OFFICE/RETAIL INCOME & EXPENSE REPORT

TAX YEAR: 2005 DUE DATE: APRIL 1, 2004

Report information from the period January 1, 2003 through December 31, 2003.

Government of the District of Columbia
Office of the Chief Financial Officer
Office of Tax and Revenue
941 North Capitol Street, N.E., Suite 400
Washington, DC 20002

INCOME AND EXPENSE INFORMATION MUST BE REPORTED ON THIS FORM. SUBSTITUTE FORMS ARE NOT PERMITTED. SUPPORTING DOCUMENTATION IS ACCEPTABLE. IN ORDER TO ASSIST YOU IN COMPLETING THIS FORM, DETAILED INSTRUCTIONS ARE INCLUDED WITH THIS REPORT. PLEASE BE SURE TO REPORT EXPENSES ONLY ONCE; DOUBLE REPORTING IS PROHIBITED. IF YOU HAVE ANY QUESTIONS, OR NEED ASSISTANCE, PLEASE CONTACT OUR ASSESSMENT PROGRAM COORDINATOR, MR. ANTHONY DANIELS, AT 202-442-6794. COMPLETE THIS REPORT IN ACCORDANCE WITH ACCOUNTING METHODOLOGIES USED FOR FEDERAL INCOME TAX REPORTING. SUBMISSION OF AUDITED STATEMENTS IS NOT REQUIRED. AS PER THE D.C. CODE § 47-821, THE INFORMATION CONTAINED IN THIS REPORT SHALL BE KEPT IN STRICT CONFIDENCE. FAILURE TO SUBMIT THE INFORMATION REQUESTED BY THE ABOVE DUE DATE IS A VIOLATION OF D.C. REAL PROPERTY TAX LAW AND WILL RESULT IN A PENALTY OF 10% OF THE REAL PROPERTY TAX AMOUNT DUE FOR THE FOLLOWING TAX YEAR.

SQUARE	SUFFUX	LOT	USE CODE	NEIGHBORHOOD

PREMISE ADDRESS:

MAILING ADDRESS

OWNER OCCUPIED/TAX EXEMPT:

IS ANY PORTION OF THIS BUILDING OWNER OCCUPIED? ☐ YES ☐ NO

IS ANY PORTION OF THIS BUILDING EXEMPT FROM PROPERTY TAXES? ☐ YES ☐ NO

IF PROPERTY IS 100% OWNER OCCUPIED, COMPLETE SECTIONS F THROUGH P.
IF A PORTION IS EXEMPT, FORM **FP161,** THE ANNUAL USE REPORT MUST BE FILED.

ACCOUNTING METHODOLOGY: METHOD USED TO PREPARE THIS STATEMENT. ***(THIS SHOULD REFLECT YOUR ACCOUNTING BOOKS, CHECK ONE)***

☐ **ACCRUAL** ☐ **CASH** ☐ **UNCERTAIN**

A. DEBT SERVICEINFORMATION (WITHIN THE LAST 3 YEARS)

LOAN AMOUNT	ORIGIN DATE	INT. RATE %	TERM	PAYMENT (P & I)	ANNUAL OR MONTHLY PAYMENT
$				$	$
$				$	$

Loan balance as of 12/31/03 $_____ Lenders Name

Has there been an independent fee appraisal of this real property done in the last three years? ☐ YES ☐ NO
What was the appraised value and date of appraisal?

B. CERTIFICATION

I CERTIFY UNDER PENALTY OF LAW THAT THE INFORMATION PROVIDED IS TRUE, CORRECT AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. MAKING A FALSE STATEMENT AS TO MATERIAL FACTS IS PUNISHABLE BY CRIMINAL PENALTIES, D.C. CODE §22-2514.

NAME OF MANAGEMENT COMPANY:

TITLE/RELATIONSHIP:

RESPONSIBLE CONTACT PERSON: PHONE:

ADDRESS:

DATE: OWNER'S FEDERAL TAX ID #:

PRINT OR TYPE NAME

SIGNATURE (ORIGINAL ONLY, NO STAMPED OR COPIED SIGNATURE)

THIS FORM MUST BE SIGNED AND DATED TO RECEIVE CREDIT FOR FILING. UNSIGNED OR SUBSTANTIALLY INCOMPLETE SUBMISSIONS WILL BE SUBJECT TO ALL APPLICABLE PENALTIES.

