

Exercise #2 – Abstract from Scratch

INSTRUCTIONS

In this exercise, the abstractor will create a new lease using the Data Values provided below, navigate to relevant sections of Reallogic Abstract and enter the values as displayed. Upon completion, the abstractor will run the Lease Abstract Report.

From the Dashboard, select your Training Building. You can create a new abstract from both the Building Level as well as the Lease Level. Select “New Lease” now and let’s get started.

- Enter your lease name: *Blackhawk Hockey Club*.

User can Copy a Lease, Sublease, or Template from any Organization, Client, Project, or Building that they have access to.

General Node

You will be brought to the General node automatically. At the General node enter:

- Commencement Date Type: *Contractual*;
- Commencement Date: *2/1/2013*.

EXERCISE FORMAT

This exercise is broken out into two-(2) parts. At the conclusion of Part 1, the user is encouraged to print a Lease Abstract Report and compare the data entered thus far to the "Abstract Report-AFTER" PDF located within the Realogic Abstract Knowledgebase (on-line help, written and video tutorials, and training content).

The exercise will be broken out as follows:

Part 1 - General, Documents, Space, and Recurring Charges nodes;

Part 2 – Recoveries, Clauses & Options, and Security Deposit nodes

Part 1 – Data Values: For General, Documents, Space and Recurring Charges nodes

DOCUMENTS:

1. Office Lease, dated November 15, 2012
2. Commencement Date Letter, dated 2/1/13 (Document confirmed the actual Commencement Date as 2/1/13 and Expiration Date as 1/31/18)

TENANT NAME:

Blackhawks Hockey Club

EXPIRATION DATE:

1/31/18

LEASE TERM:

5 year term commencing on Commencement Date

SPACE:

Suite 200

COMMENCEMENT DATE:

2/1/13

RENTABLE SQUARE FOOTAGE:

8,000

BASE RENT SCHEDULE:

Period	Annual Rent	Monthly Rent	Rent per PSF
Lease Yr. 1 - 3	\$480,000.00	\$ 40,000.00	\$60.00
Lease Yr. 4 - 5	\$520,000.00	\$ 43,333.33	\$65.00

BASE RENT ABATEMENT:

(Lease, section 1.B)

Tenant shall be entitled to an abatement of Base Rent only for the first 6 calendar months of the Term commencing on the Commencement Date.

BASE RENT ABATEMENT – RECURRING CHARGE

Period	Annual Rent	Monthly Rent	Rent per PSF
2/1/13 – 7/31/13		\$40,000.00	

Once you have entered the Rent Abatement, please add a note to the Abatement Recurring Charge and then click "Report Display" to show "Standard". This will allow for the note to appear on the Rent Roll.

Part 1 – Supporting Screen Shots

GENERAL NODE

We've already completed our input at the General node.

- Abstract Status defaults to: *In-Process*;
- Once we complete the abstract, we will change Lease Status to: *Completed*

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawks Hockey Club

Lease

General

+ New Lease | Save | Cancel | Refresh | Note(s) | Dates(0) | Help

Statuses

Lease Status: Active | Abstract Status: In Process

Lease Type: Lease | Outstanding Issue: Completed

Once abstract is completed, Abstract Status will be changed to "Completed"

Tenant Info.

Lease Name: Blackhawks Hockey Club | Lease ID:

While abstracting, our **Abstract Status** should always be **In-Process**; that way, should another user access this abstract while we're working on it, they will see that it is not yet completed. Once finished, we'll change the status back to **Completed**.

DOCUMENTS NODE

Let's now enter our Lease Documents:

- Office Lease, dated November 15, 2012
- Commencement Date Letter, dated 2/1/13 (Document confirmed the actual Commencement Date as 2/1/13 and Expiration Date as 1/31/18)

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Documents

+ Add | Edit | Delete | Refresh | Dates(0) | Reorder | Help

Document Name	Document Type	Execution Date Type	Execution Date	Inventory Status	Note(s)
Lease	Lease	On	11/15/2012	Complete	Note(s)
Commencement Date Letter	Commence Letter	On	2/1/2013	Complete	Note(s)

Save | Cancel | Help

Document Detail

Receipt Date: | Medium Type: None | Estoppel Inclusion: N/A

Physical Location: |

URL: |

User Doc Name: |

Upload File: |

Document Description: |

Confirmed the actual Commencement Date as 2/1/2013 and Expiration Date as 8/31/2017.

SPACES NODE

At the Spaces node, we will enter our Space information in Pane 1. We will then go to Pane 2 and attach our Floor and Suite information.

Step 1 – Enter Space Information - Pane 1

Enter the following into Pane 1.

- Space name: Premises (exactly as described in lease document)
- Space Status: Leased: Occupied
- Space Type: New Lease
- Start Date: 2/1/2013
- Expiry Date: 1/31/2018

Step 2 – Enter Space Information - Pane 2

Now attach the Floor and Suite to your Space via the pull-down. The Floor and Suite have already been set-up at the Building Level.

