

**Explanation of key enhancements
ARGUS Developer v.4.05.000.149**

**Document Version 1.8
July 21, 2008**

Explanation of key Enhancements for ARGUS Developer V4.05.000.149
July 21, 2008

PUBLISHED BY:
Argus Software, Inc.
3050 Post Oak Boulevard
Suite 900
Houston, Texas 77056
Telephone (713) 621-4343
Facsimile (713) 621-2787
argussoftware.com

Information in these notes is subject to change without notice and represents no commitment on the part of ARGUS Software.

Copyright © 2008, ARGUS Software. All rights reserved. These release notes are a confidential and proprietary trade secret of ARGUS Software, Ltd. and its licensors, made available only under a license containing obligations of confidentiality.

"ARGUS Software" is a trademark of ARGUS Software, Inc. All other trademarks and registered trademarks are property of their respective companies.

Table of Contents

TABLE OF CONTENTS	3
ARGUS ZONE	5
TIMESCALE AND PHASING	6
.....	7
CAPITALIZED RENT	8
Allow Rent additions and cost to be defined as % of Base or Gross Rent	8
Calculate Cap Value of leases based on 12 month forward NOI and Allow Escalation starting from Lease start date vs. Project Start Date	9
AREA SCHEDULE ENHANCEMENTS	11
Fill Down function	11
Construction Cost Breakdown Editor Enhancement	12
Allow cross-Phase/Stage event referencing for line items	13
New periodic (for example Monthly, Quarterly) “Type” of cost element	14
Select units from other Phases when applying a “Rate per Unit”	15
Allow Related % to be up to 10,000% (100x referenced value)	15
MULTI-UNIT SALES	16
Sales Contracts - each payment can relate to any Phase/Stage or date	16
OPERATED ASSET AREA	17
Ability to copy an Operated Asset Profile in its entirety	17
Detail lines now appear in Cashflow in order of their positioning in the Detail schedule of the Operating Revenues/Expenses area of the Operated Asset dialogs	18
Operated Asset ‘Pages’ can commence relative to the Income Start Timing Date for the current Area record. See option for this in Operated Assets Editor – Profiles selection	19
FINANCE MODULE	20
Add ability to specify the earliest start date for each tranche of contributions	20
Allow % of Contribution to include selection of Interest & Fees separately, by Source and Tranche of Contribution	22
Automation of existing Timed Finance Transactions with a new tab in Financing setup entitled “Inter-Source Transactions”	24
Set an end date for a finance fee in the financing area	25
Additional minor enhancements	27

Introduction

This document is a supplement to the Release Notes for version 4.05, to the online Argus Developer Help, and to the ArgusDeveloperUserManual.pdf document that is included in the program folder of your Argus Developer installation (default: c:\program files\Argus Software\Argus Developer).

The most comprehensive and easily searchable document is the above-referenced ArgusDeveloperUserManual.pdf

It is intended to provide a quick reference to the new features, key information about them, and where they are found in the software.

Important note: Files created in prior versions of Argus Developer can be read by Argus Developer v4.05, but once saved in v4.05, can not be read by prior versions, including v4.0. Therefore, we strongly recommend that you create backups of all pre-v4.05 Argus Developer files before you begin working with them.

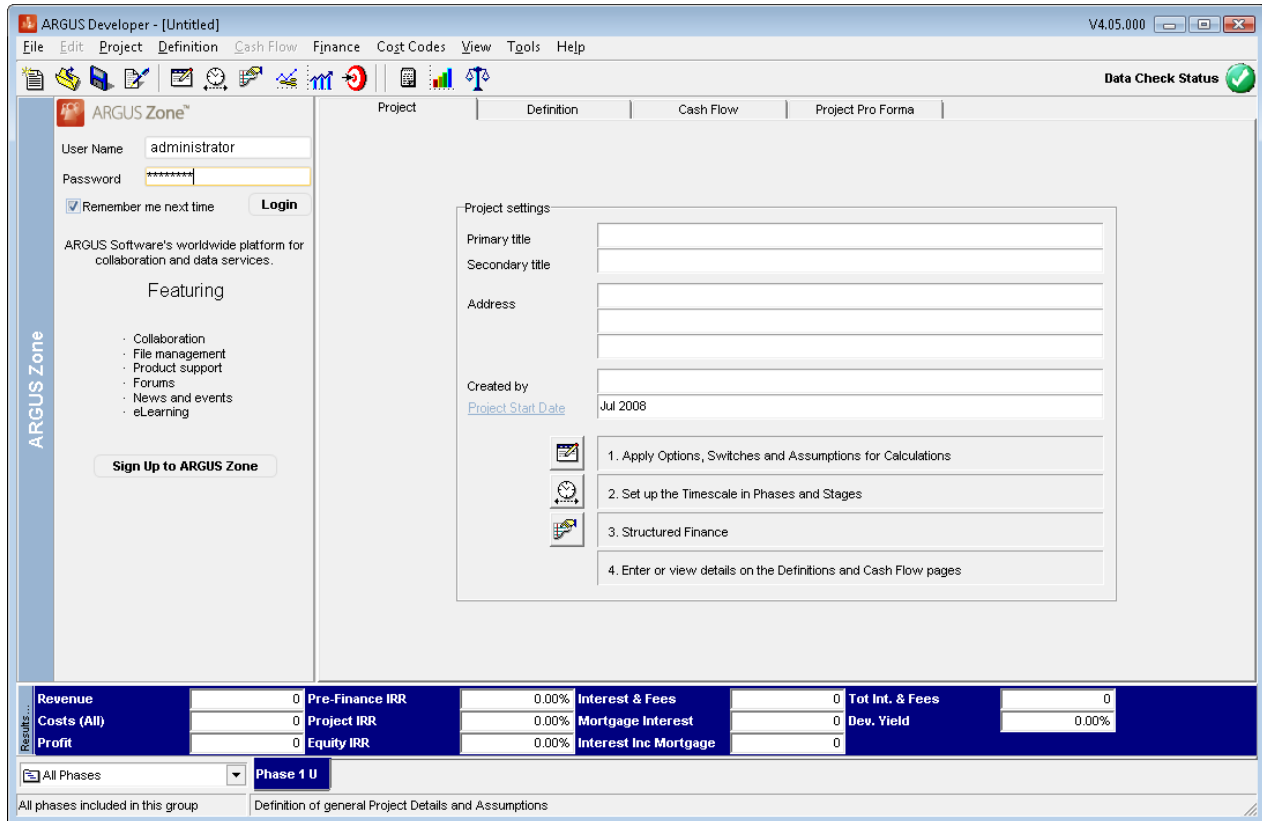
If applicable, please note that the Excel Project Template for v4.05 is for use exclusively with v4.05 of Argus Developer. Similarly, Excel Project Template files created for use with prior versions of Argus Developer cannot accept output from Argus Developer v4.05. If you have modified the supplied Excel Project Template in a prior version, you will have to 'retrofit' the new v4.05 Excel Project Template with the changes you have made. The new v4.05 Excel Template is available in the downloads area for North American users at:

<http://www.argussoftware.com/downloads/ARGUSDeveloper/USADocs/ArgusDeveloperV405ProjectTemplate.zip>

We hope you enjoy working with the new version.

Argus Zone

The ARGUS Zone sidebar (on the left-hand side of the window) allows you to work with Developer files that you have stored on ARGUS Zone. The sidebar provides access to folders within the Zone that you can use for collaborative purposes via the internet. ARGUS Zone (formerly known as RealPulse) provides access to services and resources that aid you in your use of ARGUS products.