PLEASE ROUND ALL AMOUNTS TO THE NEAREST WHOLE DOLLAR, EXCEPT RENT RATE INFORMATION

C. LEASABLE AREAS (PLEASE PROVIDE INFORMATION ON EACH TYPE OF LEASEABLE AREA IN SQUARE FEET

1.	MEASURING METHOD		☐ GSA ☐ GWCAR ☐ BOMA
2.	ABOVE GRADE OFFICE USE (SQ. FT)		
3.	BELOW GRADE OFFICE USE (SQ. FT)		
4.	RETAIL USE (SQ. FT.)		
5.	STORAGE USE (SQ. FT.)		
6.	OTHER USE (SQ. FT.)		
7.	OTHER USE (SQ. FT.)		
8.	OTHER USE (SQ. FT.)		
9.	TOTAL		

D. VACANCY INFORMATION (USE INFORMATION FROM THE CURRENT PERIOD. COMPLETE THIS FORM UNLESS OTHERWISE INDICATED)

1.	SPACE VACANT JANUARY 1, 2004 (SQ. FT. RENTABLE)		
2.	SPACE VACANT JANUARY 1, 2003 (SQ. FT. RENTABLE)		
3.	INCOME LOSS FROM VACANCY IN 2003	$	
4.	INCOME LOSS FROM BAD DEBTS IN 2003	$	
5.	MARKET RENT PER SQ. FT. FOR VACANT SPACE	$	

A.	OFFICE	☐	FULL SERVICE	☐	NNN	☐	OTHER
B.	RETAIL	☐	FULL SERVICE	☐	NNN	☐	OTHER

E. ANNUAL INCOME

INCOME FOR 12-MONTH PERIOD ENDING DECEMBER 31, 2003 OR ___/___/____ TO ___/___/____

1.	GROSS POTENTIAL OFFICE RENTAL INCOME		$	
2.	GROSS POTENTIAL RETAIL RENTAL INCOME		$	
3.	GROSS POTENTIAL STORAGE RENTAL INCOME		$	
4.	ESCALATION INCOME		$	
5.	OVERAGE/PERCENTAGE RENT		$	
6.	COMMON AREA MAINTENANCE REIMBURSEMENT		$	
7.	INSURANCE REIMBURSEMENT		$	
8.	OPERATING EXPENSE REIMBURSEMENT		$	
9.	TAX ESCALATION OR REIMBURSEMENT		$	
10.	PARKING AND SPECIAL AREA (NUMBER OF SPACES)		$	
11.	PARKING SPACES INCORPORATED IN OFFICE INCOME		$	
12.	STORAGE SPACE INCLUDED IN OFFICE (SQ. FT)		$	
13.	ANTENNA/TELECOMMUNICATION TOWERS INCOME		$	
14.	OTHER RENTAL INCOME (EXPLAIN)		$	
15.	MISCELLANEOUS INCOME (EXPLAIN)		$	
16.	MISCELLANEOUS INCOME (EXPLAIN)		$	
17.	MISCELLANEOUS INCOME (EXPLAIN)		$	
18.	TOTAL GROSS POTENTIAL INCOME		$	0.00

F. ANNUAL OPERATING EXPENSE *** DO NOT INCLUDE REAL ESTATE TAXES OR CAPITAL EXPENDITURES ***

1. MANAGEMENT AND ADMINISTRATIVE

a.	MANAGEMENT FEES		$	
b.	PAYROLL		$	
c.	OFFICE		$	
d.	PROFESSIONAL FEES		$	
e.	ADVERTISING/MARKETING		$	
f.	OTHER (EXPLAIN)		$	
g.	TOTAL		$	0.00

2. UTILITIES

a.	WATER AND SEWER		$	
b.	ELECTRICITY (EXCLUDING HVAC)		$	
c.	ELECTRICITY (INCLUDING HVAC)		$	
d.	PRIMARY HEATING FUEL		$	
e.	OTHER FUEL		$	
f.	TOTAL		$	0.00