- Floor: 2
- Suite: 200

After entering our Space information at the Lease Level, we then attach Floors and Suites to the Space as described at the Building Level

RECURRING CHARGES NODE

At the Recurring Charges node we will enter our charges for our Base Rent and Rent Abatement. This tenant also has a known charge for Parking.

Recurring Charge - Base Rent:

In Pane 1, enter your Space and your Charge Code:

- Space: Premises (as defined at the Space node)
- Charge Code: ORNT: Base Rent Office

In Pane 2, enter your Dates and your Charges:

- 2/1/2013 – 1/31/2016: \$40,000 per month
- 2/1/2016 – 1/31/2018: \$43,333 per month

REALOGIC ABSTRACT Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

- General
- Documents (2)
 - Lease
 - Commencement Date Letter
- Contacts
- Spaces (1)
 - Premises (2/1/2013 - 1/31/2018)
- Recurring Charges (3)**
- Premises - ABAT: Base Rent Abate
- Premises - ORNT: Base Rent Office
- Premises - PRK: Parking
- Recoveries (2)
- Percentage Rent
- Tenant Capital
- Clauses (19)
- Options (8)
- Security Deposits (1)

Recurring Charges (3)

+ Add Edit Delete Refresh Help

Space	Charge Code	Frequency	Begin Month	Space Begin	Space End	Space Area		
Premises	ABAT: Base Rent Abatement	Monthly	1	2/1/2013	1/31/2018	8,000.00	Note(s)*	Dates(0)
Premises	ORNT: Base Rent Office	Monthly	1	2/1/2013	1/31/2018	8,000.00	Note(s)	Dates(0)
Premises	PRK: Parking	Monthly	1	2/1/2013	1/31/2018	8,000.00	Note(s)*	Dates(0)

Run Wizard + Add Multiple + Add Edit Delete Refresh Help Legend: Gapped Entries

Begin Date	End Date	Amount	Amount Type
02/01/2013	01/31/2016	\$40,000.00	\$/Month
02/01/2016	01/31/2018	\$43,333.00	\$/Month

All items entered at the Recurring charge node will be reflected in the Rent Roll Report.

*At the Recurring Charge node, the user attaches "charge amounts" to
Spaces that were created and defined at the Space node.*

Recurring Charge - Base Rent Abatement:

In Pane 1 enter your Space and your Charge Code:

- Space: *Premises* (as defined at the Space node)
- Charge Code: *ABAT: Base Rent Abatement*
- Add Note: *Tenant shall be entitled to an abatement of Base Rent only for the first 6 calendar months of the Term commencing on the Commencement Date.*

In Pane 2, enter your Dates and your Charges:

- *2/1/2013 – 7/31/2016: \$40,000 per month*

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Recurring Charges (3)

Space	Charge Code	Frequency	Begin Month	Space Begin	Space End	Space Area	Note(s)*	Dates(0)
Premises	ABAT: Base Rent Abatement	Monthly	1	2/1/2013	1/31/2018	8,000.00	Note(s)*	Dates(0)
Premises	ORNT: Base Rent Office	Monthly	1	2/1/2013	1/31/2018	8,000.00	Note(s)	Dates(0)
Premises	PRK: Parking	Monthly	1	2/1/2013	1/31/2018	8,000.00	Note(s)*	Dates(0)

Run Wizard Add Multiple Add Edit Delete Refresh Help Legend: Gapped Entries

Begin Date End Date Amount Amount Type

02/01/2013 07/31/2013 \$40,000.00 \$/Month

Note(s)

Edit Clear Close

Report Display: Hide Rent Roll

Tenant shall be entitled to an abatement of Base Rent only for the first 6 calendar months of the Term commencing on the Commencement Date.

Recurring Charge – Parking Charge:

In Pane 1 enter your Space and your Charge Code:

- Space: *Premises* (as defined at the Space node)
- Charge Code: *PRK: Parking*
- Add Note: *Tenant entitled to 9 unreserved parking permits at \$90/permit/month (section 4.G).*

In Pane 2, enter your Dates and your Charges:

- *2/1/2013 – 7/31/2018: \$810 per month*

If Tenant pays a known amount for parking, escalations, supplemental HVAC etc., a recurring charge can be set up on the Recurring charges screen which will allow the charges to appear on the Rent Roll.

Part 1 – Review Work - Print Lease Abstract

PRINT LEASE ABSTRACT REPORT

Print the Lease Abstract Report to review your work:

- Sliding Pane allows quick access to certain reports;
- Reports Module allows access to all reports, plus additional reporting functionality;
- Compare your Lease Abstract Report to:
 - The Data Values previously noted in this exercise;
 - The PDF – *Abstract Report “After”* – as shown within the Training area of the online Reallogic Abstract Knowledgebase.

The screenshot displays the REALOGIC ABSTRACT software interface. At the top, the title bar reads "REALOGIC ABSTRACT" and includes navigation links: "Switch Organization | Dashboard | Reports | Admin | Preferences |". Below this, the breadcrumb trail shows "Project: Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawks Hockey Club".

