$0.00	0	0.0 %	$0.00		
Effective Gross Income	200,000	100.0 %	$25,000.00	0	0.0 %	$0.00		
EXPENSES							Edit All Expenses Calculations	
Utilities	50,000	25.0 %	$6,250.00	50,000	0.0 %	$6,250.00	Average of TTM- Recent * 100.00% edit	▶ Comments
General & Administrative	5,555	2.8 %	$694.38	5,555	0.0 %	$694.38	Average of TTM- Recent * 100.00% edit	▶ Comments
Total Operating Expenses	55,555	27.8 %	$6,944.38	55,555	0.0 %	$6,944.38		
NET OPERATING INCOME	144,445	72.2 %	$18,055.62	-55,555	0.0 %	($6,944.38)		
▶ CAPITAL							Edit All Capital Calculations	
▾ Replacement Reserves	2,000	1.0 %	$250.00	0	0.0 %	$0.00	From Lease Level Assumptions edit	
Replacement Reserves	2,000	100.0 %	$250.00	0	0.0 %	$0.00	From Lease Level Assumptions edit	▶ Comments
Capital Total	2,000	1.0 %	$250.00	0	0.0 %	$0.00		
NET CASH FLOW	142,445	71.2 %	$17,805.62	-55,555	0.0 %	($6,944.38)		
UW Value				-555,550				

▾ DSCR NOI	0.318	-0.122	
Amort DSCR			
A note	0.345	-0.133	
IO DSCR			
Mezz	0.395	-0.152	
Stressed DSCR			
▾ DSCR NCF	0.313	-0.122	
Amort DSCR			
A note	0.340	-0.133	
IO DSCR			
Mezz	0.390	-0.152	
Stressed DSCR			
▾ Debt Yield	1.93 %	-0.74 %	
A note	2.19 %	-0.85 %	
Mezz	1.90 %	-0.74 %	
▾ Loan to Value (UW Cap Rate LTV)	519.23 %	-1,350.01 %	
UW Cap Rate LTV			
A note	450.00 %	-1,170.01 %	
Mezz	519.23 %	-1,350.01 %	
Adjusted UW Cap Rate LTV			
▾ CF after Debt Service	-223,062	-421,062	
CFADS			
A note	-276,276	-474,276	
IO CFADS			
Mezz	-223,062	-421,062	

Update   Add new noi

Edit Calculations

To override the default stabilized cash flow calculations, click one of the Edit links.

1. Edit all calculations at the same time.

2. Edit all income (or expense or capital) calculations at once.

3. Edit an individual category.

1. Depending on which edit link you clicked on the stabilized cash flow page (above), all NOIs, a group of NOIs or an individual NOI will be checked.

Refine your selection by checking or un-checking the check boxes. Use the ► ▼ arrows to hide or expand categories.

2. The NOI categories you're currently editing are displayed here.

Aggregate calculations

3. Specify type of aggregate calculation: average, maximum, minimum or sum.

4. Indicate the desired data sources. Verify the U/W assumption and choose one or more op statements.

5. Enter a multiplier in the absolute, percent and/or per unit column. The new result is calculated automatically.

6. Click the Apply button for the calculation you want to activate. Clicking the Apply button executes the calculation and overrides the assumptions page.

Line item calculations

7. Test ideas by changing inputs and multipliers. Clicking the Apply button executes the calculation and overrides the assumptions page.

Create multi year cash flow

Depending on Property Type (Major), you will use slightly different methods to create multi year cash flows.

Create multi year cash flow – Commercial

This page shows how to create a "commercial" multi year cash flow.

Set up multi year cash flow assumptions

1. Click the Underwriting tab and the Multi Year Assumptions sublink.

2. Verify that the correct property and underwriting are selected in the menus.

3. Enter the required information: number of years, year of sale, cost of sale, discount rate and cap rate. Add more if you like. You can always come back.

4. Click the Update button to save your assumptions.

After you save your stabilized cash flow assumption, more settings become populated and available.

1. Income and Capital Assumptions: Grow/adjust lease level assumptions from the stabilized cash flow.

2. Tenant Absorption: Vacant space will be leased based on the Term.

3. Other Income and Expense Assumptions: Can be percent of EGI, straight growth or custom growth.

Review and/or edit the settings, then click the Update button. You can always come back.

See image on next page...

B Deal Locator | Log out flahertyj | Admin | Help

Deal: [Mixed Use ▾]   Status: Test Loans **Amount:** $7,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions		Multi Year Cash Flow	Sources and Uses	Cash Flow Roll Up	UW Adjustments	

▶ **Underwritten MYCF** **Property:** [Retail ▾]   **Underwriting:** [In Place ▾]   [Open MYCF In New Window]   [**Update**]

Number of Years	5
Year of Sale	5
Global Growth Rate	3.000
Year of Sale Mode	Year of Sale ▾
Cost of Sale	5.000
Term	Annually ▾

Net Present Value	8,725,705
Discount Rate	10.000
Cap Rate	10.000 % of Net Cash Flow ▾
Comment	

▼ **Income and Capital Assumptions** 1   ▶ UA Values

Type	Identifier	Market Rent Growth	Vacancy Assumption (%)	Downtime Between Leases (months)	TI New Growth (%)	TI Renewal Growth (%)	LC New Growth (%)	LC Renewal Growth (%)	Reserve Growth	Reset
Default-Overall		▶ % ▾ 0.0000	▶ 10.000	12	2.000	2.000	2.000	2.000	▶ % ▾ 2.0000	
Unit Type	Major	▶ % ▾	▶						▶ % ▾	☐
Tenant	Retail Tenant	▶ % ▾	▶						▶ % ▾	☐
Tenant	Retail Tenant 2	▶ % ▾	▶						▶ % ▾	☐
Tenant	Vacant	▶ % ▾	▶ 20.000						▶ % ▾	☐

▼ **Tenant Absorption** 2

Tenant	Unit Type	Unit Size	Percent of Property	Term	Months of Free Rent
Vacant	In Line	10,000	20.00 %	3	0

▼ **Other Income and Expense Assumptions** 3

Income	Amount	Percent Fixed (%)	MY Method	Assumptions	
Percentage Rent	0	100.000	Growth ▾	3.000	
Other Income	0	100.000	Growth ▾	3.000	

Expenses	Amount	Percent Fixed (%)	MY Method	Assumptions	
Management Fee	56,990	100.000	EGI ▾	Year / Growth % Year 1 10.000 Year 2 10.000 Year 3 10.000 Year 4 10.000 Year 5 10.000	
Payroll and Benefits	0	100.000	Growth ▾	0.000	
Utilities	62,632	100.000	Growth ▾	3.000	
Repairs and Maintenance	10,102	100.000	Growth ▾	3.000	
Cleaning Expense	0	100.000	Growth ▾	0.000	
Security	15,000	100.000	Growth ▾	3.000	
Landscaping and Grounds	15,153	100.000	Growth ▾	3.000	
Advertising and Marketing	85,867	100.000	Growth ▾	3.000	
Professional Legal	9,092	100.000	Growth ▾	3.000	
Real Estate Taxes	65,663	100.000	Growth - Custom ▾	☐ Calculate by Detail Year / %/$ / Growth % / Annual / #1 Year 1 $ ▾ / / 0 / 0 Year 2 $ ▾ / / 11,610 / 5,805 Year 3 % ▾ / 3.000 / 11,958 / 5,979 Year 4 % ▾ / 3.000 / 12,316 / 6,158 Year 5 % ▾ / 3.000 / 12,686 / 6,343	
Insurance	30,306	100.000	Growth ▾	3.000	
Other Expenses - Fixed	20,204	100.000	Growth ▾	3.000	

[**Update**] [Delete]

View your multi year cash flow

1. To open the multi year cash flow in the same window, click the Multi Year Cash Flow sublink in the main navigation.

2. To open the multi year cash flow in a new window, click the Open MYCF in New Window button. Ideal when using multiple computer monitors.

Here is the "commercial" multi year cash flow.

1. Export the multi year cash flow to Excel.

2. Change view units: all (dollars, percent and per unit) or just dollars

See image on next page...

Multi-Year Cash Flow Property: [Retail] Underwriting: [In Place] [Export Data] **1** | Change View: Units [Show All] **2** [Update]

INCOME	UCF Base	%	per	Year 1 (m)	%	per	Year 2 (m)	%	per	Year 3 (m)	%	per	Year 4 (m)	%	per	Year 5 (m)	%	per
▶ Contract Rent	864,000	75.8%	$17.28	852,000	74.2%	$17.04	816,000	73.0%	$16.32	1,189,773	73.7%	$23.80	1,189,773	73.3%	$23.80	1,189,773	72.8%	$23.80
▶ CAM Reimbursement	244,277	21.4%	$4.89	291,846	25.4%	$5.84	297,078	26.6%	$5.94	419,223	26.0%	$8.38	428,223	26.4%	$8.56	437,492	26.8%	$8.75
▶ Tax Reimbursement	52,530	4.6%	$1.05	4,645	0.4%	$0.09	4,485	0.4%	$0.09	6,159	0.4%	$0.12	6,343	0.4%	$0.13	6,533	0.4%	$0.13
▶ Mark To Market	-21,000	-1.8%	($0.42)	0	0.0%	$0.00	0	0.0%	$0.00	-3	0.0%	$0.00	0	0.0%	$0.00	0	0.0%	$0.00
Potential Gross Income	**1,139,807**	**100.0%**	**$22.80**	**1,148,491**	**105.5%**	**$22.97**	**1,117,563**	**103.7%**	**$22.35**	**1,615,152**	**109.3%**	**$32.30**	**1,624,339**	**109.3%**	**$32.49**	**1,633,798**	**109.3%**	**$32.68**
▶ Collection Loss	0	0.0%	$0.00	-5,442	9.1%	($0.11)	-5,469	13.6%	($0.11)	-9,244	6.7%	($0.18)	-9,299	6.7%	($0.19)	-9,356	6.7%	($0.19)
▶ Vacancy and Credit Loss	0	0.0%	$0.00	-54,425	90.9%	($1.09)	-34,773	86.4%	($0.70)	-128,267	93.3%	($2.57)	-129,002	93.3%	($2.58)	-129,758	93.3%	($2.60)
Vacancy and Credit Loss	**0**	**0.0%**	**$0.00**	**-59,867**	**-5.2%**	**($1.20)**	**-40,242**	**-3.6%**	**($0.80)**	**-137,511**	**-8.5%**	**($2.75)**	**-138,301**	**-8.5%**	**($2.77)**	**-139,114**	**-8.5%**	**($2.78)**
EGI Before Other Income	**1,139,807**	**100.0%**	**$22.80**	**1,088,624**	**100.0%**	**$21.77**	**1,077,321**	**100.0%**	**$21.55**	**1,477,641**	**100.0%**	**$29.55**	**1,486,038**	**100.0%**	**$29.72**	**1,494,684**	**100.0%**	**$29.89**
Total Other Income	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**
Effective Gross Income	**1,139,807**	**100.0%**	**$22.80**	**1,088,624**	**100.0%**	**$21.77**	**1,077,321**	**100.0%**	**$21.55**	**1,477,641**	**100.0%**	**$29.55**	**1,486,038**	**100.0%**	**$29.72**	**1,494,684**	**100.0%**	**$29.89**