You can log into the Zone using the sidebar, or via the use of the ARGUS Zone website:

<http://www.arguszone.com>

On occasions when you are not using the ARGUS Zone sidebar, you can hide it by clicking on the arrow button that appears between the Zone sidebar and the tabs in the main window.

See "[Using the ARGUS Zone sidebar](#)" on page 230 of Help for further information.

Timescale and Phasing

Version 4.05 introduces 'Cross- Phase/Stage Relational Timing'. This feature allows you to connect Phases, and Stages within those Phases, to each other. The same offset features apply across phases

In the following example, the start of Phase 2 begins at the start of the Construction Stage in Phase 1:

No.	Development Stage	Duration	Start Date	End Date	Anchored To	Align	Offset
1	Purchase	0	Nov 2008	Nov 2008	Phase Start	Start	0
2	Entitlement	11	Nov 2008	Sep 2009	Purchase	End	0
3	Construction	11	Oct 2009	Aug 2010	Entitlement	End	0
4	Post Development	0	Sep 2010	Sep 2010			
5	Operations Start	0	Sep 2010	Sep 2010			
6	Income Flow	26	Sep 2010	Sep 2010			
7	Sale	0	Nov 2012	Nov 2012			

Phase Length (months): 48
(Allows for overlapping stages)

Project Start: Jan 08, Project End: Nov 12

Timeline components:

- 1. Residential Condominiums: 26 mths (Start: Jan 08, End: Mar 10)
- 2. Office Component: 48 mths (Start: Nov 08, End: Nov 12)
- 3. Retail Component: 41 mths (Start: Aug 08, End: Jan 12)
- 4. Single Unit Sales example: 26 mths (Start: Jan 08, End: Mar 10)
- 5. Multi Unit Sales example: 26 mths (Start: Apr 08, End: Jun 10)
- 6. OA - Healthcare operation: 48 mths (Start: Jan 08, End: Jan 12)
- 7. Residential Condominiums: 26 mths (Start: Jan 08, End: Mar 10)
- 8. Office Component: 48 mths (Start: Jan 08, End: Jan 12)
- 9. Single Unit Sales example: 26 mths (Start: Jan 08, End: Mar 10)

The above illustrates how to relate the start of a Phase to an event (a Stage) in another Phase.

The following screen shows how you can relate the Start of a Stage in one Phase to the Start (or End) of a Stage in another Phase (plus or minus an Offset):

Timescale and Phasing

File View Options Help

Project Start Date: Jan 2008 Phase Name: Retail Component
 Phase Start Date: Aug 2008 Phase End Date: May 2012

No.	Development Stage	Duration	Start Date	End Date	Anchored To	Align	Offset
1	Purchase	0	Aug 2008	Aug 2008	Phase Start	Start	0
2	Entitlements	12	Aug 2008	Jul 2009	Purchase	End	0
3	Construction	16	Dec 2009	Mar 2011	Ph 2: Construction	Start	-2
4	Post Development	0	Apr 2011	Apr 2011	Construction	End	0
5	Operations start	0	Apr 2011	Apr 2011	Post Development	End	0
6	Income Flow	15	Feb 2011	Apr 2012	Operations start	End	-2
7	Sale	0	May 2012	May 2012	Income Flow	End	0

Phase Length (months): 45
 (Allows for overlapping stages)

Project Timescale

1. Residential Condominiums: 26 mths
 2. Office Component: 48 mths
 3. Retail Component: 45 mths
 4. Single Unit Sales example: 26 mths
 5. Multi Unit Sales example: 26 mths
 6. OA - Healthcare operation: 48 mths
 7. Residential Condominiums: 26 mths
 8. Office Component: 48 mths
 9. Single Unit Sales example: 26 mths

Phase 3: Construction is Anchored to

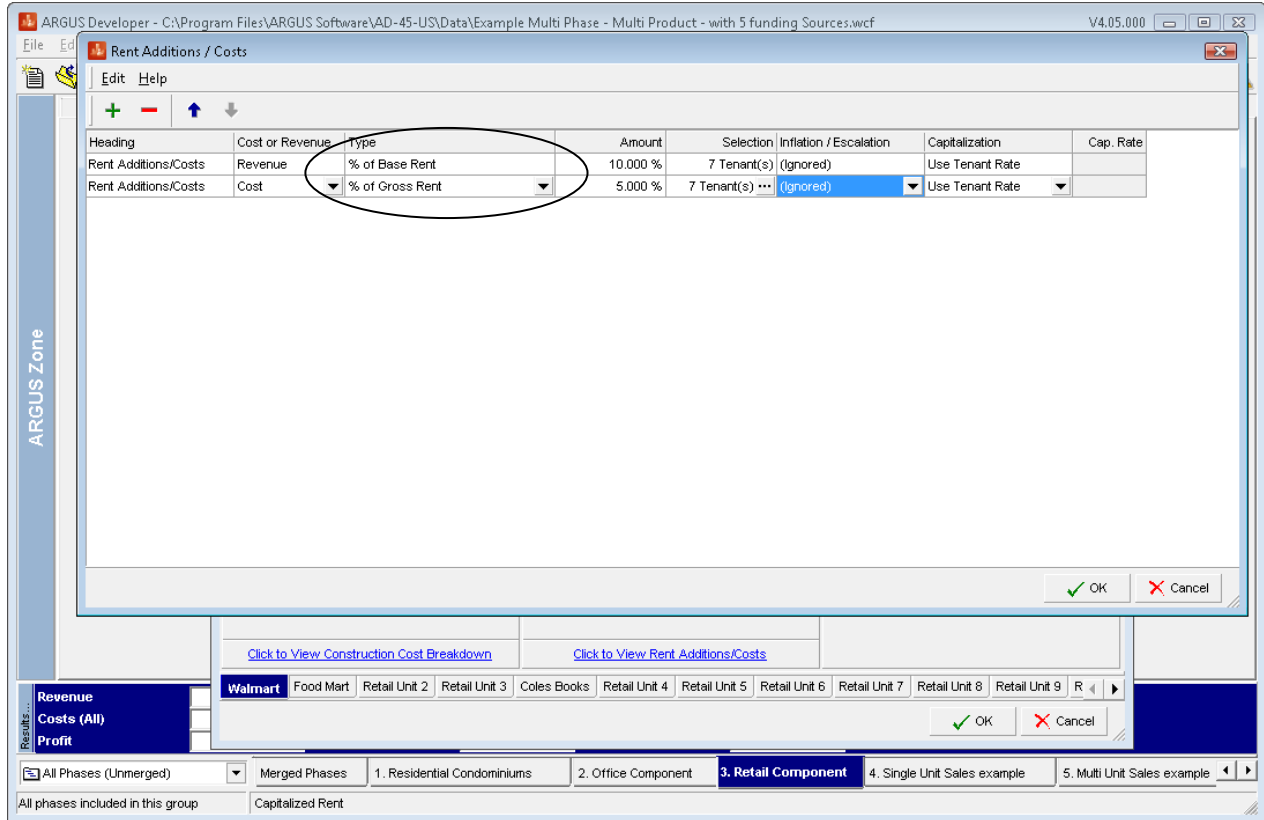
Phase: 2. Office Component
 Stage: Start Ph 2: Construction
 Date: Dec 2009
 Offset by: 2

All Phases (Unmerged) | 1. Residential Condominiums | 2. Office Component | 3. Retail Component | 4. Single Unit Sales example | 5. Multi Unit Sales example | 6. OA - Healthcare operation | 7. ...