The main interface is divided into two primary sections. On the left is the "Reports" module, which contains a "Sliding Pane" with a list of reports. The "Lease Abstract" report is highlighted in the list, and an orange box with an arrow points to it, accompanied by the text: "Sliding Pane allows quick access to Reports, including the Lease Abstract Report".

On the right is the "Recurring Charges" table, which is also highlighted with an orange box and labeled "Reports Module". The table has the following columns: "Space", "Charge Code", "Frequency", "Begin Month", "Space Begin", "Space End", "Space Area", and "Note(s)*". The table contains three rows of data:

Space	Charge Code	Frequency	Begin Month	Space Begin	Space End	Space Area	Note(s)*
Premises	ABAT: Base Rent Abatement	Monthly		9/1/2012	8/31/2017	8,000.00	Note(s)*
Premises	ORNT: Base Rent Office	Monthly		9/1/2012	8/31/2017	8,000.00	Note(s)*
Premises	PRK: Parking	Monthly		9/1/2012	8/31/2017	8,000.00	Note(s)*

At the bottom of the screenshot, an orange box contains the text: "Reports can be accessed via the Reports Module, or via the Sliding Pane".

Part 2 – Data Values: For Recoveries, Clauses & Options, and Security Deposit nodes

EXPENSE RECOVERY MECHANICS

Operating Expense Base Year:

Calendar Year 2013 (*Lease, section 8*).

Real Estate Tax Base Year:

Calendar Year 2013 (*Lease, section 8*).

Tenant's Proportionate Share:

4.3474%, based on the rsf of the Premises (8,000 rsf) divided by the rsf of the Building (184,016 rsf).

Other Expense Recovery Comments:

- Variable Operating Expenses are subject to a **gross-up** of 100%;
- Operating Expenses include all expenses paid or incurred during the calendar year and management fees not to exceed 3% of gross revenues of the Building;
- Taxes mean any and all taxes, assessments and charges levied against the Building, which LL shall pay or become obligated to pay in connection with the Building.

ESTOPPEL CLAUSE

Tenant to execute an estoppel within 10 days of request (*Lease, section 19*).

HOLDOVER

200% of Base Rent, Operating Cost Share Rent, Office Maintenance Cost Share Rent and Tax Share Rent in effect immediately prior to holdover (*Lease, section 15*).

LATE FEES & INTEREST

- No late fee language in Lease (*Lease, section 7*);
- Interest as follows: If not paid within 5 days, unpaid amounts shall bear interest at 3% above the corporate base rate charged by Chase Bank (*Lease, section 7*).

PARKING CLAUSE:

Tenant entitled to 9 unreserved parking permits at current market rates, subject to increase. Current rates for unreserved permits are \$90/space/month (*Lease, section 32*).

SUBLEASE / ASSIGNMENT

- LL's consent is required for any sublease and assignment (*Lease, section 8*);
- Tenant shall pay 100% of any sublease profits (*Lease, section 8*)

SUBORDINATION

- Lease is subject and subordinate to all current and future mortgages and ground leases (*Lease, section 18*);
- LL shall provide an SNDA in the form of Exhibit F from any current and future mortgagor (*Lease, section 18*)

TENANT IMPROVEMENTS

- Tenant to construct the Improvements to the Premises and LL to provide Tenant with a Construction Allowance in the amount of \$280,000 (being \$35.00/sf) (*Lease, Exhibit B*);
- Any amount of funds remaining from the Construction Allowance (being not requested for disbursement from Tenant) on 12/31/13 shall be forfeited and LL shall have no further right to fund the balance. (*Lease, Ex. B*);

RENEWAL OPTION

Tenant shall have the option to renew the Term for 5 years with notice to LL at least 180 days prior to expiration of the Initial Term. Base Rent shall be 95% of market rate (*Lease, section 66*);

SECURITY DEPOSIT

- In the form of a Letter of Credit in the amount of \$120,000 (*Lease, section 25*);
- Add a note that the Letter of Credit was issued by Citibank, N.A. dated 1/15/13 in the amount of \$120,000 with an expiration date of 1/31/18 (*Lease, section 25*).

Part 2 – Supporting Screen Shots

RECOVERIES NODE

Abstracting expense pool recovery mechanics typically involves both the Recovery node and the Clause node. The Recovery node is used to describe the general expense pool recovery mechanics for each pool for each of the tenant's spaces, as defined in the Space node. The Clause node typically has an Expense Recovery Clause that will include specifically defined Provisions desired to be abstracted, per the building's Clause List.

Let's first abstract the general expense pool recovery mechanics for Operating Expenses.