3. REPAIRS & MAINTENANCE *DO NOT INCLUDE CAPITAL EXPENDITURES IN THIS SECTION*	
a. MAINTENANCE PAYROLL/SUPPLIES	$
b. HVAC REPAIRS	$
c. ELECTRICITY/PLUMBING REPAIRS	$
d. ROOF REPAIRS	$
e. ELEVATOR REPAIRS	$
f. OTHER COMMON AREA OR EXTERIOR REPAIRS	$
g. COMMON AREA REDECORATING COSTS (CARPET, PAINT, ETC)	$
h. OTHER REPAIRS (EXPLAIN)	$
i. TOTAL	$ 0.00
4. SERVICES	
a. JANITORIAL/CLEANING (PAYROLL/CONTACT)	$
b. TRASH	$
c. SECURITY	$
d. ELEVATOR SERVICE (CONTACT)	$
e. LANDSCAPE/GROUNDS MAINTENANCE	$
f. OTHER (EXPLAIN)	$
g. TOTAL	$ 0.00
5. MISCELLANEOUS EXPENSES (EXPLAIN)	$
6. TOTAL OPERATING EXPENSES for Section F	$ 0.00
G. FIXED EXPENSE * DO NOT INCLUDE REAL ESTATE TAXES*** **	
1. INSURANCE (ONE YEAR PREMIUM FIRE, CASUALTY)	$
2. MISCELLANEOUS TAXES	$
3. OTHER (EXPLAIN)	$
4. TOTAL	$ 0.00
H. TOTAL OPERATING AND FIXED EXPENSES * DO NOT INCLUDE REAL ESTATE TAXES*** **	
1. TOTAL OPERATING AND FIXED EXPENSES	$ 0.00
I. CAPITAL RESERVES/INTEREST INCOME ***AS OCCURRED DURING REPORTING PERIOD* **	
1. ACTUAL CAPITAL RESERVES DEPOSITED	$
2. ACTUAL INTEREST INCOME	$
3. TOTAL	$ 0.00
J. CAPITAL IMPROVEMENTS	
1. CAPITAL IMPROVEMENTS LAST 12 MONTHS	$
2. FUTURE CAPITAL IMPROVEMENT COST	$
3. ANTICIPATED DATE OF EXPENDITURE:	
4. TOTAL	$ 0.00
5. DESCRIPTION OF CURRENT CAPITAL IMPROVEMENTS:	

K. NEW GSA LEASES (LEASE INCEPTION DATE WITHIN THE LAST 12 MONTHS)			
1. NET USEABLE AREA (GSA)		SQ. FT.	
2. NET RENTABLE AREA (GWCAR)		SQ. FT.	
3. LEASE TERM			
4. MARKET RENT			$
5. TENANT IMPROVEMENTS			$
6. EXPENSE STOP			$
7. TOTAL			$ 0.00
L. REAL ESTATE TAXES (FROM PREVIOUS YEAR)			
1. PAID BY PROPERTY OWNER			$
2. PAID BY TENANT (LIST TENANT BY NAME)			$
3. PAID BY TENANT (LIST TENANT BY NAME)			$
4. PAID BY TENANT (LIST TENANT BY NAME)			$
5. TOTAL			$ 0.00

ANSWER APPLICABLE QUESTIONS BELOW WHETHER THE PROPERTY IS RENTED, VACANT OR OWNER OCCUPIED

M. ENERGY CONFIGURATION (DO TENANTS PAY?)				
1. ELECTRICITY	☐	YES	☐	NO
2. HEATING/COOLING	☐	YES	☐	NO
3. WATER	☐	YES	☐	NO
4. GAS	☐	YES	☐	NO
5. IS THIS AN ALL-ELECTRIC BUILDING	☐	YES	☐	NO

N. GROUND RENT	
1. ANNUAL GROUND RENT	$
2. INCEPTION DATE OF GROUND LEASE:	
3. ENDING DATE OF GROUND LEASE:	
4. EARLIEST RENEWAL DATE:	
5. LAND AREA LEASED IN SQUARE FEET:	

O. SALE OF PROPERTY OR CHANGES IN OWNERSHIP				
1. HAS A PARTIAL OR COMPLETE INTEREST IN THE REAL PROPERTY BEEN SOLD IN THE LAST THREE YEARS? (SEE NOTE BELOW)	☐	YES	☐	NO