Capitalized Rent

The principal changes in this area include:

Allow Rent additions and cost to be defined as % of Base or Gross Rent



The circled area shows the two new 'types' of Rent Additions added to version 4.05.

Calculate Cap Value of leases based on 12 month forward NOI and Allow Escalation starting from Lease start date vs. Project Start Date

These two new features must be first enabled in the **Assumptions for Calculation – Receipts** tab as shown below:

The screenshot shows the 'Assumptions for Calculation' dialog box with the 'Receipts' tab selected. The 'Rental Income' section has the following settings: 'Show tenant's true income stream' is checked; 'Offset income against development costs' is unchecked; 'Rent Payment Cycle' is set to 'Monthly'; 'Apply Cycle to all tenants' is checked; 'Vacancy and Rent Free apply to first renewal only' is unchecked; 'Escalation starts from Lease Start Date' is checked and circled; 'Deduct Ground Rent From Stepped Rent' is unchecked. The 'Capitalization' section has: 'Capitalization Method' set to 'Capitalize 12 month NOI' and circled; 'Default Capitalization Rate' is 7.0000%; 'Apply Cap Rate to all tenants' is unchecked; 'Default stage for Sale Date' is 'Sale'; 'Align end of income stream to Sale Date' is checked; 'Apply Alignment to all tenants' is checked; 'If Capital Value is modified' is 'Recalculate the Cap Rate'; 'Valuation Tables' is 'Annually in Arrears'; 'Deduct Post-Sale TI Costs and Lease Commissions from Capital Value' is checked and circled. The 'Rent Free Costs' section has 'Methods' set to 'Defer start of Tenant's Rent'; 'Deduct Rent Free from Revenue' is unselected; 'Add Rent Free to Costs' is selected. The 'OK' and 'Cancel' buttons are at the bottom right.

For the Escalation feature above, this will serve to delay growth until the start of a particular tenant lease and can have a significant impact on value if you enable it.

The 'Capitalize 12 month NOI' takes into account changes in leases including renewals, and, if the 'Deduct Post-Sale TI Costs and Lease Commissions from Capital Value' item is checked ON, will deduct such costs over the 12 month period starting at the date of sale of each calculated lease. This calculation ignores vacancy and lease void periods during the 12 month projection period, providing a good simulation of stabilized income for capitalization purposes.

Renewal Term (years & months), Distribute TI costs, and Distribute Leasing Commission costs

These 3 options are shown on the following screen:

The screenshot displays the 'Areas, Construction, Rent and Capitalization - Phase 3' window. The top section contains unit details for 'Food Mart', including Gross Unit Area (20,000 ft²), Net Unit Area (19,500 ft²), and Gross:Net Ratio (97.50%). Below this is a table with columns for Construction Cost, Financial, Lease, and Rent Capitalization. The 'Lease' section includes fields for Lease Start Date, Term (Years: 5), Term (Months: 0), Payment Cycle (Monthly), Review Cycle Years (5), and Renewal Term (Years: 5, Months: 0). The 'Financial' section includes Rate pf² (137.50), Cost / Unit (2,750,000), and TI Rate pf² (Leasing) (12.00). The 'Rent Capitalization' section includes Cap Rate% (7.5000%), Initial Rent (296,400), and Total Costs (8,892). At the bottom, there is a navigation bar with buttons for 'Walmart', 'Food Mart', and various Retail Units, along with 'OK' and 'Cancel' buttons.

The two circled ellipses provide access to standard Developer Distribution timing controls.

The larger oval illustrates the location of the Renewal Term, in years and months, that is defaulted to be 5 years, but can be changed arbitrarily.

Area Schedule enhancements

Fill Down function

The Schedule View (also known as Wide Area Schedule) now offers an Incremental fill down function - for text, numbers and dates. This can speed the setup of Area (e.g. Tenant names, incrementing/decrementing sizes and dates).

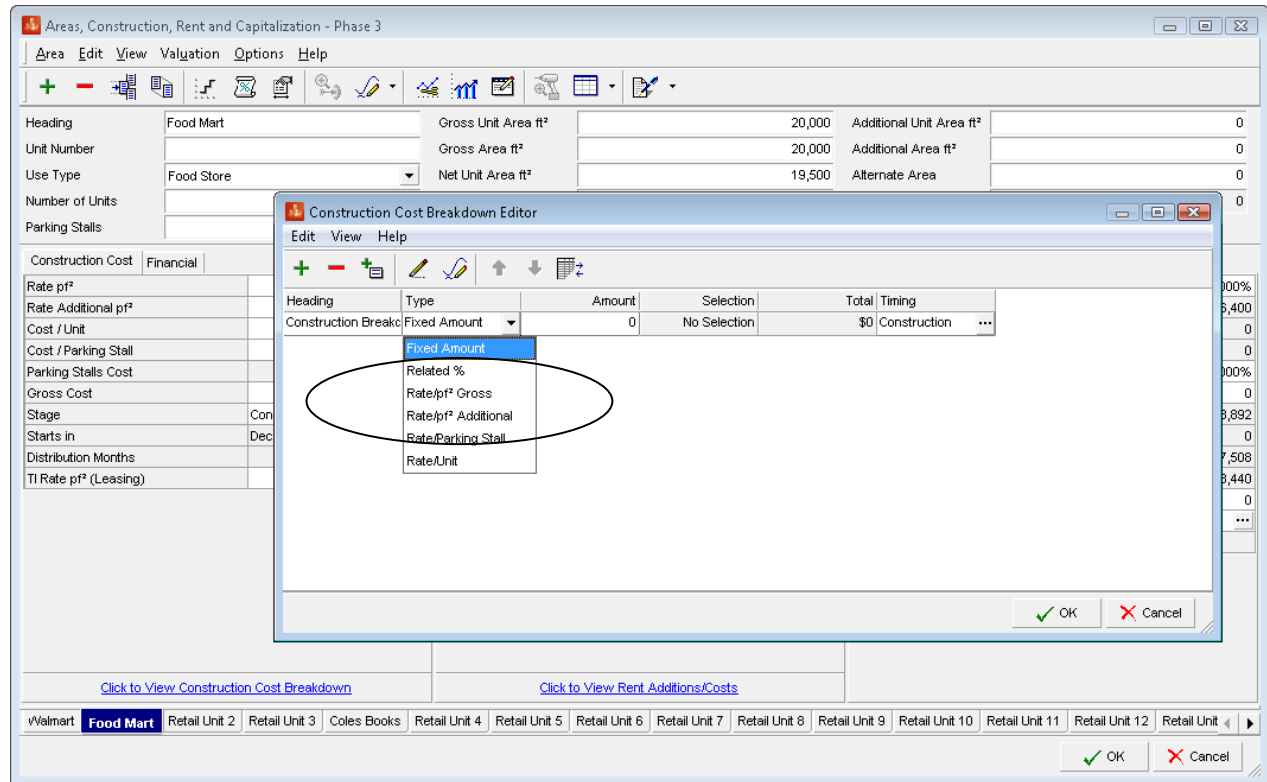
In the following illustration, the 'Fill Down' dialog demonstrates the setup required, starting at No.7 (Retail Unit 5) to generate a leaseup schedule – here set to increment each record, starting at No. 7 by 1 month, to the end of the list of tenants. Notice that there are options to 'skip' lines, amongst others. This feature is triggered by clicking the circled 'Fill Down' icon which is immediately to the left of the 'Copy Down' function which does a straight copy with no options other than the number of copies.