In Pane 1 select "Add" and input:

- Recovery Name: *Operating Costs*
- Recovery Pool: *OPEX*
- Type: *Gross*
- Status: *Active*
- Document: *Lease*
- Section: *8*

In Pane 2 enter the following:

- Income Category: *EXPR-Operating Expense*
- Base Year: *2013*
- Stop Amount: *\$0.00 (not typically reflected in lease)*
- Cap: *No*
- Pro-rata: *4.3474%*
- Gross Up %: *100%*
- Admin Surcharge %: *0.00% (typically only for retail)*

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Recoveries

Recovery Name	Recovery Pool	Type	Status	Document	Section	Space	Note(s)
Operating Costs	OPEX	Gross	Active	Lease	8	Spaces(1)	
Taxes	TAX	Gross	Active	Lease	8	Spaces(1)	

Pane 1

Recovery Detail

Income Category: EXPR-Operating Expense Recovery

Base Year: 2013

Stop Amount: \$0.00 Stop Amount Type:

Cap: No

Pro-rata %: 4.34740 %

Gross Up %: 100.00 %

Administrative Surcharge %: 0.00 %

Pane 2

In Pane 1, we also need to assign this recovery mechanic to a Space:

- "Click" on Space
- Select "Premises" and move it to be a "Selected Space"
- "Click" on Update

Remember to click the hyperlink to "Spaces" which allows user to designate the specific Space to which the Recovery applies

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Recoveries

Recovery Name	Recovery Pool	Type	Status	Document	Section	Space	Note(s)
Operating Costs	OPEX	Gross	Active	Lease	8	Spaces(1)	
Taxes	TAX	Gross	Active	Lease	8	Spaces(1)	

Space Wizard

Spaces

Selected Spaces

Premises

> >> << <

Update Cancel

Repeat this process to abstract the general expense pool recovery mechanics for Real Estate Taxes.

In Pane 1 select "Add" and input:

- Recovery Name: Taxes
- Recovery Pool: TAX
- Type: Gross
- Status: Active
- Document: Lease
- Section: 8

In Pane 2 enter the following:

- Income Category: TAXR-Tax Recovery
- Base Year: 2013
- Stop Amount: \$0.00 (not typically reflected in lease)
- Cap: No
- Pro-rata: 4.3474%
- Gross Up %: 0.00%
- Admin Surcharge %: 0.00% (typically only for retail)

Remember to click the hyperlink to "Spaces" which allows user to designate the specific Space to which the Recovery applies

Additional Expense Recovery mechanics are typically also abstracted according to the Provisions reflected in the Expense Recovery Clause within the Clause node.

CLAUSES NODE

Expense Recoveries

Input the below into the Provisions shown for this Clause:

- Opex Inclusions/Exclusions: *Operating Expenses include all expenses paid or incurred during the calendar year and management fees not to exceed 3% of gross revenues of the Building;*
- Tax Inclusions/Exclusions: *Taxes mean any and all taxes, assessments and charges levied against the Building, which LL shall pay or become obligated to pay in connection with the Building.*
- Base Year Notes: *Operating Expense Base Year – CY 2013; Real Estate Taxes Base Year – CY 2013;*
- P/R Share Calculation: *4.3474%, based on the rsf of the Premises (8,000 rsf) divided by the rsf of the Building (184,016 rsf).*
- Recovery Cap: *Silent*

REALOGIC ABSTRACT Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Log

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

- General
- Documents (2)
- Contacts
- Spaces (1)
- Recurring Charges (3)
- Recoveries (2)
- Percentage Rent
- Tenant Capital
- Clauses (19)**
- CPI (CPI)
- Estoppel (Estoppel)
- Expense Recoveries (Expense Recoveries)
- Guarantor (Guarantor)
- Holdover (Holdover)
- Late Fees & Interest (Late Fees & Interest)
- Leasing Commissions (Leasing Commissions)
- Other Charges (Other Charges)
- Other Lease Terms (Other Lease Terms)
- Parking (Parking)
- Percentage Rent (Percentage Rent)
- Retail Clauses (Retail Clauses)
- Rooftop/Telecom/Riser/Conduit (Rooftop/Telecom/Riser/Conduit)
- Signage (Signage)
- Sublease & Assignment (Sublease & Assignment)
- Subordination/Non-Disturbance (Subordination/Non-Disturbance)
- Subtenants (Subtenants)
- Tenant Improvements (Tenant Improvements)
- Tenant Services (Tenant Services)

Clauses

Copy Add Edit Delete Silent Refresh Help

Type	Clause ID	Applicability	Document	Section	Notes	Dates
CPI	CPI	Silent	None		Note(s)	Dates(0)
Estoppel	Estoppel	Applicable	Lease (11/15/2012)	19	Note(s)	Dates(0)
Expense Recoveries	Expense Recoveries	Applicable	Lease (11/15/2012)	8	Note(s)	Dates(0)
Guarantor	Guarantor	Silent	None		Note(s)	Dates(0)
Holdover	Holdover	Applicable	Lease (11/15/2012)	15	Note(s)	Dates(0)
Late Fees & Interest	Late Fees & Interest	Applicable	Lease (11/15/2012)	7	Note(s)	Dates(0)
Leasing Commissions	Leasing Commissions	Silent	None		Note(s)	Dates(0)
Other Charges	Other Charges	Silent	None		Note(s)	Dates(0)
Other Lease Terms	Other Lease Terms	Silent	None		Note(s)	Dates(0)
Parking	Parking	Applicable	Lease (11/15/2012)	32	Note(s)	Dates(0)
Percentage Rent	Percentage Rent	Silent	None		Note(s)	Dates(0)
Retail Clauses	Retail Clauses	Silent	None		Note(s)	Dates(0)