ANSWER YES EVEN IF THE TRANSFER OR CONVEYANCE IS NON-TAXABLE OR INCLUDES A TRANSFER OR CONVEYANCE OF AN ECONOMIC INTEREST IN AN ENTITY THAT OWNS REAL PROPERTY (I.E. SHARES OR STOCKS IN PARTNERSHIPS, CORPORATION, OR TRUST, ETC. INCLUDING MULTI- TIERED ENTITIES THAT OWN THE REAL PROPERTY). IF THE TRANSFERENCE WAS THROUGH AN ENTITY, THE OWNER MUST COMPLETE THE TRANSFER OR ECONOMIC INTEREST FORM. TO OBTAIN THE FORM, CALL THE RECORDER OF DEEDS. (202) 727-3374

2. NATURE OF THE OWNERSHIP (CHECK ONE)	☐	FEE SIMPLE	☐	LEASEHOLD
3 PERCENT OF OWNERSHIP:	%			
4. TRANSFER DATE:	*mm/dd/yyyy*			
5. AMOUNT PAID FOR THE OWNERSHIP INTEREST	$			

HAVE YOU ROUNDED AMOUNTS TO THE NEAREST DOLLAR? IF NOT, CROSS OUT CENT AMOUNTS, EXCEPT FOR AVERAGE RENT PER. SQ. FT.

INSTRUCTIONS FOR COMPLETING THE OFFICE/RETAIL INCOME & EXPENSE REPORT

The following instructions are provided to aid you in filing out this form. Information provided in the report should be in accordance with the accounting methodology used for federal income tax purposes. Expenses are to be reported only once; double reporting is prohibited.

Please:

- Round amounts to the nearest dollar except for dollars per square foot and other rental entries.
- Identify if the building is owner occupied or property tax exempt.
- Indicate the accounting methodology used to complete this form.

If you have any questions please call Mr. Anthony Daniels at (202) 442-6794.

A. DEBT SERVICE INFORMATION: Please provide information concerning any loan placed on this property within the last five years. Please include any new loans or refinancing of original debt. This information is requested to study the financing trends for this property type to determine typical debt coverage ratios. The annual mortgage constant is located on the lender's disclosure form used by all federally insured institutions.

B. CERTIFICATION: District of Columbia Law (D.C. Code §22-2514) requires certification of this information by the owner or officially authorized representative. Please print or type the name and title of the person certifying the information, the name and phone number of the person to contact with questions on the information, and the property owner's Federal I.D. number.

C. LEASED AREAS: Please identify all leased areas of the property. Identify the measuring method used to calculate the leased areas. GSA is the General Services Administration, the leasing agent for the Federal Government. GWCAR is the Greater Washington Commercial Area Realtors. BOMA is the Building Owners and Managers Association. All of these organizations are located in Washington D.C. Include GSA leased areas here; detailed information on new GSA leases is to be entered in **Section L**.

D. VACANCY INFORMATION: Full Service generally refers to leases in which one fee is paid and all expenses are the responsibility of the ownership. NNN refers to a triple-net-lease, in which a base rent is paid to the landlord. If other please indicate type of lease vacated and additional charges such as utilities, property taxes, insurance and maintenance are also payable by the tenant.

1. Please provide the amount of vacant space, in square feet, available for lease on January 1 of the current year.
2. Please provide the amount of vacant space, in square feet, available for lease on January 1 of the previous year.
3. Please provide the estimated income loss due to the vacancy reported in question 2 above.
4. Please provide the actual income loss from collection, or bad debts.
5. Please provide the current contract or face price for the vacant space in question 1. For lines A and B, see the general instructions for this section.

E. ANNUAL INCOME: Please enter income information for the period covered by this statement. Total gross potential income is 100% of the lease-able square footage as though leased for 100% of 12-months at the actual contract rent for areas leased, plus vacant space at the rent specified in **Section D line 5**.