Area		Lease							
No.	Heading	Lease Start Date	Term (Years)	Term (Months)	Payment Cycle	Review Cycle Years	Align to Sale Date	Vac. Cost Rate pft pa	Renew this Lease
1	Walmart	Income Flow	15	0	Monthly	5	<input checked="" type="checkbox"/>	0.00	<input checked="" type="checkbox"/>
2	Food Mart	Income Flow	5	0	Monthly	5	<input checked="" type="checkbox"/>	0.00	<input checked="" type="checkbox"/>
3	Retail Unit 2	Income Flow	5	0	Monthly	5	<input checked="" type="checkbox"/>	8.00	<input checked="" type="checkbox"/>
4	Retail Unit 3	Income Flow	5	0	Monthly	5	<input checked="" type="checkbox"/>	0.00	<input checked="" type="checkbox"/>
5	Coles Books	Income Flow	10	0	Monthly	5	<input checked="" type="checkbox"/>	8.00	<input checked="" type="checkbox"/>
6	Retail Unit 4	Income Flow	5	0	Monthly	5	<input checked="" type="checkbox"/>	8.00	<input checked="" type="checkbox"/>
7	Retail Unit 5	Income Flow+1 ...	5					8.00	<input checked="" type="checkbox"/>
8	Retail Unit 6	Income Flow+2	5					8.00	<input checked="" type="checkbox"/>
9	Retail Unit 7	Income Flow+3	5					8.00	<input checked="" type="checkbox"/>
10	Retail Unit 8	Income Flow+4	5					8.00	<input checked="" type="checkbox"/>
11	Retail Unit 9	Income Flow+5	5					8.00	<input checked="" type="checkbox"/>
12	Retail Unit 10	Income Flow+6	5					8.00	<input checked="" type="checkbox"/>
13	Retail Unit 11	Income Flow+6	5					8.00	<input checked="" type="checkbox"/>
14	Retail Unit 12	Income Flow+6	5					8.00	<input checked="" type="checkbox"/>
15	Retail Unit 13	Income Flow+7	5					8.00	<input checked="" type="checkbox"/>
16	Retail Unit 14	Income Flow+7	5					8.00	<input checked="" type="checkbox"/>
17	Retail Unit 15	Income Flow+7	5					8.00	<input checked="" type="checkbox"/>
18	Retail Unit 16	Income Flow+8	5	0	Monthly	5	<input checked="" type="checkbox"/>	8.00	<input checked="" type="checkbox"/>
19	Retail Unit 17	Income Flow+8	5	0	Monthly	5	<input checked="" type="checkbox"/>	8.00	<input checked="" type="checkbox"/>

Avg 5		Avg: 6.74		
Gross Area ft²	Net Area ft²	Gross Cost	Gross Rent	Capitalized Rent
188,000	187,100	\$22,495,000	\$3,617,620	\$42,586,329

Construction Cost Breakdown Editor Enhancement

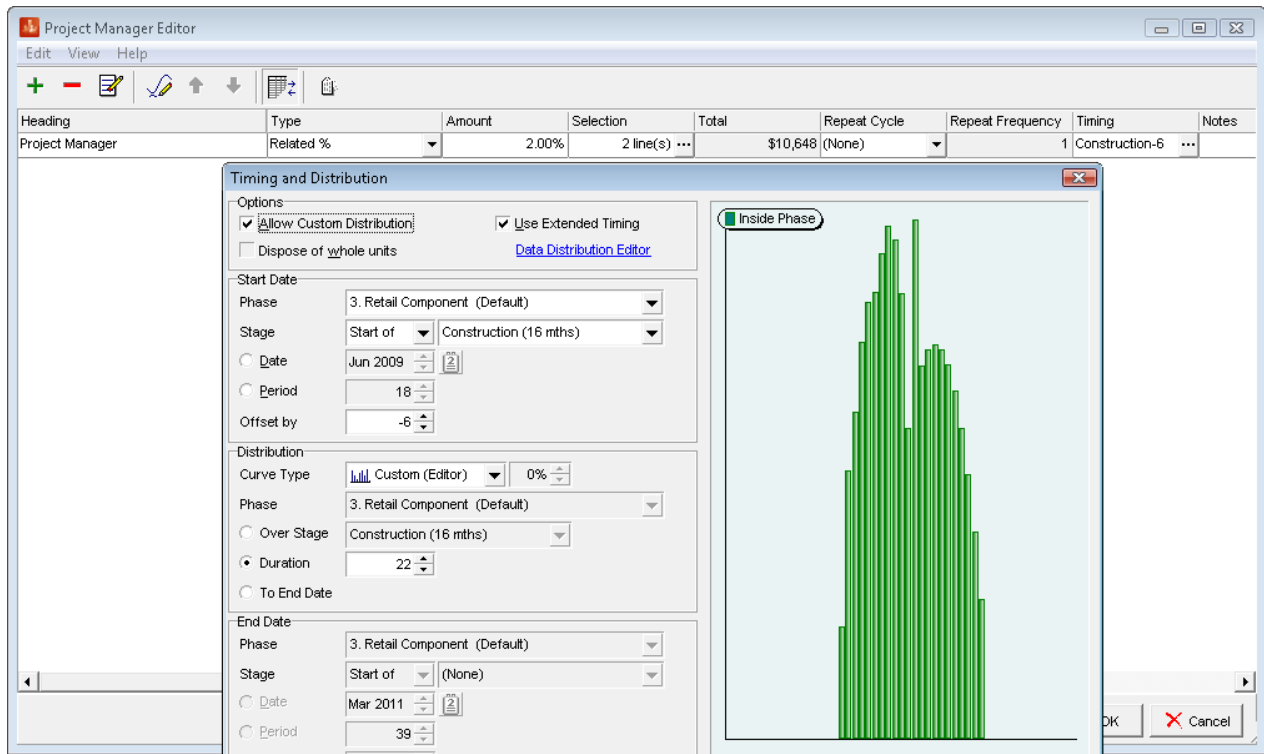
An additional feature in the Areas dialog is the enhancement of the Construction Cost Breakdown editor to include extra calculation types to align with main Area forms – these items are 'Rate/pf² Additional' and Rate/Parking Stall'



Line item Editors/Distributions

Allow cross-Phase/Stage event referencing for line items

There is new functionality that allows the distribution editor for a line item to be linked both to the beginning and end of a stage. Additionally, users can now link across multiple stages. This works in a similar manner to the new timing functions in the Timescale & Phasing area. An example of a typical dialog is shown below:



Notice that the 'Use Extended Timing' checkbox is enabled, allowing cross-Phase timing referencing. The 'End Date' group box at the bottom of the screen will not be enabled unless you check ON the 'To End Date' item just above it.

New periodic (for example Monthly, Quarterly) “Type” of cost element

As shown in the header labels on the screen below, this has been added as a new sub-type entitled ‘Repeat Cycle’, and can apply to all standard calculation ‘Types’. It has the additional functionality of a ‘Repeat Frequency’ (m/q/s/a and Custom) and can interact with the new enhanced cross-Phase/Stage timing controls at the individual line level.