Expense Recoveries (Expense Recoveries)

Provision	Description
Opex Inclusions/Exclusions	Operating Expenses include all expenses paid or incurred during the calendar year and management fees not to exceed 3% of gross revenues of the Building.
P/R Share Calculation	4.3474%, based on the rsf of the Premises (8,000 rsf) divided by the rsf of the Building (184,016 rsf).
Recovery Cap	Silent
Tax Inclusions/Exclusions	Taxes mean any and all taxes, assessments and charges levied against the Building, which LL shall pay or become obligated to pay in connection with the Building.

Edit Help

Opex Inclusions/Exclusions
Operating Expenses include all expenses paid or incurred during the calendar year and management fees not to exceed 3% of gross revenues of the Building.

NOTE TO USER – PLEASE CONTINUE TO INPUT THE BELOW PROVISIONS FOR EACH CLAUSE

Estoppel Clause

Input the below into the Provisions shown for this Clause:

- Estoppel Provision: *Tenant to execute an estoppel within 10 days of request.*

Holdover

Input the below into the Provisions shown for this Clause:

- Holdover Terms: *200% of Base Rent, Operating Cost Share Rent, Office Maintenance Cost Share Rent and Tax Share Rent in effect immediately prior to holdover.*

Late Fees & Interest

Input the below into the Provisions shown for this Clause:

- Late Fee Calculation / Grace Period: : *Silent*
- Interest Calculation / Grace Period: *Interest as follows: If not paid within 5 days, unpaid amounts shall bear interest at 3% above the corporate base rate charged by Chase Bank.*

Parking Clause

Input the below into the Provisions shown for this Clause:

- Parking Rights: *Tenant entitled to 9 unreserved parking permits at current market rates*
- Parking Fees: *Current rates for unreserved permits is \$90/space/month*

Note: if Tenant pays a known amount for parking, escalations, supplemental HVAC etc., a recurring charge can be set up on the Recurring charges screen which will allow the charges to appear on the Rent Roll

Sublease / Assignment

Input the below into the Provisions shown for this Clause:

- LL Consent Requirements: *LL's consent is required for any sublease and assignment*
- Exceptions to LL Consent: *Silent*
- LL Share of Sublease Profits: *Tenant shall pay 100% of any sublease profits*
- LL Recapture Rights: *Silent*

Subordination

Input the below into the Provisions shown for this Clause:

- Subordination Terms: *Lease is subject and subordinate to all current and future mortgages and ground leases*
- Non-Disturbance Requirements: *LL shall provide an SNDA in the form of Exhibit F from any current and future mortgagor*

Tenant Improvements

Input the below into the Provisions shown for this Clause:

- Allowance Amount / LL's Work: *Tenant to construct the Improvements to the Premises and LL to provide Tenant with a Construction Allowance in the amount of \$280,000 (being \$35.00/sf).*
- Treatment of Unused Allowance: *Any amount of funds remaining from the Construction Allowance (being not requested for disbursement from Tenant) on 12/31/13 shall be forfeited and LL shall have no further right to fund the balance.*
- NOTE – we also desire a Critical Date for this date of 12/31/2013.

REALOGIC ABSTRACT Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Clauses

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Clause ID	Applicability	Document	Section	Notes	Dates
CPI	Silent	None		Note(s)	Dates(0)
Estoppel	Applicable	Lease (11/15/2012)	19	Note(s)	Dates(0)
Expense Recoveries	Applicable	Lease (11/15/2012)	8	Note(s)	Dates(0)
Guarantor	Silent	None		Note(s)	Dates(0)
Holdover	Applicable	Lease (11/15/2012)	15	Note(s)	Dates(0)
Late Fees & Interest	Applicable	Lease (11/15/2012)	7	Note(s)	Dates(0)
Leasing Commissions	Silent	None		Note(s)	Dates(0)
Other Charges	Silent	None		Note(s)	Dates(0)
Other Lease Terms	Silent	None		Note(s)	Dates(0)
Parking	Applicable	Lease (11/15/2012)	32	Note(s)	Dates(0)
Percentage Rent	Silent	None		Note(s)	Dates(0)
Retail Clauses	Silent	None		Note(s)	Dates(0)
Rooftop/Telecom/Riser/Condu	Silent	None		Note(s)	Dates(0)
Signage	Silent	None		Note(s)	Dates(0)
Sublease & Assignment	Applicable	Lease (11/15/2012)	8	Note(s)	Dates(0)
Subordination/Non-Disturb	Applicable	Lease (11/15/2012)	18	Note(s)	Dates(0)
Subtenants	Silent	None		Note(s)	Dates(0)
Tenant Improvements	Applicable	Lease (11/15/2012)	Exhibit B	Note(s)	Dates(1)
Tenant Services	Silent	None		Note(s)	Dates(0)

Critical Dates

Add Edit Delete Refresh Close

Critical Date	Report Display	Description of Event
12/31/2013	Hide Rent Roll	Any amount of funds remaining from the Construction Allowance (being not requested for disbursement from Tenant) on 12/31/13 shall be forfeited and LL shall have no further right to fund the balance.