1. Total potential income from the rental of office space.
2. Total potential income from the rental of commercial/retail space. This includes restaurants.
3. Total potential income from the rental of storage space.
4. Actual income received for escalations in the base rents in accordance with the terms of the applicable leases.
5. Rents received over and above the guaranteed rent in accordance with the terms of the applicable leases.
6. Total income received from tenants for their share of the Common Area Maintenance.
7. Reimbursements paid to the owners for insurance claims.
8. Income to the property from the tenant's pro rata share of the operating expenses (pass-through of admin, utilities, repairs, service and misc.), usually above a base amount or expense stop as specified in the terms of the leases.
9. Income to the property from the tenants pro rata shares of real estate taxes (pass-through), usually above a base amount or tax stop as specified in the terms of the lease/s.
10. Any rental income received for garage and/or surface parking. Please list the number of parking spaces.
11. Please provide the number of parking spaces incorporated in office income.
12. Please provide the area in square feet for storage space included in office income.
13. Income received from leasing a portion of the premises for the erection of telecommunications equipment.
14. Rental income for any specially designated space, which is not covered by the categories listed above. Specify the type of space to which the income relates.

15.-17. Please specify the type and source of any additional income received not covered in another category.

18. Sum of lines 1 through 17.

F. ANNUAL OPERATING EXPENSES: These are expenses necessary to maintain the production of income from operation of the property. Do not include under any expense category items such as tenant improvements, ground rent, mortgage interest or amortization, personal property tax, depreciation, income taxes, or capital expenditures. **These are not operating expenses.** Capital expenditures include investments in remodeling, or replacements, which materially add to the value of the property or appreciably prolong its life. Information on capital expenditures is requested in Section N. Please include here all other expenses to the property, including those reimbursed by the tenants.

1. Management and Administrative
   a. Amount paid to a management company or self for operating the building. Do not count management expenses here if the same administrative costs are shown elsewhere.
   b. Payroll expenses for management and administrative staff.
   c. Offices expenses for management and administrative purposes.
   d. Fees for accounting, legal and other professional fees.
   e. Advertising and marketing expenses.
   f. Other management and administrative expenses not covered elsewhere. Please provide an explanation in the space given. Attach a separate sheet if necessary.
2. Utilities.
   a. Expense of water and sewer services for this reporting period.
   b.-c. Electricity expense: Please be sure to enter your electricity expense for HVAC on the appropriate line.
   d. Specify the primary heating fuel (oil, gas, etc.) used for heating the building and its expense. Do not include an amount for electricity if it is listed above.
   e. If more than one type of fuel is used, indicate the type and cost.
3. Repairs and Maintenance
   a. Payroll expenses for maintenance staff (include insurance, bonding and worker's comp.) and expenses for maintenance supplies.
   b. Maintenance and repair expense for heating, ventilating and air-conditioning, and related maintenance and/or repairs. Do not include capital items.
   c. Maintenance expense for electric and plumbing repairs.
   d. Maintenance expense for elevator repairs. This is not for an elevator service contract expense.
   e. Include repairs and routine maintenance expense to the roof. Do not enter the cost to replace entire roof. Roof replacement is a capital expense, which should be shown in Section M.
   f. Repairs to exterior of the property not covered elsewhere. Do not include capital items.
   g. Interior maintenance and repair (carpet, paint, etc.) to common areas only, not to tenant space. Do not include capital items or major tenant fit-up.
   h. Specify any other maintenance and /or repair expenses not covered in another category. Do not include capital items. If over $2,000, please provide an explanation. If you have a breakdown in figures, please provide it.
4. Services
   a. Janitorial and cleaning expenses for the property (include insurance, bonding and worker's comp.).
   b. Expense for trash service.
   c. Expense for security services, guards, etc.
   d. Expense for elevator service contract.
   e. Expenses for landscaping and grounds keeping.
   f. Specify any other service expenses incurred in the operation of the property.
5. Miscellaneous Expenses
   Specify any other expenses not identified elsewhere. (Ex. vault rental space). Do not include ADA upgrades here; they should go in Section J. Do not include amortized leasing cost.
6. Total operating expenses should equal the sum of Sections A through E.

G. FIXED EXPENSES: List all fixed expenses incurred by the property.

1. Identify fire/casualty insurance expenses relevant to the reporting period only. Some insurance policies are multi-year contracts. Please include only one year's cost.
2. Specify any miscellaneous taxes and license fees (ex. payroll taxes, D.C. franchise tax, etc.). Include and identify BID, Vault, and Arena taxes. Do not include Real Estate Tax, this goes in **Section L**.