EXPENSES	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Management Fee	56,990	5.0%	$1.14	109,001	10.0%	$2.18	107,866	10.0%	$2.16	147,838	10.0%	$2.96	148,696	10.0%	$2.97	149,579	10.0%	$2.99
Utilities	62,632	5.5%	$1.25	64,511	5.9%	$1.29	66,447	6.2%	$1.33	68,440	4.6%	$1.37	70,493	4.7%	$1.41	72,608	4.9%	$1.45
Repairs and Maintenance	10,102	0.9%	$0.20	10,405	1.0%	$0.21	10,717	1.0%	$0.21	11,039	0.8%	$0.22	11,370	0.8%	$0.23	11,711	0.8%	$0.23
Security	15,000	1.3%	$0.30	15,450	1.4%	$0.31	15,914	1.5%	$0.32	16,391	1.1%	$0.33	16,883	1.1%	$0.34	17,389	1.2%	$0.35
Landscaping and Grounds	15,153	1.3%	$0.30	15,608	1.4%	$0.31	16,076	1.5%	$0.32	16,558	1.1%	$0.33	17,055	1.2%	$0.34	17,566	1.2%	$0.35
Advertising and Marketing	85,867	7.5%	$1.72	88,443	8.1%	$1.77	91,096	8.5%	$1.82	93,829	6.4%	$1.88	96,644	6.5%	$1.93	99,543	6.7%	$1.99
Professional Legal	9,092	0.8%	$0.18	9,365	0.9%	$0.19	9,645	0.9%	$0.19	9,935	0.7%	$0.20	10,233	0.7%	$0.20	10,540	0.7%	$0.21
Real Estate Taxes	65,663	5.8%	$1.31	5,805	0.5%	$0.12	5,979	0.6%	$0.12	6,159	0.4%	$0.12	6,343	0.4%	$0.13	6,534	0.4%	$0.13
Insurance	30,306	2.7%	$0.61	31,215	2.9%	$0.62	32,152	3.0%	$0.64	33,116	2.2%	$0.66	34,110	2.3%	$0.68	35,133	2.4%	$0.70
Other Expenses - Fixed	20,204	1.8%	$0.40	20,810	1.9%	$0.42	21,434	2.0%	$0.43	22,077	1.5%	$0.44	22,740	1.5%	$0.45	23,422	1.6%	$0.47
Total Operating Expenses	**371,009**	**32.6%**	**$7.42**	**370,613**	**34.0%**	**$7.41**	**377,326**	**35.0%**	**$7.55**	**425,382**	**28.8%**	**$8.51**	**434,567**	**29.2%**	**$8.69**	**444,025**	**29.7%**	**$8.88**
NET OPERATING INCOME	**768,798**	**67.5%**	**$15.38**	**718,011**	**66.0%**	**$14.36**	**699,995**	**65.0%**	**$14.00**	**1,052,259**	**71.2%**	**$21.05**	**1,051,471**	**70.8%**	**$21.03**	**1,050,659**	**70.3%**	**$21.01**

CAPITAL	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
▶ Tenant Improvements	30,000	2.6%	$0.60	0	0.0%	$0.00	0	0.0%	$0.00	145,916	9.9%	$2.92	0	0.0%	$0.00	0	0.0%	$0.00
▶ Leasing Commissions	25,290	2.2%	$0.51	0	0.0%	$0.00	0	0.0%	$0.00	81,954	5.6%	$1.64	0	0.0%	$0.00	0	0.0%	$0.00
▶ Replacement Reserves	7,500	0.7%	$0.15	7,590	0.7%	$0.15	7,683	0.7%	$0.15	7,776	0.5%	$0.16	7,872	0.5%	$0.16	7,968	0.5%	$0.16
Capital Total	**62,790**	**5.5%**	**$1.26**	**7,590**	**0.7%**	**$0.15**	**7,683**	**0.7%**	**$0.15**	**235,646**	**16.0%**	**$4.71**	**7,872**	**0.5%**	**$0.16**	**7,968**	**0.5%**	**$0.16**
NET CASH FLOW	**706,008**	**61.9%**	**$14.12**	**710,421**	**65.3%**	**$14.21**	**692,312**	**64.3%**	**$13.85**	**816,613**	**55.3%**	**$16.33**	**1,043,599**	**70.2%**	**$20.87**	**1,042,691**	**69.8%**	**$20.85**

CAPITAL BUDGET / ASSET MANAGEMENT	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Design Fees	0	0.0%	$0.00	500,000	0.0%	$10.00	0	0.0%	$0.00	0	0.0%	$0.00	0	0.0%	$0.00	0	0.0%	$0.00
Total Soft Costs	**0**	**0.0%**	**$0.00**	**500,000**	**45.9%**	**$10.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**	**0**	**0.0%**	**$0.00**
NET CASH FLOW - Costs	**706,008**	**61.9%**	**$14.12**	**210,421**	**19.3%**	**$4.21**	**692,312**	**64.3%**	**$13.85**	**816,613**	**55.3%**	**$16.33**	**1,043,599**	**70.2%**	**$20.87**	**1,042,691**	**69.8%**	**$20.85**

Net Present Value	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Cap Rate																10.00 %		
Reversion																10,435,990		
Cost of Sale																-521,800		
Net Reversion Amount																9,914,191		
NPV																8,727,008		

Capital Stack	UCF Base	Year 1	Year 2	Year 3	Year 4	Year 5
CFADS A note	287,287	351,472	273,591	397,892	624,878	763,544
CFADS Mezz	0	0	0	0		
CFADS testlee	0	0	0	0		
DSCR A note	1.69	1.98	1.65	1.95	2.49	3.74
DSCR Mezz	0.00	0.00	0.00	0.00		
DSCR testlee	0.00	0.00	0.00	0.00		
Appraisal LTV	0.00	0.00	0.00	0.00	0.00	0.00
Outstanding Loan Balance	8,500,000	8,470,383	8,378,455	8,280,826	6,178,131	6,115,001
UW Cap Rate Value LTV	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Last Dollar DSCR	1.55	0.53	1.52	1.80	2.49	3.74

[Update]

Create multi year cash flow – Multi

This page shows how to create a "multi" multi year cash flow.

Set up multi year cash flow assumptions

1. Click the Underwriting tab and the Multi Year Assumptions sublink.

2. Verify that the correct property and underwriting are selected in the menus.

3. Enter the required information: number of years, year of sale, cost of sale, discount rate and cap rate. Add more if you like. You can always come back.

4. Click the Update button to save your assumptions.

After you save your stabilized cash flow assumption, more settings become populated and available.

1. Income and Capital Assumptions: Grow or adjust from the stabilized cash flow.

2. Absorption: Vacant space will be leased based on the Term.

3. Other Income and Expense Assumptions: Can be percent of EGI, straight growth or custom growth.

Review and/or edit the settings, then click the Update button. You can always come back.

See image on next page...

B Deal Locator | Log out lee | Admin | Help

Deal: | Mixed Use | ▼ | Status: Funded Amount: $8,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions		Multi Year Cash Flow		Sources and Uses	Cash Flow Roll Up	UW Adjustments

▶ **Underwritten MYCF** Property: | Multifamily ▼ | Underwriting: | In Place ▼ | [Open MYCF in New Window]   [Update]

Number of Years	5		Net Present Value	10,191,152
Year of Sale	5		Discount Rate	8.000
Global Growth Rate	3.000		Cap Rate	8.000 % of Net Cash Flow ▼
Year of Sale Mode	Year of Sale ▼		Comment	
Cost of Sale	1.500			
Term	Monthly ▼			

▼ **Income and Capital Assumptions** **1**   ▶ **UA Values**

Type	Identifier	Market Rent Growth	Contract Rent Growth (%)	Vacancy Assumption (%)	Annual UWRent Growth (%)	Collection Loss (%)	Reset
Default-Overall		▶ % ▼ 3.0000	▶ 3.000	▶ 5.000	3.000	▶	

▼ **Absorption** **2**

Floor Plan	Tenant Type	Unit Type	Unit Status	Begin (#)	Terms
2 bed / 1 bath	Standard	2 BR 1 BA	Down	0	

	#1	#2	#3	#4	#5	#6	#7	#8	#9	#10	#11	#12	Cumm
Year 1	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 2	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 3	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 4	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 5	0	0	0	0	0	0	0	0	0	0	0	0	0

Floor Plan	Tenant Type	Unit Type	Unit Status	Begin (#)	
2 bed / 1 bath	Standard	2 BR 1 BA	Vacant	0	

	#1	#2	#3	#4	#5	#6	#7	#8	#9	#10	#11	#12	Cumm
Year 1	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 2	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 3	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 4	0	0	0	0	0	0	0	0	0	0	0	0	0
Year 5	0	0	0	0	0	0	0	0	0	0	0	0	0

▼ **Other Income and Expense Assumptions** **3**

Income	Amount	Percent Fixed (%)	MY Method	Assumptions

Expenses	Amount	Percent Fixed (%)	MY Method	Assumptions
Management Fee	46,892	100.000	Growth ▼	3.000
Utilities	28,050	100.000	Growth ▼	3.000
Repairs and Maintenance	18,360	100.000	Growth ▼	3.000
Advertising and Marketing	13,260	100.000	Growth ▼	3.000
Real Estate Taxes	64,260	100.000	Growth ▼	3.000
Insurance	48,960	100.000	Growth ▼	3.000
Other Expenses -Variable	25,500	100.000	Growth ▼	3.000

[Update]   [Delete]

View your multi year cash flow

1. To open the multi year cash flow in the same window, click the Multi Year Cash Flow sublink in the main navigation.

2. To open the multi year cash flow in a new window, click the Open MYCF in New Window button. Ideal for multiple monitors.