As you enter the Tenant Improvement Clause, you can also enter a critical date for 12/31/13, as the latest date for LL to fund the Construction Allowance, else LL to retain the balance

RENEWAL OPTION NODE

Abstracting a Renewal Option involves a three-(3) step process. When the user selects "Edit/View" to address the Applicability, the user is brought to the "Edit Lease Options" screen. Here, in addition to making the renewal option "Applicable", the user inputs the appropriate notice and effective dates, is exposed to Reallogic Abstract's Date Calculator, describes and defines the encumbered space, including a summary of tenant's having superior rights, if any. Lastly, specific Provisions desired for Renewal Options are abstracted.

- Step 1: Change Applicability to "*Applicable*";
- Step 2: Complete the "Edit Lease Options" screen;
 - o Address the Applicability;
 - o Enter Document and Section;
 - o Enter Notice & Effective Period Type;
 - o Enter Notice & Effective Dates (use Date Calculator functionality);
 - o Defined Floor that is encumbered;
 - o Describe Encumbered Space;
 - o List tenants having Superior Rights, if any;
- Step 3: Input the below into the Provisions for the Renewal Clause
 - o Notification/Term Description: *Tenant shall have the option to renew the Term for 5 years with notice to LL at least 180 days prior to expiration of the Initial Term.*
 - o Renewal Rent: *Base Rent shall be 95% of market rate*

Step 1: Change Applicability from "Silent" to "Applicable"

Select "Edit/View":

REALOGIC ABSTRACT Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Reallogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Options (8)

Copy Add Edit/View Delete Silent Refresh Help

Type	Option ID	Applicability	Document	Section
Contraction	Contraction	Pending	None	
Expansion	Expansion	Pending	None	
Purchase	Purchase	Pending	None	
Relocation	Relocation	Pending	None	
Renewal	Renewal	Applicable	Lease (11/15/2012)	66
Right of First Offer	Right of First Offer	Pending	None	
Right of First Refusal	Right of First Refusal	Pending	None	
Termination	Termination	Pending	None	

Renewal (Renewal)

Provision Description

Step 2 – Complete “Edit Lease Options” screen:

Make “Applicable”:

Edit Lease Option

Save Close

General Info

Option Type: Renewal
 Option ID: Renewal
 Document Name: Lease (11/15/2012)

Applicability: Applicable
 Section: Applicable

Dates

Notification Period Type: None
 Effective Period Type: Expired
 Notification Start Date: None
 Effective Start Date: None
 Notification End Date: None
 Effective End Date: None

Select "Date Calculator" → Date Calculator

Continue with “Edit Lease Options”:

Dates

Notification Period Type: On or Before
 Effective Period Type: Between
 Notification Start Date: None
 Effective Start Date: 02/01/2018
 Notification End Date: 08/04/2017
 Effective End Date: 01/31/2023

Hide Date Calculator

Date Calculator

Date Type: Notification
 Amount: 180
 Calculation Term: Calendar Days
 From the date: 1/31/2018
 Calculate 8/4/2017

360 Day Calendar: ☐
 Exclude Holidays: ☐
 Extend to Month End: ☐

Notification Start
 Effective Start
 Effective End
 Notification End

Set Date

Encumbered Space

Building Floors
 LL
 1

Selected Encumbered Floors
 2

Describe Encumbered Space and Superior Rights, if any:

Calculate 8/4/2017 Notification Start Set Date

Encumbered Space

Encumbered ☒

Building Floors
 LL
 1
 3
 4
 5
 6

Selected Encumbered Floors
 2

Hide Descriptions

Descriptions

Encumbered Space Description: ☒ Check
 Suite 200 (8,000 rsf)

Superior Rights Description: ☒ Check

Step 3 – Input Provisions for Renewal Clause:

Input Provisions:

REALOGIC ABSTRACT Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Options (8)

Type	Option ID	Applicability	Document	Section
Contraction	Contraction	Pending	None	
Expansion	Expansion	Pending	None	
Purchase	Purchase	Pending	None	
Relocation	Relocation	Pending	None	
Renewal	Renewal	Applicable	Lease (11/15/2012)	66
Right of First Offer	Right of First Offer	Pending	None	
Right of First Refusal	Right of First Refusal	Pending	None	
Termination	Termination	Pending	None	

Renewal (Renewal)

Provision	Description
Renewal Rent	Base Rent to be 95% of market.
Renewal Terms	Tenant shall have the option to renew the Term for 5 years with notice to LL at least 180 days prior to

Renewal Rent

Base Rent to be 95% of market.