The screenshot displays the 'Timing and Distribution' dialog box within the ARGUS Developer interface. The dialog is divided into several sections:

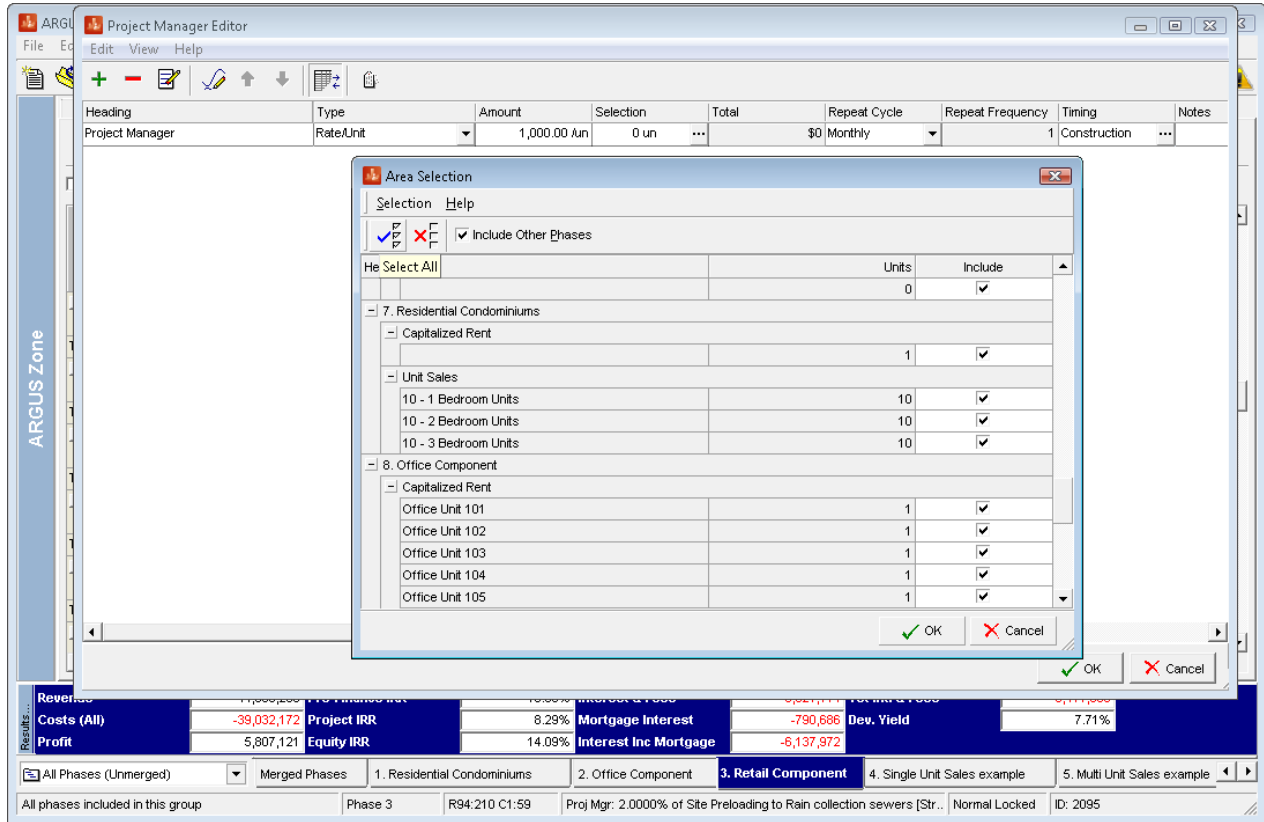
- Options:** Includes checkboxes for 'Allow Custom Distribution' (checked), 'Use Extended Timing' (checked), and 'Dispose of whole units'. A 'Data Distribution Editor' link is also present.
- Start Date:** Features dropdowns for 'Phase' (3. Retail Component (Default)) and 'Stage' (Start of, Construction (16 mths)). It includes radio buttons for 'Date' (Jun 2009) and 'Period' (18), along with an 'Offset by' field (-6).
- Distribution:** Includes a 'Curve Type' dropdown (Monthly) and a percentage field (0%). It also has 'Phase' (3. Retail Component (Default)), 'Over Stage' (Construction (16 mths)), and 'Duration' (22) options.
- End Date:** Features dropdowns for 'Phase' (3. Retail Component (Default)) and 'Stage' (Start of, None). It includes radio buttons for 'Date' (Mar 2011) and 'Period' (39), along with an 'Offset by' field (0).

On the right side of the dialog, a graphical component titled 'Inside Phase' shows a series of vertical green bars representing the distribution curve. Below the graph, a timeline indicates the period from 1:Jan 08 to 53:May 12, with a specific distribution period highlighted from 18:Jun 09 to 39:Mar 11 (22 Mths).

Note: in the graphic component of the above dialog, there is more information provided, showing the start and end periods of the overall projection, and the period #/date for the start and end of the actual distribution for the current line item, and the duration of the distribution in months. This type of graphic appears in the Cash Flow area when the mouse is held over the Totals column for a line.

Select units from other Phases when applying a “Rate per Unit”

This enhancement allows selection of Rate per Unit to include Units from any or all Phases, not just the currently active Phase.



To activate this feature, note that you need to click on the 'Include Other Phases' checkbox near the top left of the Area Selection dialog box.

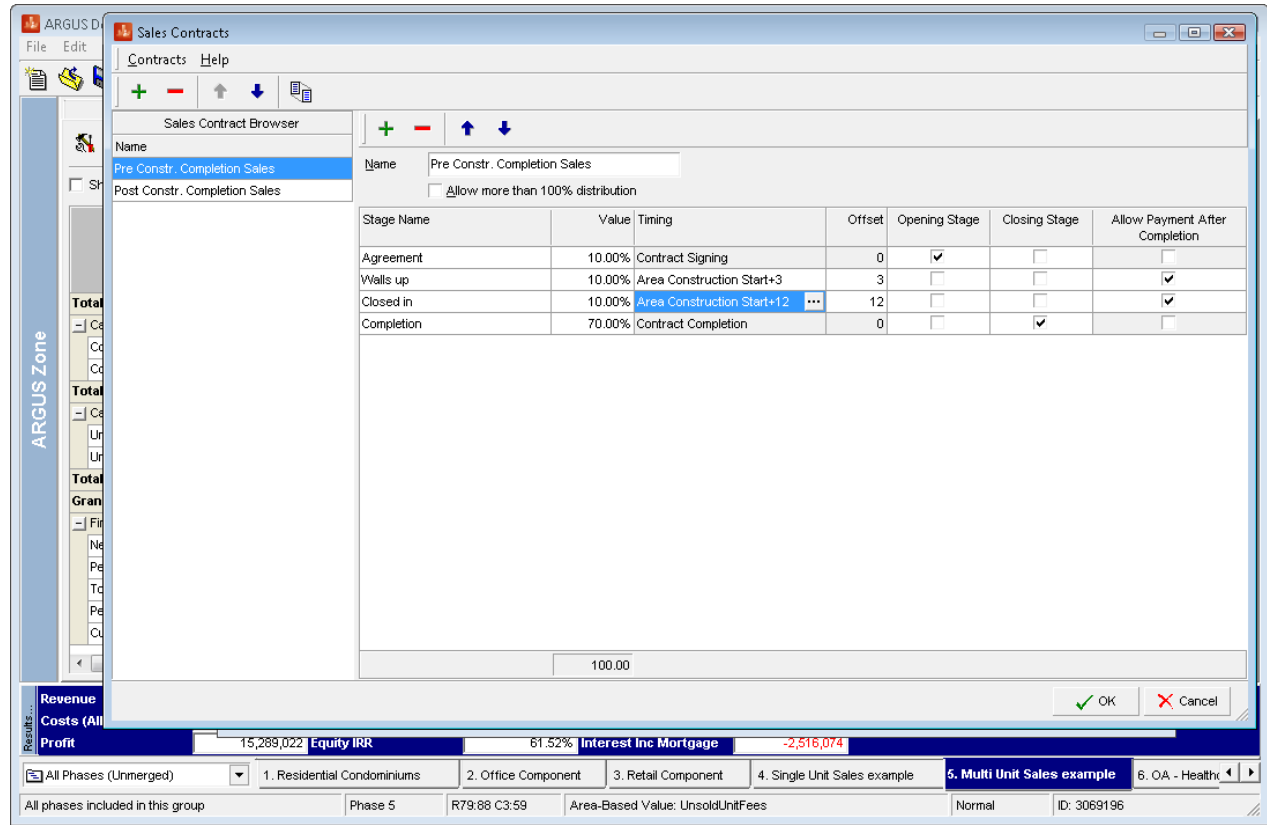
Allow Related % to be up to 10,000% (100x referenced value)

This small enhancement provides for a wider range of % entry for Related inputs.