Continue on next page...

Here is the "multi" multi year cash flow.

1. Export the multi year cash flow to Excel.

2. Change view units: all (dollars, percent and per unit) or just dollars

Multi-Year Cash Flow   Property: Multifamily   Underwriting: In Place   Export Data | Change View: Units Show All   Update

INCOME	UCF Base	%	per	Year 1 (m)	%	per	Year 2 (m)	%	per	Year 3 (m)	%	per	Year 4 (m)	%	per	Year 5 (m)	%	per
► Contract Rent	1,099,440	106.1 %	$10,994.40	1,132,423	105.5 %	$11,324.23	1,166,396	105.5 %	$11,663.96	1,201,388	105.5 %	$12,013.88	1,237,429	105.7 %	$12,374.29	1,274,552	105.7 %	$12,745.52
► Concessions	-165,881	-16.0 %	($1,658.81)	-202,002	-18.8 %	($2,020.02)	-208,062	-18.8 %	($2,080.62)	-214,303	-18.8 %	($2,143.03)	-223,056	-19.1 %	($2,230.56)	-229,748	-19.1 %	($2,297.48)
► Income from Vacant Units	103,200	10.0 %	$1,032.00	143,376	13.4 %	$1,433.76	147,677	13.4 %	$1,476.77	152,108	13.4 %	$1,521.08	156,671	13.4 %	$1,566.71	161,371	13.4 %	$1,613.71
Potential Gross Income	**1,036,759**	**101.3 %**	**$10,367.59**	**1,073,797**	**106.3 %**	**$10,737.97**	**1,106,011**	**106.3 %**	**$11,060.11**	**1,139,193**	**106.3 %**	**$11,391.93**	**1,171,044**	**105.0 %**	**$11,710.44**	**1,206,175**	**105.0 %**	**$12,061.75**
► Vacancy	-96,211	725.0 %	($962.11)	-63,790	100.0 %	($637.90)	-65,704	100.0 %	($657.04)	-67,675	100.0 %	($676.75)	-55,764	100.0 %	($557.64)	-57,437	100.0 %	($574.37)
► Vacancy - Employee	82,941	-625.0 %	$829.41	0	0.0 %	$0.00	0	0.0 %	$0.00	0	0.0 %	$0.00	0	0.0 %	$0.00	0	0.0 %	$0.00
Vacancy and Credit Loss	**-13,270**	**-1.3 %**	**($132.70)**	**-63,790**	**-5.9 %**	**($637.90)**	**-65,704**	**-5.9 %**	**($657.04)**	**-67,675**	**-5.9 %**	**($676.75)**	**-55,764**	**-4.8 %**	**($557.64)**	**-57,437**	**-4.8 %**	**($574.37)**
EGI Before Other Income	**1,023,489**	**100.0 %**	**$10,234.89**	**1,010,007**	**100.0 %**	**$10,100.07**	**1,040,307**	**100.0 %**	**$10,403.07**	**1,071,518**	**100.0 %**	**$10,715.18**	**1,115,280**	**100.0 %**	**$11,152.80**	**1,148,738**	**100.0 %**	**$11,487.38**
Total Other Income	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**
Effective Gross Income	**1,023,489**	**100.0 %**	**$10,234.89**	**1,010,007**	**100.0 %**	**$10,100.07**	**1,040,307**	**100.0 %**	**$10,403.07**	**1,071,518**	**100.0 %**	**$10,715.18**	**1,115,280**	**100.0 %**	**$11,152.80**	**1,148,738**	**100.0 %**	**$11,487.38**

EXPENSES	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Management Fee	46,892	4.6 %	$468.92	48,299	4.8 %	$482.99	49,748	4.8 %	$497.48	51,241	4.8 %	$512.41	52,778	4.7 %	$527.78	54,361	4.7 %	$543.61
Utilities	28,050	2.7 %	$280.50	28,892	2.9 %	$288.92	29,758	2.9 %	$297.58	30,651	2.9 %	$306.51	31,571	2.8 %	$315.71	32,518	2.8 %	$325.18
Repairs and Maintenance	18,360	1.8 %	$183.60	18,911	1.9 %	$189.11	19,478	1.9 %	$194.78	20,062	1.9 %	$200.62	20,664	1.9 %	$206.64	21,284	1.9 %	$212.84
Advertising and Marketing	13,260	1.3 %	$132.60	13,658	1.4 %	$136.58	14,068	1.4 %	$140.68	14,490	1.4 %	$144.90	14,924	1.3 %	$149.24	15,372	1.3 %	$153.72
Real Estate Taxes	64,260	6.3 %	$642.60	66,188	6.6 %	$661.88	68,173	6.6 %	$681.73	70,219	6.6 %	$702.19	72,325	6.5 %	$723.25	74,495	6.5 %	$744.95
Insurance	48,960	4.8 %	$489.60	50,429	5.0 %	$504.29	51,942	5.0 %	$519.42	53,500	5.0 %	$535.00	55,105	4.9 %	$551.05	56,758	4.9 %	$567.58
Other Expenses -Variable	25,500	2.5 %	$255.00	26,265	2.6 %	$262.65	27,053	2.6 %	$270.53	27,865	2.6 %	$278.65	28,700	2.6 %	$287.00	29,561	2.6 %	$295.61
Total Operating Expenses	**245,282**	**24.0 %**	**$2,452.82**	**252,642**	**25.0 %**	**$2,526.42**	**260,220**	**25.0 %**	**$2,602.20**	**268,028**	**25.0 %**	**$2,680.28**	**276,067**	**24.8 %**	**$2,760.67**	**284,349**	**24.8 %**	**$2,843.49**
NET OPERATING INCOME	**778,207**	**76.0 %**	**$7,782.07**	**757,365**	**75.0 %**	**$7,573.65**	**780,087**	**75.0 %**	**$7,800.87**	**803,490**	**75.0 %**	**$8,034.90**	**839,213**	**75.3 %**	**$8,392.13**	**864,389**	**75.3 %**	**$8,643.89**

► CAPITAL	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Capital Total	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**

NET CASH FLOW	**778,207**	**76.0 %**	**$7,782.07**	**757,365**	**75.0 %**	**$7,573.65**	**780,087**	**75.0 %**	**$7,800.87**	**803,490**	**75.0 %**	**$8,034.90**	**839,213**	**75.3 %**	**$8,392.13**	**864,389**	**75.3 %**	**$8,643.89**

Net Present Value	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Cap Rate																8.00 %		
Reversion																10,490,163		
Cost of Sale																-157,352		
Net Reversion Amount																10,332,810		
NPV																10,191,152		

Capital Stack	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
CFADS A note	359,486			398,416			361,366			384,769			420,492			585,242		
CFADS Mezz	0			0			0			0								
CFADS testlee	0			0			0			0								
DSCR A note	1.86			2.11			1.86			1.92			2.00			3.10		
DSCR Mezz	0.00			0.00			0.00			0.00								
DSCR testlee	0.00			0.00			0.00			0.00								
Appraisal LTV	0.00			0.00			0.00			0.00			0.00			0.00		
Outstanding Loan Balance	8,500,000			8,470,383			8,378,455			8,280,826			6,178,131			6,115,001		
UW Cap Rate Value LTV	0.00 %			0.00 %			0.00 %			0.00 %			0.00 %			0.00 %		
Last Dollar DSCR	1.71			1.92			1.72			1.77			2.00			3.10		

Update

Create multi year cash flow – Hotel

This page shows how to create a "hotel" multi year cash flow.

Set up multi year cash flow assumptions

1. Click the Underwriting tab and the Multi Year Assumptions sublink.

2. Verify that the correct property and underwriting are selected in the menus.

3. Enter the required information: number of years, year of sale, cost of sale, discount rate and cap rate. Add more if you like. You can always come back.

4. Click the Update button to save your assumptions.

After you save your stabilized cash flow assumption, more settings become populated and available.

       Other Income and Expense Assumptions: Can be percent of EGI, straight growth or custom growth.

Review and/or edit the settings, then click the Update button. You can always come back.

See image on next page...

B Deal Locator | Log out lee | Admin | Help

Deal: Mixed Use ▼   Status: Funded Amount: $8,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions		Multi Year Cash Flow		Sources and Uses	Cash Flow Roll Up	UW Adjustments

▼ **Underwritten MYCF Property:** Hotel ▼ **Underwriting:** Current ▼   **Open MYCF in New Window**   **Update**

Underwriting Name	NPV	LTV	Loan Amount	Official Underwritings	Last Modified
Current	-19,735,386	93.61 %	$8,500,000	Securitization	12/3/2010 by law guy

Number of Years	5	Net Present Value	-19,735,386	
Year of Sale	5	Discount Rate	8.500	
Global Growth Rate	3.000	Cap Rate	8.000	% of NOI ▼
Year of Sale Mode	Year of Sale + 1	Comment		
Cost of Sale	1.500			
Term	Monthly			

▼ **Other Income and Expense Assumptions**

Income	Amount	Percent Fixed (%)	MY Method	Assumptions	
Room Revenue	2,368,440 / 24,167.76	100.000	Growth ▼	3.000	
Food and Beverage	30,600 / 312.24	100.000	Growth ▼	3.000	
Telephone Revenue	5,100 / 52.04	100.000	Growth ▼	3.000	
Other Operated Dept	40,800 / 416.33	100.000	Growth ▼	3.000	

Expenses	Amount	Percent Fixed (%)	MY Method	Assumptions	
Rooms Expense	586,500 / 5,984.69	100.000	Growth ▼	3.000	
Food and Beverage Exp	27,540 / 281.02	100.000	Growth ▼	3.000	
Telephone Expense	25,500 / 260.20	100.000	Growth ▼	3.000	
Other Operated Dept Exp	28,560 / 291.43	100.000	Growth ▼	3.000	
General & Administrative	132,600 / 1,353.06	100.000	Growth ▼	3.000	
Advertising and Marketing	81,600 / 832.65	100.000	Growth ▼	3.000	
Property Op and Maint Exp	76,500 / 780.61	100.000	Growth ▼	3.000	
Utilities	81,600 / 832.65	100.000	Growth ▼	3.000	
Management Fee	122,247 / 1,247.42	100.000	Growth ▼	3.000	
Franchise Fee	239,700 / 2,445.92	100.000	Growth ▼	3.000	
Ground Rent	102,000 / 1,040.82	100.000	Growth ▼	3.000	
Other Expenses - Fixed	25,500 / 260.20	100.000	Growth ▼	3.000	
Insurance	35,700 / 364.29	100.000	Growth ▼	3.000	
Real Estate Taxes	153,000 / 1,561.22	100.000	Growth ▼	3.000	

Update   **Delete**

View your multi year cash flow

1. To open the multi year cash flow in the same window, click the Multi Year Cash Flow sublink in the main navigation.

2. To open the multi year cash flow in a new window, click the Open MYCF in New Window button. Ideal for multiple monitors.