3. Specify any other fixed expenses and the amount. Do not include “Ground Rent” here, it goes in **Section O.**
4. Total Fixed Expenses should equal the sum of items G1 through G3.

H. TOTAL EXPENSES: Total Expenses should equal the sum of Section F line 1 and Section G line 4.

I. CAPITAL RESERVE/INTEREST INCOME: Please list all capital reserves on hand and interest income earned during the current reporting period.

1. Report all capital reserves held for pending expected and unexpected improvements to the property.
2. Report all interest income to this property from interest earned on capital improvement accounts, reserve accounts and monthly management operating accounts.

J. CAPITAL IMPROVEMENTS: This section pertains to building upgrades and renovations. Please provide supporting documentation including contractor, engineer or other professional bids as they relate to the cost to cure the problem.

1. Report expenditures for capital improvements that were incurred in the last 12 months
2. Explain and report any future anticipated code compliance expenses.
3. List the anticipated date of expenditure for future code compliance expenses.
4. Describe current capital expenditures as reported in J1.

K. NEW GSA LEASES: Please provide the requested information on new General Services Administration (GSA leases entered into within the last 12 months.

L. REAL ESTATE TAXES List the amounts paid in real estate taxes for this reporting period by property owner or tenants as designated. This should reflect any adjustments in assessments during the current reporting period.

M. ENERGY CONFIGURATION:

1. Please indicate if tenants pay any electric, gas, heating and cooling or water expenses.
2. Please indicate if the building is all-electric.

N. GROUND RENT: Please complete if the property is subject to a ground rent.

O. SALE OF PROPERTY OR CHANGES IN OWNERSHIP

1. Indicate if any percentage of ownership or configuration of ownership has changed in the last three years.
2. Identify the nature of the ownership interest that changed.
3. List the percent of ownership that changed whether it is fractional or complete, and the effective date of the change.
4. Indicate the amount paid for the real property subject to a change in ownership.

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GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Deputy Chief Financial Officer
Office of Tax and Revenue

INCOME-EXPENSE FORM

Dear Property Owner:

To estimate the value of your real property for assessment purposes, our staff must analyze the property individually and in relation to similar properties. The Income-Expense Form provides information needed to complete this analysis. It must be completed accurately to allow for a comprehensive analysis. This form has been revised to provide for data entry of information into our computer system. Please print legibly on the lines to ensure accurate processing of data.

Filing of the Income-Expense Form is required for income-producing or investment-type properties whether **RENTED, VACANT** or **OWNER-OCCUPIED** during the reporting period. **EXCEPTION:** RESIDENTIAL RENTAL PROPERTIES CONTAINING FOUR (4) OR LESS DWELLING UNITS are not required to report income-expense data. However, to avoid a non-compliance penalty PLEASE note on the form that the property has 4 units or less and return the ***signed*** form.

The *"E-conomy Transformation Act of 2000"* provides a real property tax abatement for Qualified High Technology Company (QHTC). To be considered for this program an approved **QHTC-CERT** must be submitted with the filing of an income-expense form. To be eligible, the commercial property must have met the following criteria:

- *Non-residential or mixed-use building in which 50% of the tenants are QHTC; or 50% of the aggregate square footage is leased to a QHTC;*
- *A newly constructed building in which the initial certificate of occupancy or initial temporary certificate of occupancy was received after December 31, 2000 and the building meets the aforementioned requirements; and*
- *A building improved or renovated to adapt to use by a QHTC.*

It is important that you file for your property ONLY on the form coded for that specific property. The forms are credited as coded. **If you do not receive a form for a property that you own, please call Anthony Daniels, Assessment Program Coordinator at (202) 442-6794 and arrange to have a correctly coded form sent to you.**

Do not photocopy forms with a computer printed address line to use for another property. If you photocopy blank forms, make sure that it has the following: 1) square, lot and premise address and 2) **all signatures are ORIGINALS.** Photocopied and stamped signatures will not be accepted.

Please return the completed form in the enclosed pre-addressed envelope or, deliver it to ***941 North Capitol Street, N.E.- 1st floor*** between 8:30 A.M. – 4:30 P.M.

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