Multi-Unit Sales

Sales Contracts - each payment can relate to any Phase/Stage or date

This feature provides much greater flexibility in assigning the Offsets for various payment stages associated with Sales Contracts.

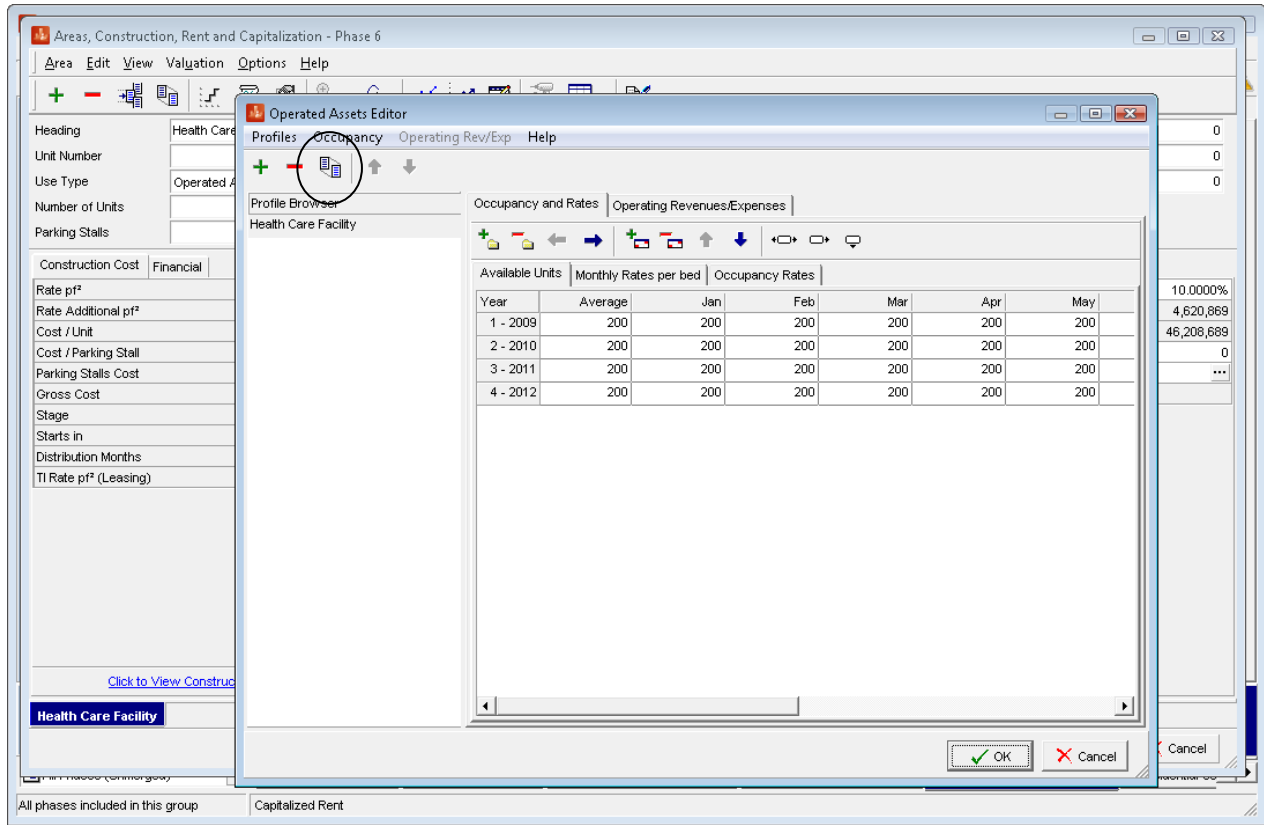


In the following screen shot, the dialog for the Timing field in the screen above is shown. Notice in particular the option for choosing not only the Phase/Stage but also the addition of a field entitled “Area Construction Start” that is an important refinement of simply the (Phase) Construction start date, so the program can automatically recognize the actual start of construction for each individual record within the Phase.

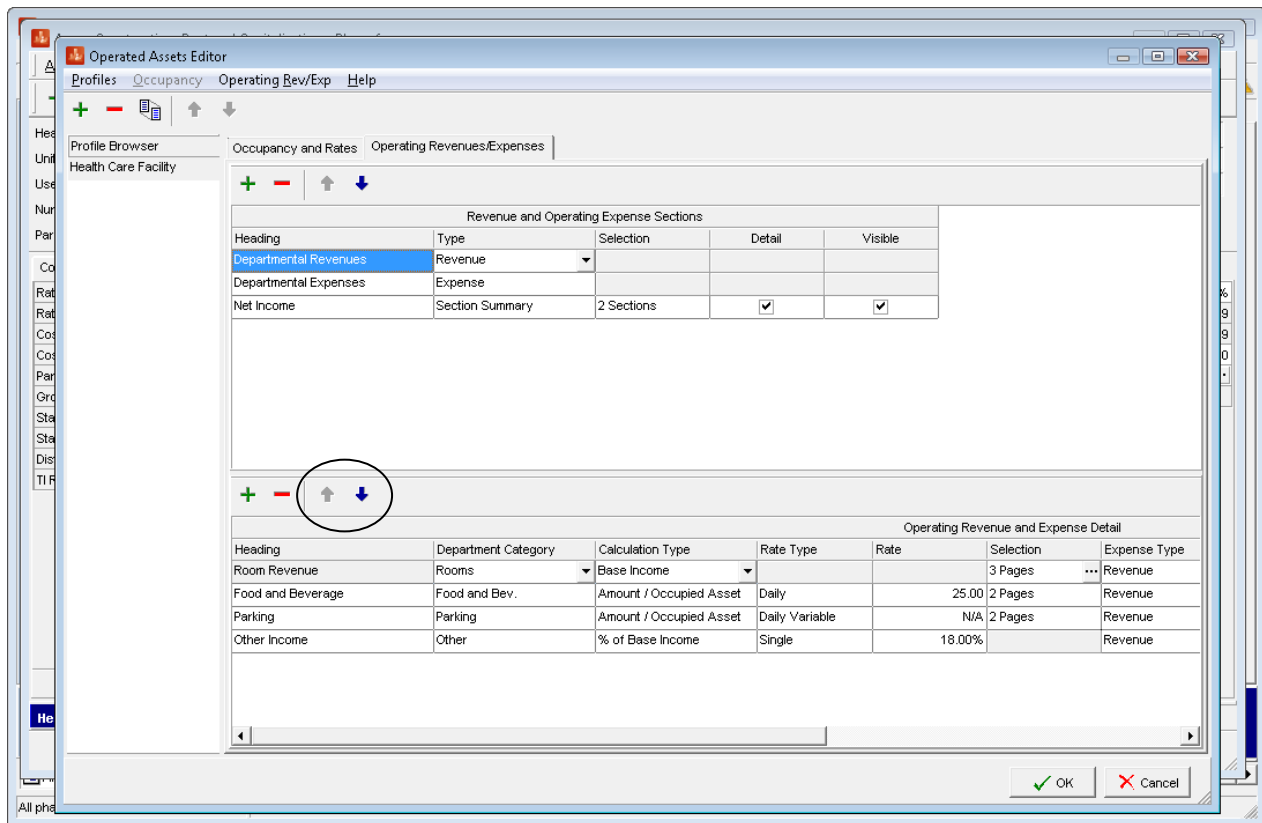
Operated Asset Area

Ability to copy an Operated Asset Profile in its entirety

The circled icon on the following screen allows you to copy a Profile. This is particularly useful for setting up alternate scenarios/cases for modeling. It also can save considerable time as Operated Asset Profiles can be time consuming to set up.