Continue on next page...

Here is the "hotel" multi year cash flow.

1. Export the multi year cash flow to Excel.

2. Change view units: all (dollars, percent and per unit) or just dollars

| Multi-Year Cash Flow | Property: | Hotel ▼ | Underwriting: | Current ▼ | Export Data | Change View: Units | Show All ▼ | Update |

1 (over Export Data)   **2** (over Change View: Units)

Departmental Revenues	UCF Base	%	per	Year 1 (m)	%	per	Year 2 (m)	%	per	Year 3 (m)	%	per	Year 4 (m)	%	per	Year 5 (m)	%	per
Room Revenue	2,368,440	100.0 %	$24,167.76	2,439,493	100.0 %	$24,892.79	2,512,678	100.0 %	$25,639.57	2,588,058	100.0 %	$26,408.76	2,665,700	100.0 %	$27,201.02	2,745,671	100.0 %	$28,017.05
Food and Beverage	30,600	100.0 %	$312.24	31,518	100.0 %	$321.61	32,464	100.0 %	$331.27	33,437	100.0 %	$341.19	34,441	100.0 %	$351.44	35,474	100.0 %	$361.98
Telephone Revenue	5,100	100.0 %	$52.04	5,253	100.0 %	$53.60	5,411	100.0 %	$55.21	5,573	100.0 %	$56.87	5,740	100.0 %	$58.57	5,912	100.0 %	$60.33
Other Operated Dept	40,800	100.0 %	$416.33	42,024	100.0 %	$428.82	43,285	100.0 %	$441.68	44,583	100.0 %	$454.93	45,921	100.0 %	$468.58	47,298	100.0 %	$482.63
Total Departmental Revenues	**2,444,940**	**100.0 %**	**$24,948.37**	**2,518,288**	**100.0 %**	**$25,696.82**	**2,593,838**	**100.0 %**	**$26,467.73**	**2,671,651**	**100.0 %**	**$27,261.74**	**2,751,802**	**100.0 %**	**$28,079.61**	**2,834,355**	**100.0 %**	**$28,921.99**
Total Other Income	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**
Total Revenue	**2,444,940**	**100.0 %**	**$24,948.37**	**2,518,288**	**100.0 %**	**$25,696.82**	**2,593,838**	**100.0 %**	**$26,467.73**	**2,671,651**	**100.0 %**	**$27,261.74**	**2,751,802**	**100.0 %**	**$28,079.61**	**2,834,355**	**100.0 %**	**$28,921.99**

Departmental Expenses	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Rooms Expense	586,500	24.0 %	$5,984.69	604,095	24.0 %	$6,164.23	622,218	24.0 %	$6,349.16	640,884	24.0 %	$6,539.63	660,111	24.0 %	$6,735.83	679,914	24.0 %	$6,937.90
Food and Beverage Exp	27,540	1.1 %	$281.02	28,366	1.1 %	$289.45	29,217	1.1 %	$298.13	30,094	1.1 %	$307.08	30,997	1.1 %	$316.30	31,926	1.1 %	$325.78
Telephone Expense	25,500	1.0 %	$260.20	26,265	1.0 %	$268.01	27,053	1.0 %	$276.05	27,865	1.0 %	$284.34	28,700	1.0 %	$292.86	29,561	1.0 %	$301.64
Other Operated Dept Exp	28,560	1.2 %	$291.43	29,417	1.2 %	$300.17	30,299	1.2 %	$309.17	31,208	1.2 %	$318.45	32,145	1.2 %	$328.01	33,109	1.2 %	$337.85
Total Departmental Expenses	**668,100**	**27.3 %**	**$6,817.35**	**688,143**	**27.3 %**	**$7,021.87**	**708,787**	**27.3 %**	**$7,232.52**	**730,051**	**27.3 %**	**$7,449.50**	**751,953**	**27.3 %**	**$7,672.99**	**774,510**	**27.3 %**	**$7,903.16**
Gross Operating Profit	**1,776,840**	**72.7 %**	**$18,131.02**	**1,830,145**	**72.7 %**	**$18,674.95**	**1,885,051**	**72.7 %**	**$19,235.21**	**1,941,600**	**72.7 %**	**$19,812.24**	**1,999,849**	**72.7 %**	**$20,406.62**	**2,059,845**	**72.7 %**	**$21,018.83**

General and Unapplied Expenses	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
General & Administrative	132,600	5.4 %	$1,353.06	136,578	5.4 %	$1,393.65	140,675	5.4 %	$1,435.46	144,896	5.4 %	$1,478.53	149,242	5.4 %	$1,522.88	153,720	5.4 %	$1,568.57
Advertising and Marketing	81,600	3.3 %	$832.65	84,048	3.3 %	$857.63	86,569	3.3 %	$883.36	89,167	3.3 %	$909.87	91,842	3.3 %	$937.16	94,597	3.3 %	$965.28
Property Op and Maint Exp	76,500	3.1 %	$780.61	78,795	3.1 %	$804.03	81,159	3.1 %	$828.15	83,594	3.1 %	$853.00	86,101	3.1 %	$878.58	88,684	3.1 %	$904.94
Utilities	81,600	3.3 %	$832.65	84,048	3.3 %	$857.63	86,569	3.3 %	$883.36	89,167	3.3 %	$909.87	91,842	3.3 %	$937.16	94,597	3.3 %	$965.28
Management Fee	122,247	5.0 %	$1,247.42	125,914	5.0 %	$1,284.84	129,692	5.0 %	$1,323.39	133,583	5.0 %	$1,363.09	137,590	5.0 %	$1,403.98	141,718	5.0 %	$1,446.10
Franchise Fee	239,700	9.8 %	$2,445.92	246,891	9.8 %	$2,519.30	254,298	9.8 %	$2,594.88	261,927	9.8 %	$2,672.72	269,784	9.8 %	$2,752.90	277,878	9.8 %	$2,835.49
Ground Rent	102,000	4.2 %	$1,040.82	105,060	4.2 %	$1,072.04	108,212	4.2 %	$1,104.20	111,458	4.2 %	$1,137.33	114,802	4.2 %	$1,171.45	118,246	4.2 %	$1,206.59
Other Expenses - Fixed	25,500	1.0 %	$260.20	26,265	1.0 %	$268.01	27,053	1.0 %	$276.05	27,865	1.0 %	$284.34	28,700	1.0 %	$292.86	29,561	1.0 %	$301.64
Total General and Unapplied Expenses	**861,747**	**35.3 %**	**$8,793.34**	**887,599**	**35.3 %**	**$9,057.13**	**914,227**	**35.3 %**	**$9,328.85**	**941,657**	**35.3 %**	**$9,608.74**	**969,903**	**35.3 %**	**$9,896.97**	**999,001**	**35.3 %**	**$10,193.89**

Fixed Expenses	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Insurance	35,700	1.5 %	$364.29	36,771	1.5 %	$375.21	37,874	1.5 %	$386.47	39,010	1.5 %	$398.06	40,181	1.5 %	$410.01	41,386	1.5 %	$422.31
Real Estate Taxes	153,000	6.3 %	$1,561.22	157,590	6.3 %	$1,608.06	162,318	6.3 %	$1,656.31	167,187	6.3 %	$1,705.99	172,203	6.3 %	$1,757.17	177,369	6.3 %	$1,809.89
Total Fixed Expenses	**188,700**	**7.7 %**	**$1,925.51**	**194,361**	**7.7 %**	**$1,983.28**	**200,192**	**7.7 %**	**$2,042.78**	**206,197**	**7.7 %**	**$2,104.05**	**212,384**	**7.7 %**	**$2,167.18**	**218,755**	**7.7 %**	**$2,232.19**
NET OPERATING INCOME	**726,393**	**29.7 %**	**$7,412.17**	**748,185**	**29.7 %**	**$7,634.54**	**770,632**	**29.7 %**	**$7,863.59**	**793,746**	**29.7 %**	**$8,099.45**	**817,562**	**29.7 %**	**$8,342.47**	**842,089**	**29.7 %**	**$8,592.74**

▶ CAPITAL	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Capital Total	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**	**0**	**0.0 %**	**$0.00**

| **NET CASH FLOW** | **726,393** | **29.7 %** | **$7,412.17** | **748,185** | **29.7 %** | **$7,634.54** | **770,632** | **29.7 %** | **$7,863.59** | **793,746** | **29.7 %** | **$8,099.45** | **817,562** | **29.7 %** | **$8,342.47** | **842,089** | **29.7 %** | **$8,592.74** |

Net Present Value	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
Cap Rate																8.00 %		
Reversion																10,219,525		
Cost of Sale																-153,293		
Net Reversion Amount																10,066,232		
NPV																9,696,001		

Capital Stack	UCF Base	%	per	Year 1	%	per	Year 2	%	per	Year 3	%	per	Year 4	%	per	Year 5	%	per
CFADS A note	307,672			389,236			351,911			375,025			398,841			562,942		
CFADS Mezz	0			0			0			0								
CFADS testlee	0			0			0			0								
DSCR A note	1.73			2.08			1.84			1.90			1.95			3.02		
DSCR Mezz	0.00			0.00			0.00			0.00								
DSCR testlee	0.00			0.00			0.00			0.00								
Appraisal LTV	0.00			0.00			0.00			0.00			0.00			0.00		
Outstanding Loan Balance	8,500,000			8,470,383			8,378,455			8,280,826			6,178,131			6,115,001		
UW Cap Rate Value LTV	0.00 %			0.00 %			0.00 %			0.00 %			0.00 %			0.00 %		
Last Dollar DSCR	1.60			1.89			1.69			1.75			1.95			3.02		

| Update |

Create multi year cash flow – Conversion

This page shows how to create a "conversion" multi year cash flow.