SECURITY DEPOSIT NODE

Input the following in Pane 1:

- Deposit Name: Security Deposit
- Deposit Type: Ltr of Credit
- Deposit Status: Active
- Document: Lease; Section: 25

Input the following in Pane 2:

- Deposit Date: 1/15/2013
- Source: Per Lease
- Deposit Amount: \$120,000

REALOGIC ABSTRACT Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Security Deposits

Deposit Name	Deposit Type	Deposit Status	LOC Expiration Date	Document	Section	Note(s)*
Security Deposit	Ltr of Credit	Active	1/31/2018	Lease	25	

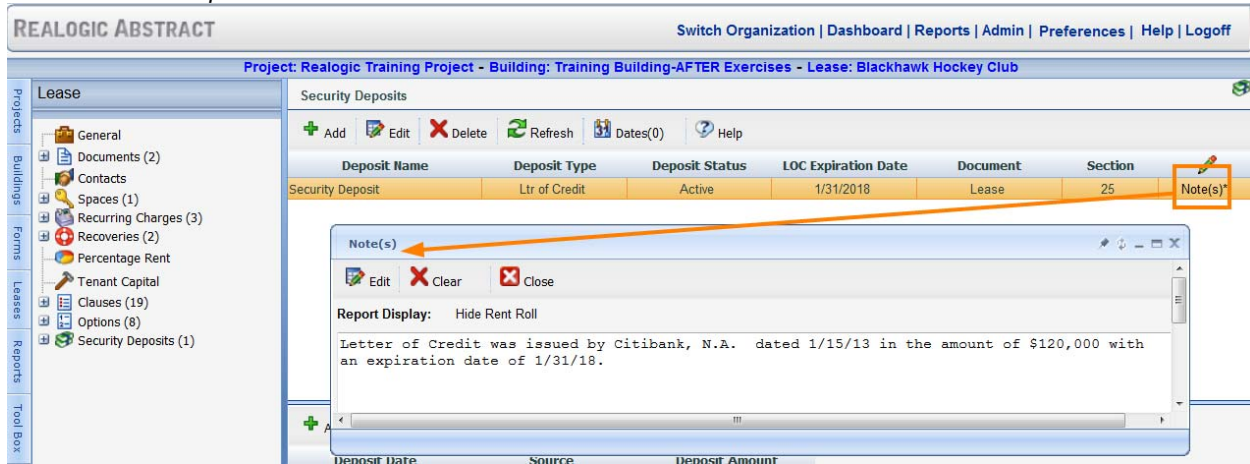
Deposit Date: 1/15/2013

Source: Per Lease

Deposit Amount: \$120,000.00

Add Note in Pane 1:

- Add Note: Letter of Credit was issued by Citibank, N.A. dated 1/15/13 in the amount of \$120,000 with an expiration date of 1/31/18.



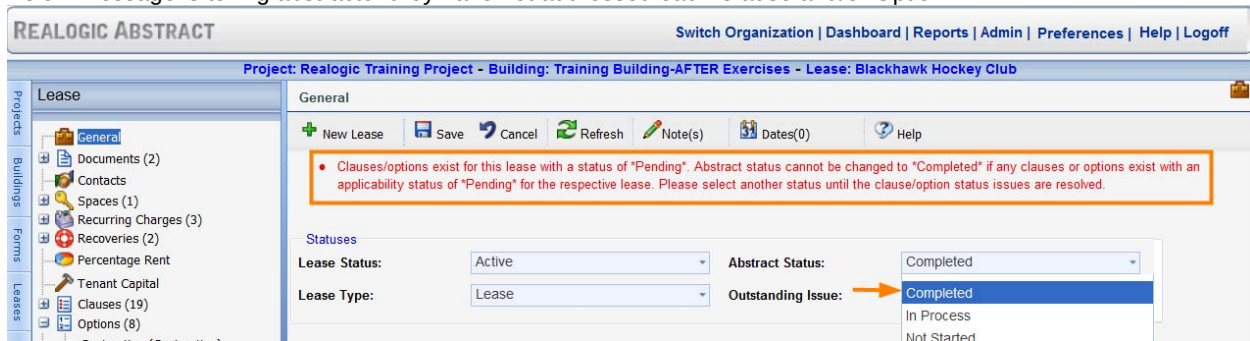
Changing Lease Status to “Completed” – Clauses & Options CANNOT be PENDING

At the conclusion of the lease abstracting process, the user should go to the General node and change the Abstract Status to “Completed”. To confirm that the user has addressed each Clause and Option, the Applicability of each Clause and each Option cannot remain Pending.

All clauses and options will need to have an Applicability Status of Silent. Click the “Silent” button on the Tool Bar, which will make all Applicability of “Pending” change to “Silent”.