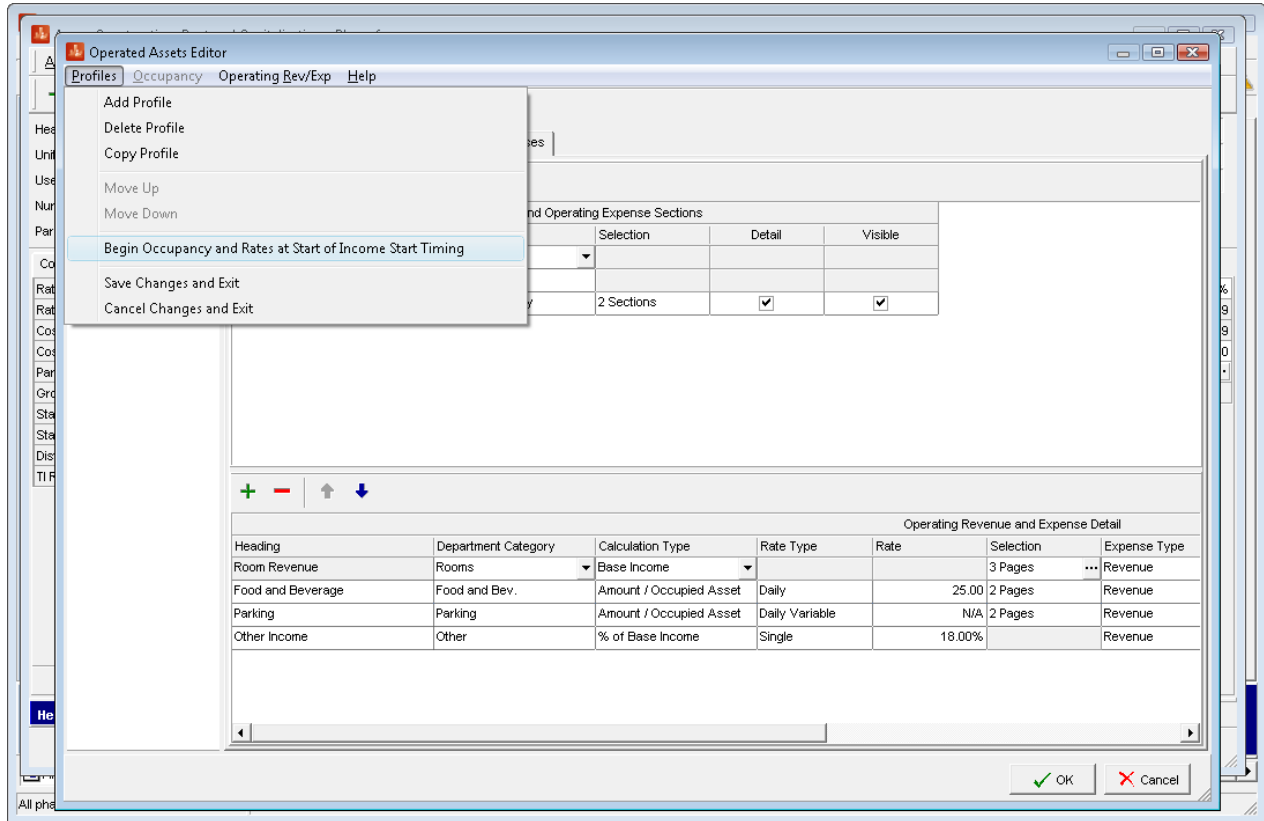
Detail lines now appear in Cashflow in order of their positioning in the Detail schedule of the Operating Revenues/Expenses area of the Operated Asset dialogs



Use the Up and Down arrow keys to move the lines below into the order in which you wish them to appear in the Cash Flow and related reports.

Operated Asset 'Pages' can commence relative to the Income Start Timing Date for the current Area record. See option for this in Operated Assets Editor – Profiles selection

This enhancement aligns start date (Year and Month) of the Operated Asset Page Definitions to match the 'Start of Income Start Timing' setting made for each individual area that references an Operated Asset Profile. To enable this feature, select the 'Profiles' menu selection in the Operated Assets Editor, then check ON the 'Begin Occupancy and Rates at Start of Income Start Timing' switch as shown below.



The 'Start of Income Start Timing' setting for an Area is set in the main Cap Areas screen, as shown below:

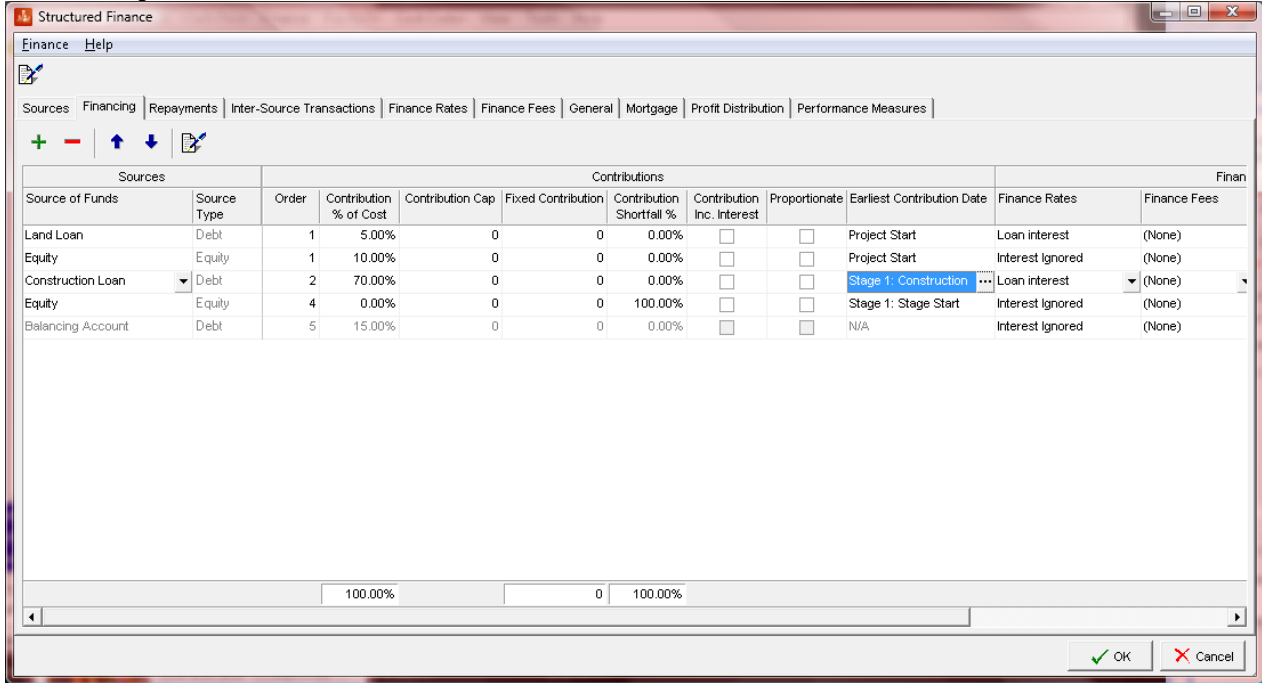
Construction Cost		Operated Asset		Rent Capitalization	
Financial		Financial			
Rate pf ²	200.00	Occupancy/Rates Profile	Health Care Facility	Cap Rate%	10.0000%
Rate Additional pf ²	0.00	Income Start Timing	Holding Period	NOI at Capitalization Date	4,620,869
Cost / Unit	20,000,000			Capitalized Rent	46,208,689
Cost / Parking Stall	0			Manual Capital Value	0
Parking Stalls Cost	0			Stage	Sale
Gross Cost	20,000,000			Capitalized At	Jan 2012
Stage	Construction				
Starts in	Jan 2008				
Distribution Months	12				
TI Rate pf ² (Leasing)	0.00				

