

1234 - Sample Property - San Diego, CA 2018 RECONCILIATION REVIEW

Location Code	1234
Location Name	Sample Property - San Diego, CA
Payee Code	vend999
Payee Name	Example Landlord, LLC

Reconciliation Year	2018
Date Received	12/01/2019
Date Completed	12/19/2019
Auditor	John Doe

Controllable Expense CAP	
Based On:	Controllable Expense CAP Notes:
Max Increase: 5.00%	Cap is 5% increase over prior year billed amount, non-cumulative.
Prior Year: \$10,550.00	Cap excludes Real Estate Tax and Insurance amounts.

Recovery SQFT	1,800.00	Property GLA	13,125.00	Prorata Share	13.714286%
Prorata Share Notes: Tenant's SQFT divided by the total Gross Leaseable Area of the Shopping Center. Article #13B					

Base Year	Amount	Category
N/A	\$0.00	N/A
Base Yr Notes: This lease is not subject to a Base Year calculation.		

	Start	End	# of Days
Lease Term	11/14/2013	10/31/2022	365
Billing Period	01/01/2019	12/31/2019	365
Occupancy %:	100.00000%		

Audit Days	90
Error Reimbursement?	No
Reimbursement Cap?	N/A
Billable Amount	N/A

Expense Description	LANDLORD BILLED					Amount Due (Credit)
	Property Total	Prorata Share	Occupancy %	Tenant Share	Billed	
Non-Controllable Expenses						
REAL ESTATE TAXES	\$151,638.35	13.714286%	100.00000%	\$20,796.12	-\$18,000.00	\$2,796.12
INSURANCE	\$10,199.01	13.714286%	100.00000%	\$1,398.72	-\$1,200.00	\$198.72
Non-Controllable Expense Subtotal	\$161,837.36			\$22,194.84	-\$19,200.00	\$2,994.84
Controllable Expenses						
REPAIRS/MAINTENANCE	\$32,305.38	13.714286%	100.00000%	\$4,430.45		\$4,430.45
LANDSCAPING	\$17,418.22	13.714286%	100.00000%	\$2,388.78		\$2,388.78
ELECTRICITY	\$8,183.04	13.714286%	100.00000%	\$1,122.25		\$1,122.25
WATER/SEWER	\$7,088.11	13.714286%	100.00000%	\$972.08		\$972.08
GAS	\$0.00	13.714286%	100.00000%	\$0.00		\$0.00
TRASH	\$111.02	13.714286%	100.00000%	\$15.23		\$15.23
FIRE/LIFE/SAFETY	\$3,240.44	13.714286%	100.00000%	\$444.40		\$444.40
MANAGEMENT FEES	\$16,521.72	13.714286%	100.00000%	\$2,265.84		\$2,265.84
Controllable Expense Subtotal	\$84,867.93			\$11,639.03	-\$11,000.00	\$639.03
Controllable Expense CAP	\$0.00			\$11,077.50		\$11,077.50
Controllable Expense Total	\$84,867.93			\$11,077.50	-\$11,000.00	\$77.50
Totals	\$246,705.29			\$33,272.34	-\$30,200.00	\$3,072.34

Expense Description	AUDITOR REVIEW					Amount Due (Credit)	Increase (Reduction)	Comments
	Property Total	Prorata Share	Occupancy %	Tenant Share	Billed			
Non-Controllable Expenses								
REAL ESTATE TAXES	\$150,000.00	13.714286%	100.00000%	\$20,571.43	-\$18,000.00	\$2,571.43	-\$224.69	Verified Real Estate Tax bills against LL amount.
INSURANCE	\$10,199.01	13.714286%	100.00000%	\$1,398.72	-\$1,200.00	\$198.72	\$0.00	
Non-Controllable Expense Subtotal	\$160,199.01			\$21,970.15	-\$19,200.00	\$2,770.15	-\$224.69	
Controllable Expenses								
REPAIRS/MAINTENANCE	\$32,305.38	13.714286%	100.00000%	\$4,430.45		\$4,430.45	\$0.00	
LANDSCAPING	\$12,320.00	13.714286%	100.00000%	\$1,689.60		\$1,689.60	-\$699.18	Removed two non-recoverable invoices.
ELECTRICITY	\$7,183.04	13.714286%	100.00000%	\$985.10		\$985.10	-\$137.14	Removed separate submeter charges that were non-CAM
WATER/SEWER	\$7,088.11	13.714286%	100.00000%	\$972.08		\$972.08	\$0.00	
GAS	\$0.00	13.714286%	100.00000%	\$0.00		\$0.00	\$0.00	
TRASH	\$111.02	13.714286%	100.00000%	\$15.23		\$15.23	\$0.00	
FIRE/LIFE/SAFETY	\$3,240.44	13.714286%	100.00000%	\$444.40		\$444.40	\$0.00	
MANAGEMENT FEES	\$16,521.72	13.714286%	100.00000%	\$2,265.84		\$2,265.84	\$0.00	
Controllable Expense Subtotal	\$78,769.71			\$10,802.70	-\$11,000.00	-\$197.30	-\$836.33	
Controllable Expense CAP	\$0.00			\$11,077.50		\$11,077.50	\$0.00	
Controllable Expense Total	\$78,769.71			\$10,802.70	-\$11,000.00	-\$197.30	-\$274.80	
Totals	\$396,508.14			\$32,772.85	-\$30,200.00	\$2,572.85	-\$499.48	

Auditor Notes:
 Upon review of the reconciliation for this location, several invoices were determined to not adhere to the Lease's definition of Common Area Maintenance. These have been removed with the Landlord's approval. A revised invoice has been requested and received.

 Landlord provided the wrong amount for the Real Estate Taxes against what was shown on the jurisdiction website.

Amount Due (Credit)	\$2,572.85
Landlord Audit Reimbursement	0
Total Due (Credit)	\$2,572.85
Reduction % from Original	16.26%

Additional Comments:

 Despite multiple findings in the Controllable Costs, the CAP limited how much was reduced from the billing.