Set up multi year cash flow assumptions

1. Click the Underwriting tab and the Multi Year Assumptions sublink.

2. Verify that the correct property and underwriting are selected in the menus.

3. First enter the number of years, which is required. Enter as much information as you like. You can always come back.

4. Click the Update button to save your assumptions.

After you save your stabilized cash flow assumption, more settings become populated and available.

Review and/or edit the settings, then click the Update button. You can always come back.

View your multi year cash flow

1. To open the multi year cash flow in the same window, click the Multi Year Cash Flow sublink in the main navigation.

2. To open the multi year cash flow in a new window, click the Open MYCF in New Window button.

And here is a "conversion" multi year cash flow:

INCOME	UCF Base	Year 1 (m)	Year 2 (m)	Year 3 (m)	Year 4 (m)	Year 5 (m)
Potential Gross Income	0	0	0	0	0	0
Vacancy and Credit Loss	0	0	0	0	0	0
EGI Before Other Income	0	0	0	0	0	0
Total Other Income	0	0	0	0	0	0
Effective Gross Income	0	0	0	0	0	0

EXPENSES	UCF Base	Year 1	Year 2	Year 3	Year 4	Year 5
Utilities	50,000	50,000	50,000	50,000	50,000	50,000
General & Administrative	5,555	5,555	5,555	5,555	5,555	5,555
Total Operating Expenses	55,555	55,555	55,555	55,555	55,555	55,555
NET OPERATING INCOME	-55,555	-55,555	-55,555	-55,555	-55,555	-55,555

CAPITAL	UCF Base	Year 1	Year 2	Year 3	Year 4	Year 5
Capital Total	0	0	0	0	0	0

NET CASH FLOW	-55,555	-55,555	-55,555	-55,555	-55,555	-55,555

Net Present Value	UCF Base	Year 1	Year 2	Year 3	Year 4	Year 5
Cap Rate						0.00 %
Reversion						0
Cost of Sale						0
Net Reversion Amount						0
NPV						0

Capital Stack	UCF Base	Year 1	Year 2	Year 3	Year 4	Year 5
CFADS A note	-474,276	-414,504	-474,276	-474,276	-474,276	-474,276
CFADS Mezz	0	0	0	0		
DSCR A note	-0.13	-0.15	-0.13	-0.13	-0.13	-0.13
DSCR Mezz	0.00	0.00	0.00	0.00		
Appraisal LTV	0.00	0.00	0.00	0.00	0.00	0.00
Outstanding Loan Balance	7,500,000	7,470,383	7,378,455	7,280,826	6,178,131	6,070,108
UW Cap Rate Value LTV	-1,350.01 %	-1,344.68 %	-1,328.14 %	-1,310.56 %	-1,112.07 %	-1,092.63 %
Last Dollar DSCR	-0.12	-0.14	-0.12	-0.12	-0.13	-0.13

Create multi year cash flow – Sellout

This page shows how to create a "sellout" multi year cash flow.

Set up multi year cash flow assumptions

1. Click the Underwriting tab and the Multi Year Assumptions sublink.

2. Verify that the correct property and underwriting are selected in the menus.

3. First enter the number of years, which is required. Enter as much information as you like. You can always come back.

4. Click the Update button to save your assumptions.

After you save your stabilized cash flow assumption, more settings become populated and available.

Review and/or edit the settings, then click the Update button. You can always come back.

View your multi year cash flow

1. To open the multi year cash flow in the same window, click the Multi Year Cash Flow sublink in the main navigation.

2. To open the multi year cash flow in a new window, click the Open MYCF in New Window button.

And here is a "sellout" multi year cash flow:

Loan tasks

Size the deal

After you've created **stabilized** and **multi year** cash flows, Backshop helps you decide how much you can loan for a given deal.

Get to the Sizing page

1. Verify that correct deal is selected in the Deal menu.

2. Click the Deal tab and the Sizing sublink.

Use the sizing page

1. Select an underwriting in the Underwriting menu.

2. Decide whether you want to override the auto-populated values.

By default, Backshop carries values from cash flows into the sizing tool. If you want to enter your own values — to override the default or to experiment with deal sizing — check the Override UW Values box. Enter your own values in the blue-highlighted fields [   ]. Click Update to run the numbers.

3. If you have already set up notes, you can choose to include or exclude them in the sizing by clicking the Exclude/Include links. Enter your own values in the blue-highlighted fields [   ]. Click Update to run the numbers.

3A. If you have not yet created any notes, you can do so on this page.

4. Check the total debt numbers. These are the sums of the notes above.

5. Set constraints. Enter values to tweak your sizing. Click Update to run the numbers.

6. Max loan analysis is based on the underwriting and/or the values you entered. Use this information to size your deal. If you want to model different values, simply enter them above and click Update.

See image on next page...

B Deal Locator │ Log out lee │ Admin │ Help

Deal: [Mixed Use ▾] │ **Status:** Funded **Amount:** $8,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
Dashboard	Status	Exec Summary	Basic Terms	Approval	Quik Size	Fees/Payments	Site Map	Credit Spread	Sizing

Go to   Deal

▼ **Sizing**   Underwriting [In Place ▾] **1**   [**Update**]

Property Name	Various	Net Operating Income	$1,547,004	2,000,000	
City	San Francisco	Net Cash Flow	$1,484,214	1,750,000	☑ Override UW Values **2**
State Desc	CA	Cap Rate	9.07 %	10.00	
Property Type Desc	Various				
Property Size	0	UWValue	$17,053,585	$17,500,000	

A note **3**   Exclude/Include

| Note Name | A note | Annual Debt Service | $418,721 |
| Loan Amount | $6,500,000 | Annual Debt Service IO | $329,514 |

| Priority | 1 | [▾] |
| First Payment Date | 1/14/2011 | |

[**Delete**]

Mezz   Exclude/Include

testlee   Exclude/Include

3A
[**Add New**] Note Name: [_____]   [**Clear & Sync to Notes Page**]

▼ **Total Debt** **4**

Total Debt Note Name	A note	Total Debt Annual Debt Service	$418,721
Total Debt Orig Loan Amount	$6,500,000	Total Debt Annual Debt Service IO	$329,514
Total Debt Loan Term	60	Total Debt Pand IPayment	$418,721
Total Debt Priority	1		
Total Debt First Monthly Payment Date			

[**Copy to New**] Note Name: [_____]

▼ **Constraints** **5**

Minimum NCFDSCR	2.00	
Max LTV	80.00	%
Min Debt Yield	10.00	%
Min Stressed Constant	8.00	%
Max Stressed LTV	90.00	%
Stress Cap Rate	9.00	%
Haircut On NOINCF	2.00	%

▼ **Max Loan Analysis** **6**

Max Loan Based On Min DSCR	$13,583,035	$
Max Loan Based On Max LTV	$14,000,000	$
Max Loan Based On Min Debt Yield	$20,000,000	$
Max Loan Based On Min Stressed DSCRAt Constant	$10,937,500	$
Max Loan Based On Max Stressed LTV	$17,150,000	$
Max Loan Based On Stress Debt Yield	$19,600,000	$

[**Update**]

[**Export to Excel**] [**Export to PDF**]

Set up note

After you've **sized the deal**, you can set up your note.

Go to new note page

1. Click the Note tab and the Note sublink.

2. Click the Add New button.

Enter note information

1. Enter information into the blue fields [   ], starting with the required items:

- Note name
- Loan Amount
- Lien Position
- Priority. Used to set the payment seniority between notes. Pari Parsu notes have identical lien positions & priorities.
- Rate type
- Index Name
- Enter as much additional information as you like. You can always return.

2. Click the Update button.

See image on next page...

B Deal Locator | Log out flahertyj | Admin | Help

Deal: [Mixed Use ▾]   Status: Test Loans **Amount:** $7,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports

Note   Rate Lock   Pre Pay / Default

Go to   Note | Amortization | Exit Plan | Note Commitment Adjustment | Loan Allocation | Note Actual Payment

Actions   Copy to New | Lock Note | Modify Note

2

[Update]

▼ **Notes for 10-0008**

Note ID	Note Number	Select Note	Pari Passu	Note Currency	Initial Funding	Total Commitment	Current UPB	Spread	Rate
44	44	A note		USD	6,500,000	6,500,000	6,500,000		5.000
78	78	Mezz		USD	1,000,000	1,000,000	1,000,000		3.550

Note Name **1**		Interest Accrual Method	30/360 ▾
Note ID		Current Monthly Debt Service	0.00
Modification Parent Note		Current Annual Debt Service	0.00
Note Type	▾		
Funded and Owned by Third Party	☐	**Loans With Multiple Fundings Only**	
Note Date	▦	Amount To Be Funded	
	☐ Approx	Project Funding Date	▦
Loan Amount		Funding Outside Date	▦
Total Commit.		Future Funding Purpose	
Servicer Loan Number		Initial Future Funding Amt	0.00
Note Status	▾	Funded to Date	0.00
Defeasance Status	▾	Applied Additional Fundings Summary	
Hot List Performance Challenge	✎		[Additional Funding(s)]
Lien Position	▾	**Applied Reserves Summary**	
Priority	1 ▾		[Reserve Funding(s)]
Origination Fee Amount		Exit Fee Amount	
Origination Fee Percent		Exit Fee Percent	%
Note Currency	▾	Exit Fee Reduced If Refinanced With cUnderwriter	▾
Rate Type	▾	Exit Fee Comments	✎
Interest Rate Floor	No ▾		
Type of Floor	▾		
Interest Rate Floor Percent	%		
			[Extension(s)]
Interest Rate Floor Portion	%	**Modifications**	
Index Name	▾	Date of Last Modification	▦
Assumed Index Value	0.000000 %	Modification Code	▾
		Modified Note Rate	%
		Modified Payment Rate	%

ARM

Libor Cap	%
	[Cap Steps]
Libor Cap Expiration Date	▦
Libor Cap Provider	
Libor Floor	%
Interest Rate Floor Comments	✎

2

[Update]

▼ **Note Exit Plans**

There are no exit plans set up for this note.