General node – change Abstract Status to “Completed”:

Below message is telling abstractor they have not addressed each Clause and/or Option:



Clause node & Option node – Applicability of “Pending” exists:

Abstractor needs to change Applicability from “Pending”:

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Options (8)

Copy Add Edit/View Delete Silent Refresh Help

Type	Option ID	Applicability	Document	Section
Contraction	Contraction	Pending	None	
Expansion	Expansion	Pending	None	
Purchase	Purchase	Pending	None	
Relocation	Relocation	Pending	None	
Renewal	Renewal	Applicable	Lease (11/15/2012)	66
Right of First Offer	Right of First Offer	Pending	None	
Right of First Refusal	Right of First Refusal	Pending	None	
Termination	Termination	Pending	None	

Renewal (Renewal)

“Silent” button in Menu bar will change all “Pending” to “Silent”:

Must do this for Clauses & Options nodes;

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

Options (8)

Copy Add Edit/View Delete Silent Refresh Help

Type	Option ID	Applicability	Document	Section
Contraction	Contraction	Pending	None	
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Relocation	Relocation	Pending	None	
Renewal	Renewal	Applicable	Lease (11/15/2012)	66
Right of First Offer	Right of First Offer	Pending	None	
Right of First Refusal	Right of First Refusal	Pending	None	
Termination	Termination	Pending	None	

Renewal (Renewal)

Provision

Renewal Rent

Renewal Terms

Term for 5 years with notice to LL at least 180 days prior t

Message from webpage

Are you sure you want to make all "Pending" options "Silent"?

OK Cancel

“General node – Abstract Status can now be” Completed”:

No Clauses & Options have an Applicability of “Pending”:

REALOGIC ABSTRACT

Switch Organization | Dashboard | Reports | Admin | Preferences | Help | Logoff

Project: Realogic Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawk Hockey Club

Lease

General

New Lease Edit Refresh Note(s) Dates(0) Help

Statuses

Lease Status: Active

Lease Type: Lease

Abstract Status: Completed

Outstanding Issue: No

Tenant Info

Part 2 – Review Work - Print Lease Abstract

PRINT LEASE ABSTRACT REPORT

Print the Lease Abstract Report to review your work:

- Sliding Pane allows quick access to certain reports;
- Reports Module allows access to all reports, plus additional reporting functionality;
- Compare your Lease Abstract Report to:
 - The Data Values previously noted in this exercise;
 - The PDF – Abstract Report “After” – as shown within the Training area of the online Realogic Abstract Knowledgebase.

The screenshot displays the REALOGIC ABSTRACT application interface. At the top, the header includes 'REALOGIC ABSTRACT' and navigation links: 'Switch Organization | Dashboard | Reports | Admin | Preferences |'. Below the header, the breadcrumb trail reads: 'Project: Training Project - Building: Training Building-AFTER Exercises - Lease: Blackhawks Hockey Club'. The main content area is divided into two sections. On the left, a 'Reports' sliding pane is open, listing various reports such as 'Abstracting Status', 'Building - Detail', 'Contact List', 'Critical Dates', 'Document - Detail', 'Document - Inventory', 'Encumbered Space by Floor', 'Expiration - Annual Detail', 'Expiration - Monthly Detail', 'Expiration - Summary', 'Lease Abstract', 'Occupancy - Detail', 'Percentage Rent - Detail', 'Recovery - Detail', and 'Rent Roll'. An orange box highlights the 'Lease Abstract' report, with an arrow pointing to it. A text box next to the pane states: 'Sliding Pane allows quick access to Reports, including the Lease Abstract Report'. On the right, the 'Recurring Charges' table is visible, showing columns for Space, Charge Code, Frequency, Begin Month, Space Begin, Space End, Space Area, and Note(s)*. The table contains three rows of data for Premises. An orange box labeled 'Reports Module' points to the 'Reports' link in the top navigation bar. Another orange box at the bottom of the table states: 'Reports can be accessed via the Reports Module, or via the Sliding Pane'.

Space	Charge Code	Frequency	Begin Month	Space Begin	Space End	Space Area	Note(s)*
Premises	ABAT: Base Rent Abatement	Monthly		9/1/2012	8/31/2017	8,000.00	Note(s)*
Premises	ORNT: Base Rent Office	Monthly		9/1/2012	8/31/2017	8,000.00	Note(s)
Premises	PRK: Parking	Monthly		9/1/2012	8/31/2017	8,000.00	Note(s)*

OTHER CONSIDERATIONS

Keep the following items in mind when *Abstracting a Lease from Scratch*.

- Remember the **Lease Status** at the **General node** defaults to “In Process”.
- The Applicability of all Clauses & Options defaults to “Pending”; user is required to change Applicability from “Pending” to allow Lease Status of “Completed” to occur;
- Remember to change **Lease Status** to “Completed” at the **General node** when finished with input.

This written exercise, including certain screen shots, exposes the user to areas of the application considered the most significant to learning this specific task. The user is encouraged to view the video related to this task to be exposed to the entire learning curve of this exercise.