Set up amortization

After you've set up your note, you're ready to set up the note's amortization.

Go to amortization page

1. Click the Note tab and Note sublink.

2. Verify that the correct note is selected in the picker.

3. Click the Amortization link in the Go To bar.

Enter amortization terms

1. Start with required fields:

- Amort term
- Loan term
- First monthly payment date
- Amortization type
- Set the detailed amortization terms. Enter as much or little information as you like. You can always return to this entry.

2. Click the Update button to save the amortization terms.

Check the amortization table

After you save the required amortization terms, the amortization schedule is displayed based on those terms.

This table shows the payment number, date, period length, balance, principal paid, interest paid and principal + interest for each payment.

To make changes, simply edit the amortization terms then click Update. An updated amortization table will be displayed.

Deal Locator | Log out lee | Admin | Help

Deal: Mixed Use   ▼   Status: **Funded Amount:** $8,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
				Note	Rate Lock	Pre Pay / Default			

Go to	Note
Actions	Export to Excel

Your record has been updated.

▼ **Note Information for testnote**   [Update]

Note Name	testnote		Amort Term (in freq)	60
Note Amount	1,000,000.00		Loan Term (in freq)	60
Note Date	(not entered)		Interest Only Period	0
Interest Rate	2.300000 %		Initial IO Int Rate	%
			Payment Frequency	Monthly ▼

▼ **Amortization Schedule**

Payment	Date	Days	Balance	Principal	Interest	Principal + Interest
1	1/3/2011	30	1,000,000.00	15,746.96	1,907.55	17,654.50
2	2/3/2011	30	984,253.04	15,777.00	1,877.51	17,654.50
3	3/3/2011	30	968,476.05	15,807.09	1,847.41	17,654.50
4	4/3/2011	30	952,668.96	15,837.24	1,817.26	17,654.50
5	5/3/2011	30	936,831.71	15,867.45	1,787.05	17,654.50
6	6/3/2011	30	920,964.26	15,897.72	1,756.78	17,654.50
7	7/3/2011	30	905,066.54	15,928.05	1,726.46	17,654.50
8	8/3/2011	30	889,138.49	15,958.43	1,696.07	17,654.50
9	9/3/2011	30	873,180.06	15,988.87	1,665.63	17,654.50
10	10/3/2011	30	857,191.19	16,019.37	1,635.13	17,654.50
11	11/3/2011	30	841,171.82	16,049.93	1,604.57	17,654.50
50	2/3/2015	30	191,995.12	17,288.26	366.24	17,654.50
51	3/3/2015	30	174,706.86	17,321.24	333.26	17,654.50
52	4/3/2015	30	157,385.61	17,354.28	300.22	17,654.50
53	5/3/2015	30	140,031.33	17,387.39	267.12	17,654.50
54	6/3/2015	30	122,643.94	17,420.55	233.95	17,654.50
55	7/3/2015	30	105,223.39	17,453.79	200.72	17,654.50
56	8/3/2015	30	87,769.60	17,487.08	167.42	17,654.50
57	9/3/2015	30	70,282.52	17,520.44	134.07	17,654.50
58	10/3/2015	30	52,762.09	17,553.86	100.65	17,654.50
59	11/3/2015	30	35,208.23	17,587.34	67.16	17,654.50
60	12/3/2015	30	17,620.89	17,620.89	33.61	17,654.50

[Update]

Equity tasks

Establish borrower structure

Backshop lets you accurately model the relationships and amounts secured by each borrower in your deal.

Go to borrower structure page

1. Click Borrower tab.

2. Verify that proper note is displayed in Note menu.

3. Click the Add New Borrower to Note link in the Action bar.

Add new borrower to note

You can add borrowers to your note in two ways:

1. Choose from existing borrower list

- **1A.** If desired, use search form to search by last name or organization name. Hit Enter button or click "Search by Borrower Org Name or Last Name" link to execute search. Matching borrowers will be listed below (**1**).
- Click name of desired borrower.

2. Add new borrower

- Choose borrower type in menu.
- Click Add new link.

Enter borrower information

Whether you choose a borrower from the existing list or add a new borrower, Backshop takes you to the Borrower Information page.

1. Start with required information: borrower name and ownership percent. If you choose from the list, borrower name will already be filled in.

The information in the bottom section applies to the borrower. The information in the top section is unique to the borrower's role with this specific note.

Type) is information that relates to the borrower, not the note. This information is the same no matter how many notes the borrower is associated with. That should be clearer.

Enter as much information as you like. You can always return to this form.

2. Click the Update button at the top or bottom of the borrower information module.

Add as many borrowers as you need to complete the note-level borrowership. That is, to account for 100 percent of the note.

Set up borrower structure

After you have entered your note-level borrowers, click the Borrower Structure link in the Go To bar.

The ensuing page shows your borrower hierarchy, which is, for now, simple. If this reflects the structure of your deal, you are finished.

To make one of your note-level borrowers a parent with one or more child borrowers:

Click the borrower's name.

This brings up the borrower information page.

Click the Add Parent Ownership Level link in the Actions bar.

After you click the Add Parent Ownership Level link, you are prompted to select or add a borrower (See Add new borrower to note, above).
After you've selected the child borrower, Backshop takes you to the Borrower Ownership Hierarchy page.

1. Enter the "Owns" percentage, which is required, and any additional information you desire. You can always return to this form.

2. Click Add New.

This returns you to the Borrower Structure page.

Add parent and child levels until your deal structure is fully reflected.

Underwriting sources and uses

Backshop's underwriting sources and uses interface lets you model your deal "below the line," that is, under the net cash flow line on the multi year cash flow.

Go to the underwriting sources and uses page

Click the Underwriting tab and the Sources and Uses sublink.

Include and exclude uses

Click the Include/Exclude Uses button.

1. In the left column, check the uses you want to include. Check individual months or …

2. Set ranges using this tool.

> To include use(s) for a certain period, select them in the box at left, enter start term, enter end term, check the Select box then click the Apply button.

> To exclude use(s) for a certain period, select them in the box at left, enter start term, enter end term, uncheck the Select box then click the Apply button.

3. Enable or disable additional configuration options.

4. Click Update to save changes. Click Close to return to the underwriting sources and uses page.

Enter details for uses

Click the link for an individual use.

1. Enter amounts per year or month. If you enter an annual amount, Backshop will calculate the monthly amounts, and vice versa.

2. Click Update to save changes. Click Close to return to the underwriting sources and uses page.

Set up note scenarios

Click the Scenario link for a note.

▼ Sources – Debt								
Terms	**1 (11/6/2010)**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Excess Uses	0	0	0	0	0	0	0	0
A note Scenario (active) Total Commit: 0 Loan Amount: 0	0	0	0	0	0	0	0	0
Ending Balance (0)	0	0	0	0	0	0	0	0
Mezz Scenario (active) Total Commit: 1,000,000 Loan Amount: 0	0	0	0	0	0	0	0	0
Ending Balance (0)	0	0	0	0	0	0	0	0

1. Enter and edit settings, including whether the note is active.

2. Click Update to save changes. Click Close to return to the underwriting sources and uses page.

Note Name	A note
Active	☑
Cash Flow Sweep	☑
Total Commit.	0.00
Loan Amount	0.00
Amort Term (in freq)	360
Loan Term (in freq)	120
Amort IO Period (in freq)	12 Initial
IO Int Rate	12 %
Interest Rate	5.000000
Payment Frequency	Monthly
Interest Accrual Method	Actual/360
Interest Collection Type	Arrears
Amortization Type	Initial IO+Standard

Update   Close

Enter costs using Excel

Click the Export Costs button.

B Deal Locator | Log out dmccormack | Admin | Help

Deal: Mixed Use   Status: Test Loans Amount: $7,500,000 Control ID: 10-0008 Deal Number: 1008 Commitment: $7,500,000

Deal	Property	Underwriting	Note	Borrower	Third Parties	Closing	Asset Management	Documents	Reports
	Assumptions	Cash Flow	Multi Year Assumptions	Multi Year Cash Flow	Sources and Uses	Cash Flow Roll Up	UW Adjustments		

Sources and Uses   Property: Retail   Underwriting: Roll Up   Include / Exclude Uses   Export Costs >>   Import Costs >>

Enter costs using Excel

Click the Export Costs button.

This downloads an Excel spreadsheet version of the underwriting sources and uses page.

Enter your data into the spreadsheet.

When your Excel spreadsheet is ready, click the Import Costs button. This brings your Excel data into the underwriting sources and uses page.

Enter equity investment terms

1. Enter initial investment.

2. Enter monthly investments, if applicable.

3. Click Update to save changes.

▼ Sources – Equity

Terms	1 (11/6/2010)	2	3	4	5	6	7
Equity Investment	7,449,939	935,259	0	0	0	0	0	0
Equity IRR (6.35 %)	**1**	0	**2** 0	0	0	0	0	0
Cumulative	0	0	0	0	0	0	0

Update **3**

Review underwriting sources and uses

These numbers model your deal "below the line," that is, under the net cash flow line on the multi year cash flow.

Other tasks

Run asset summary report

Backshop helps you easily run asset summary reports with existing or custom templates.

Go to asset summary report page

Click the Reports tab and Asset Summary sub-link.

Set up report

Use the top module to set up basic parameters:

- Cutoff date: Enter date or use application date.
- Underwriting: Choose an underwriting or use rent roll.
- Rent rolls without underwritings: Select to use rent roll instead of underwriting.
- Included notes: Specify using selection boxes. Hold down control key to select multiple.
- Included properties: Select from box. Hold down control key to select multiple.
- Target currency: Select from menu.
- Date format: default, MDY or DMY

Use existing template

1. Select template from menu.

2. Specify other settings, including number of tenants in tenant reports.

3. The listed site inspections and associated documents will be added to the asset summary report.

Site inspections are included automatically as they are created.

To associate a document at upload, assign a category of Asset Summary Report and a type of Appendix.

4. Click Run ASR button.

Create new template

1. Enter name of template in text field.

2. Specify other settings, including number of tenants in tenant reports.

Note: You can use the following techniques to modify an existing template.

3. Reveal available asset summary report pages (left column) by clicking the hide/show arrows.

4. Information to be included in your report is shown in the preview panel (right column).

To add options to your report:

1. Select one or more options in the left column. To select multiple, hold down the control key.

2. Click the right arrow. Option(s) will be added to the right column.
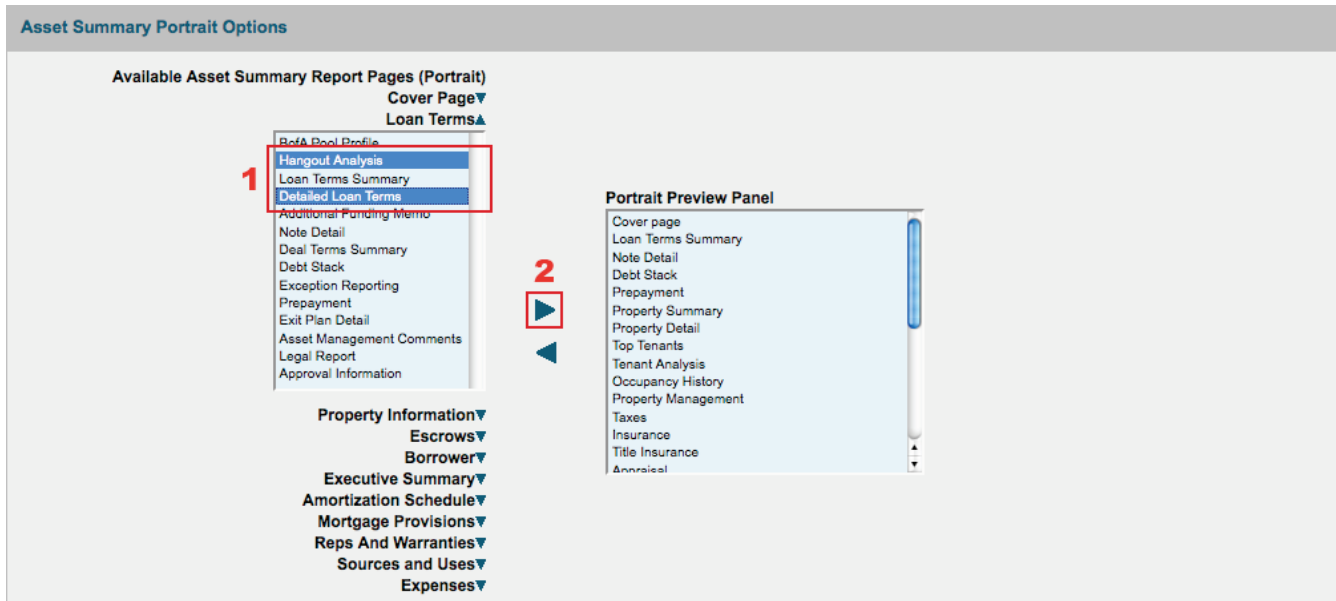
To remove options from your report:

1. Select one or more options. To select multiple, hold down the control key.

2. Click the left arrow. Option(s) will be removed from right column and added to the left column.
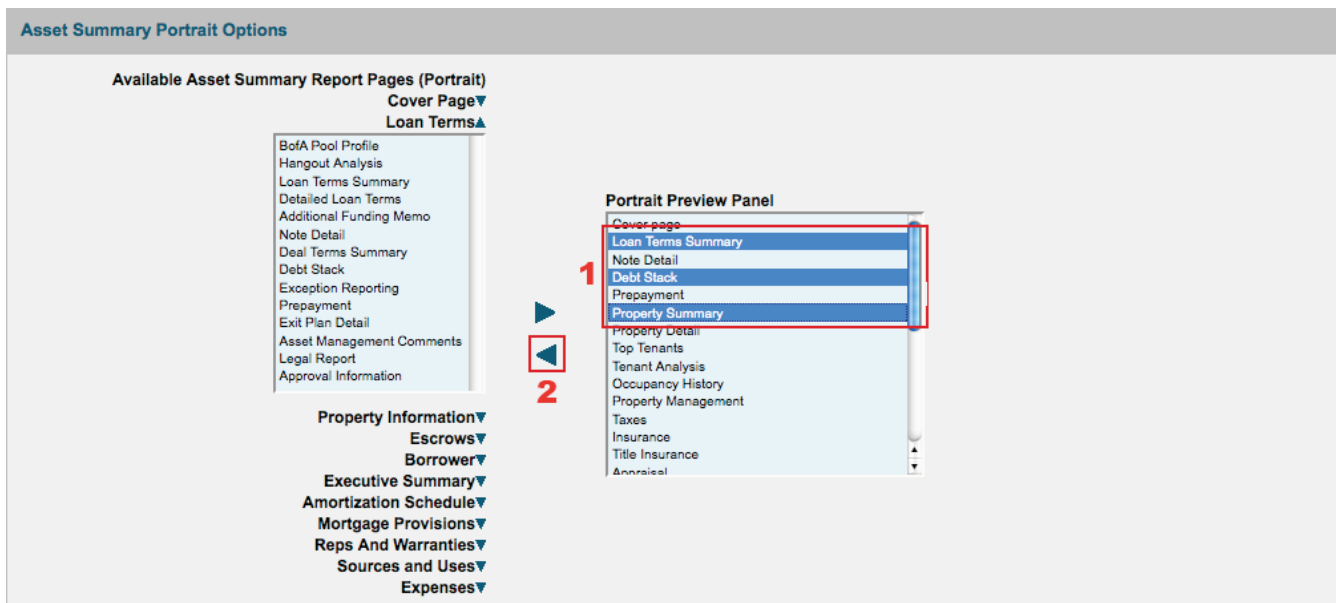
When your new template is ready, click the Run ASR button at the bottom of the page.

Upload documents

Backshop lets you manage all deal-related documents anywhere you have an internet connection.

Upload individual document

1. Click the Documents tab and Upload Document sub-link.

2. Enter document category and document type, which are required, and browse for the document on your computer or network. Enter or edit as much information as you like; you can always update the record.

3. Click the Update button.

Upload multiple documents

1. Click the Documents tab and Upload Multiple Docs sub-link.

2. Using the menu, specify which loan or property this batch of documents applies to.

3. Browse for the documents on your computer or network.

4. Click the Update button.

Individualize document settings

1. Click the View Documents sublink.

2. Update document category, document type and other fields.

3. Click the Update button.

Manage documents

Backshop lets you manage all deal-related documents anywhere you have an internet connection.

View documents

1. Click the Documents tab and View Documents sub-link.

2. Select your view using the menus. You can see all documents or filter by category and type.

3. Enter or add information including document category, document type, sort order, public viewability and comments.

4. To save your changes, click the Update button.

5. To download a document, click the view link.

Use the due diligence checklist

Backshop's due diligence checklist helps you manage all types of essential deal documents, including:

- Borrower certifications
- Borrower information
- Loan information
- Operating statements/financials
- Principal information
- Property data
- Real estate tax & insurance
- Sponsor/guarantor information
- Tenant information
- Third party reports

1. Click the Documents tab and Due Diligence Checklist sub-link.

2. Verify that proper property is selected in the property menu.

3. If desired, filter your view so only certain documents are displayed (the full list contains more than 75 documents). After you make your choices, click the Filter button.

4. In the list of matching documents, update any received statuses, report costs, report dates or comments.

5. Click the Update button to save changes.

See image on next page...

B Deal Locator | Log out lee | Admin | Help

| Deal: | Mixed Use | ▼ | **Status:** Funded **Amount:** $7,500,000 **Control ID:** 10-0008 **Deal Number:** 1008 **Commitment:** $7,500,000 |

Deal	**Property**	**Underwriting**	**Note**	**Borrower**	**Third Parties**	**Closing**	**Asset Management**	**Documents**	**Reports**
	Due Diligence Checklist		Upload Document		Upload Multiple Docs		View Documents	View Public Documents **1**	Template Writer

| Go to | Documents |

▼ **DocumentChecklist**   **Property:** | Retail | ▼ | **2**   **5** | Update |

Exclude By: Filter By:

Requested
Received   Securitization | Filter | **3**
Insufficient
Approved

Item	Received	Cost of Report	Report Date	Comments		Audit Update Date	Document Last Updated By
Borrower Certifications							
Operating Statements **4**	Received ▼				✎	11/22/2010	lee
	Requested						
	Received						
Rent Roll	Insufficient				✎	9/17/2010	katherine
	Approved						
	N/A						
Historical Capital Expenditures	Requested ▼				✎	9/17/2010	katherine
Tenant Status	Requested ▼				✎	9/17/2010	katherine
Financial Statements	Requested ▼				✎	9/17/2010	katherine
Service Contracts	Requested ▼				✎	9/17/2010	katherine
Borrower Information							
** Borrower Structure	Requested ▼				✎	9/17/2010	katherine
** Credit Report Authorization (Form A)	Requested ▼				✎	9/17/2010	katherine
Consent to Credit Investigation RE: Banking/Lender References (Form B)	Requested ▼				✎	9/17/2010	katherine

Track third party reports

Backshop's Third Parties section gives you access to and control over all essential third party reports:

- Appraisal
- Environmental
- Engineering
- Seismic
- Termite
- Wind zone
- Zoning/survey
- Pre-construction

To monitor your reports' status, history and contacts, use Backshop's 3rd Party Tracking function.

Go to third party tracking page

Click the Third Parties tab, then the 3rd Party Tracking sub-link.

Add a third party report

To start tracking status for a third party report, go to the third party tracking page (see above.)

1. Select report type from third party report menu.

2. Specify property from property menu. Enter as much additional information as you like. You will return to this form as the report's status changes.

3. Click the Update button. This creates a line for the new report. It will always be available in the Third Party Tracking module.

Update third party report status

When status changes for a third party report, go to the third party tracking page (see above.)

1. In the line for the report in question, enter or edit the ordered date, due date, received date, status, report date, next report due date and/or cost.

2. Click the Update button.

Monitor third party reports

Go to the third party tracking page (see above.)

1. Third Party Tracking History: This section records and displays all changes to reports' status.

2. Third Party Contacts: Contact information is automatically displayed based on the firm name for each report.

Third Party Tracking History — table:

Third Party Report	Property	Ordered	Due	Received	Status	Report Date	Next Report Due	Cost	Updated Date	Updated By
Engineering	Retail Property	12/8/2009	12/31/2009	2/9/2010	In Review	12/15/2009	12/21/2009	334.00	2/19/2010	michelle
Environmental	Retail Property								2/22/2010	dmccormack
Environmental	Retail Property								2/22/2010	dmccormack
Seismic	Retail Property								2/18/2010	michelle
Seismic	Retail Property								2/18/2010	michelle
Seismic	Retail Property								2/18/2010	michelle
Credit Report									2/18/2010	michelle
Credit Report									2/18/2010	michelle
Credit Report									2/18/2010	michelle

Third Party Contacts — table:

Property	Title	Firm Name	Firm Phone	Contact Name	Contact Phone
Retail Property	Appraiser	Aaron & Wright	415-666-132	Dave Goodwin	
Retail Property	Environment	Aaron & Wright	415-666-132	Bob Bobbers2	
Retail Property	Engineering	Alexander Madejski	415-666-722	Alex Madejski	
Retail Property	Pre-Construction	Backshop Office	415-666-989	Eric Hooshmand	(415) 289 3286

Establish and manage covenants

Backshop's covenants page provides an easy way to establish and manage deal covenants, as well as review and export key deal information.

Go to covenants page

Click the Asset Management tab and Covenants sub-link.
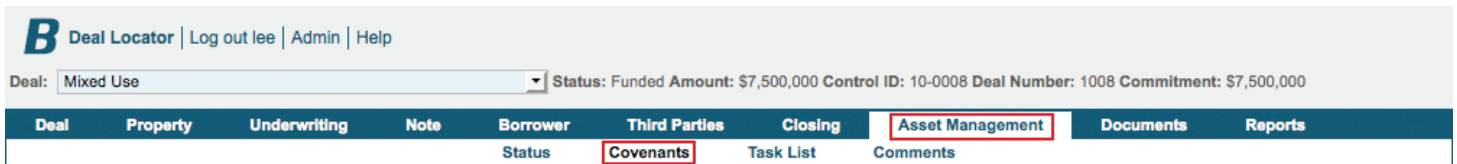
In the below screen shots, read-only modules are closed to place focus on editable fields.

Set financial metrics

1. Select a cash flow from the menu. This displays key stats for that cash flow.

2. Enter desired financial metrics in the blue-highlighted fields   .

3. Click Update to save changes.
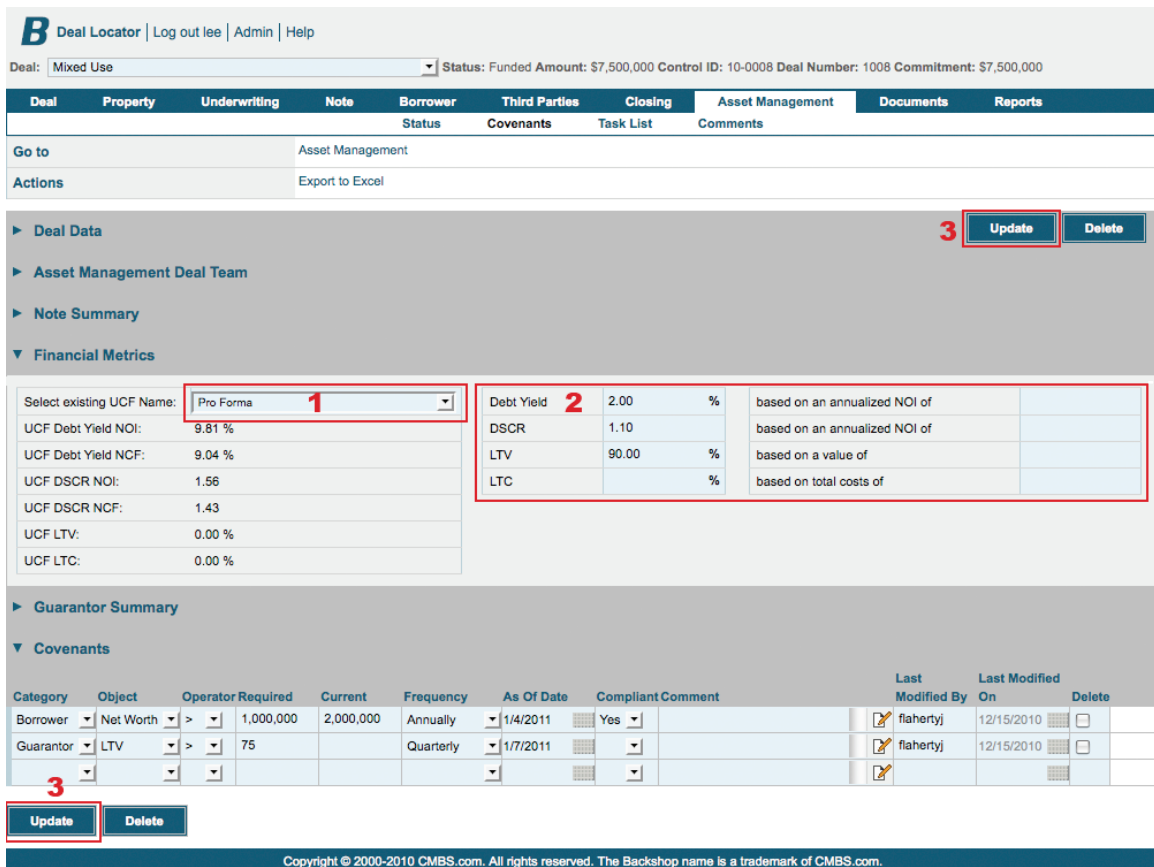
Establish covenants

1. Make menu selections and enter information for each covenant you desire. Category and object are required.

2. Click Update to save changes.

To update the status of any covenant, simply return to this screen, make your changes and click Update.

Export covenants

Click Update to save recent changes.

Click the Export to Excel link in the Actions bar.

The downloaded Excel file contains all read-only information plus the metrics and covenants you've established.

Manage conditions

Backshop lets you set up and track closing, post-closing and rate lock conditions for all of your deals.

Go to closing conditions page

Click Closing tab and Conditions sub-link.
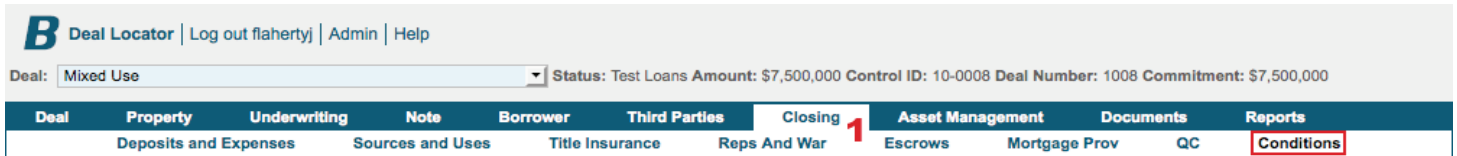
Add a deal condition

1. Select condition type — closing, post-closing or rate lock — in menu.

2. Click Add New link.
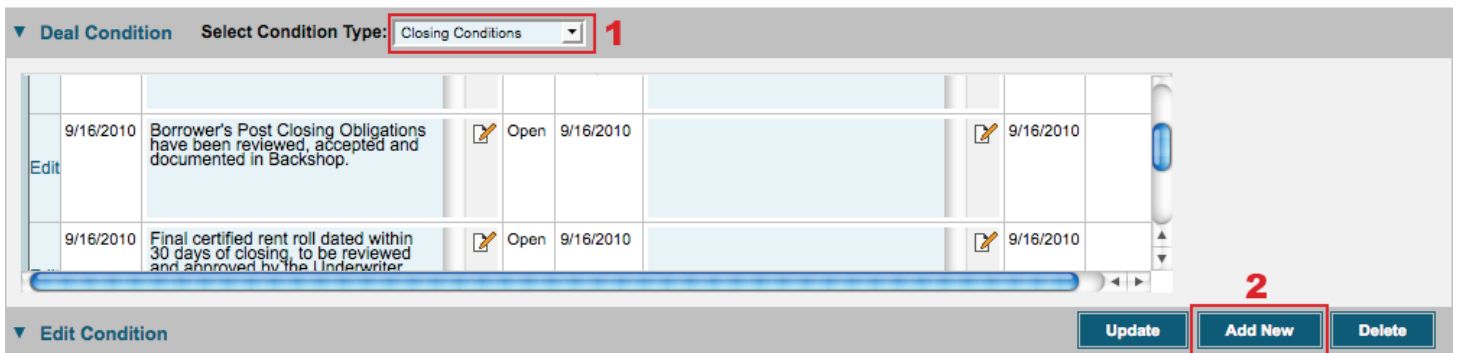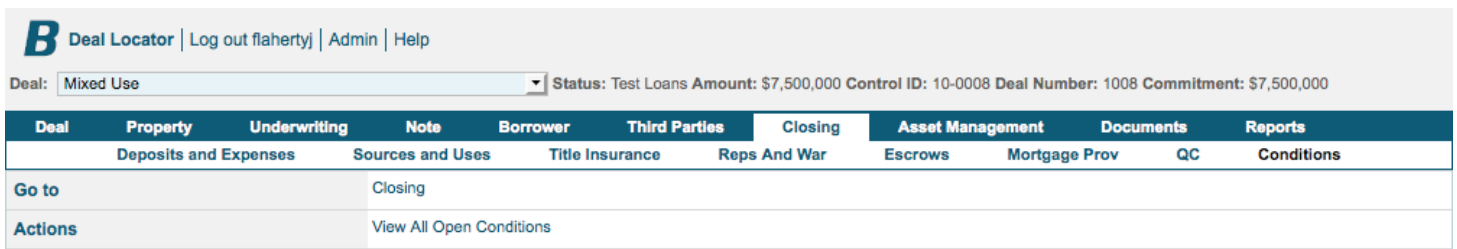
1. Enter description of condition, status date and status comment.

2. Click Update to save.

Update a deal condition

1. Select condition type in menu.

2. Click Edit link.

3. Edit condition information.

4. Click Update to save.

Closing sources and uses

This interface makes it easy to make sure your sources equal your uses.

1. Click the Closing tab and Sources and Uses sublink.

2. Specify each source/use and amount (required). Add comments if you like.

3. Click the Update button. Backshop does the math for you.