[Click to View Construction Cost Breakdown](#)
[Click to View Operated Asset Profiles](#)

Finance Module

Add ability to specify the earliest start date for each tranche of contributions

If a Source of funds has a stipulated date for commencing contributions, this can be set in Earliest Contribution Date of the Financing Tab, as shown below:



The program will look to the next Order of Contribution in this situation.

Shortfall calculation entry by Source

The fields in the “Contribution Shortfall %” column provide a way to fund Shortfall(s) in Contribution as the project proceeds. In the illustration below, the two Equity Sources are contributing 50% each to any Contribution Shortfalls that occur during the course of the Project.

A Contribution Shortfall will be funded in whole or in part by Sources that are identified as being contributors to a Shortfall, which could occur at any point in a Project. Shortfalls will be funded in the percentage amount for each Source identified as being a contributor, irrespective of their Order of Contribution - in other words, a Source could commence funding prior to the time it would have otherwise, had it not been a Shortfall Contributor.

It is not necessary to enter a total of 100% (or any % for that matter) in the “Contribution Shortfall %” column - thus, if a Shortfall is not 100% funded, the balance will fall to the Balancing Account. Note: You are not permitted to provide in excess of 100% Shortfall Funding - note that the “Contribution Shortfall %” column cannot exceed 100%.

Shortfalls are added, with interest if specified for the Source, to the Balance of the Source and will be repaid in the Order of Repayment along with Auto and Manual Contributions, without discriminating amongst the type of Contributions.

Where there are Contribution Caps or Fixed Contributions entered, a shortfall may result. An example of the use of this functionality is to provide for adequate funding of a Project where Source(s) with the highest Order(s) of Contributions have the “Contribution Inc. Interest” switch on. Unless other settings are made to provide for full funding (for example, the “Add Interest to Project” and/or “Add Fees to Project” switches), this can and typically does result in a Balancing Account contribution that may or may not be fully repaid prior to the end of the Project.

Sources		Contributions										Finan
Source of Funds	Source Type	Order	Contribution % of Cost	Contribution Cap	Fixed Contribution	Contribution Shortfall %	Contribution Inc. Interest	Proportionate	Earliest Contribution Date	Finance Rates	Finance Fees	
Land Loan	Debt	1	5.00%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Loan interest	(None)	
Equity	Equity	1	10.00%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Interest Ignored	(None)	
Construction Loan	Debt	2	70.00%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Stage 1: Construction	Loan interest	(None)	
Equity	Equity	4	0.00%	0	0	100.00%	<input type="checkbox"/>	<input type="checkbox"/>	Stage 1: Stage Start	Interest Ignored	(None)	
Balancing Account	Debt	5	15.00%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	N/A	Interest Ignored	(None)	

Summary: 100.00% 0 100.00%

Allow % of Contribution to include selection of Interest & Fees separately, by Source and Tranche of Contribution

This significant enhancement allows the user to optionally add Interest and Fees from Sources and their Tranches in the Contribution Order, to the Project Cost to provide a funding basis that includes Interest and/or Fees.

Sources		Contributions							Finance Costs					
Source of Funds	Source Type	Order	Contribution % of Cost	Contribution Cap	Fixed Contribution	Contribution Shortfall %	Contribution Inc. Interest	Proportionate	Earliest Contribution Date	Interest/PR Sets	Finance Fees	Add Interest to Project	Add Fees to Project	Fees based on Contribution only
Developer - ISF not Funded	Equity	1	10.00%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Construction Loan	Investor Funds Mgm	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Equity 1 - ISF Funded by Proj	Equity	2	22.50%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Construction Loan	Investor Funds Mgm	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Equity 2 - ISF not Funded by F	Equity	2	22.50%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Interest Ignored (None)	(None)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mezz Loan - ISF not Funded t	Debt	3	22.50%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Mezz Loan	Const. Loan Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Const loan - ISF Funded by Pr	Debt	4	22.50%	0	0	0.00%	<input type="checkbox"/>	<input type="checkbox"/>	Project Start	Construction Loan	Const. Loan Fees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Balancing Account	Debt	5	0.00%	0	0	100.00%	<input type="checkbox"/>	<input type="checkbox"/>	N/A	Interest Ignored	(None)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This feature is enabled in the Financing tab of the Structured Finance (Setup) area, in the two circled columns, 'Add Interest to Project' and 'Add Fees to Project'. This can be done for each Source, and in the case of multiple Tranches where there is more than one entry for a Source in the Order column. When the 'Add Fees to Project' is selected for a Source, the 'Fees based on Contribution only' is forced ON. This is the equivalent of the former option for 'Fees based on Capital' only.

When one or more selections are made for 'Add Interest to Project' or 'Add Fees to Project', the Finance Cashflow changes to reflect this condition.

As an example, in the screen above, the Construction lender (the last Contributor) has both 'Add' switches ON. This is reflected in the Finance Cash Flow – Consolidated view - Finance block as shown following.

ARGUS Developer - C:\Program Files\ARGUS Software\AD-45-US\Data\Example Multi Phase - Multi Product - with 5 funding Sources.wcf V4.05.000

File Edit Project Definition Cash Flow Finance Cost Codes View Tools Help

Project Definition Cash Flow Project Pro Forma

Cash Flow View Cycle Monthly

Show Zero Value Rows View Order Show Consolidated Profit & Source Cash Flows

Heading	Total	10 Oct 2008	11 Nov 2008	12 Dec 2008	13 Jan 2009	14 Feb 2009	15 Mar 2009	16 Apr 2009	17 May 2009	18 Jun 2009
+ Finance : Mezz Loan - 18F not Funded by Project IRR: 0.0% Profit Amount: \$0										
- Finance : Const loan - 18F Funded by Project IRR: 12.9% Profit Amount: \$0										
Timed Contribution: Project	0	0	0	0	0	0	0	0	0	0
<i>Auto. Project Cont. - Project Costs</i>	(3,303,704)	0	(1,165,755)	(1,107,116)	(109,514)	(109,514)	(109,514)	(109,514)	(109,514)	(109,514)
<i>Auto. Project Cont. - Project Funded Interest & Fees</i>	(5,134,137)	0	(84,378)	(98,507)	(110,563)	(112,764)	(114,986)	(117,231)	(119,499)	(121,788)
Auto. Project Contribution	(8,437,842)	0	(1,250,133)	(1,205,623)	(220,077)	(222,277)	(224,500)	(226,745)	(229,013)	(231,303)
Total Contribution	(8,437,842)	0	(1,250,133)	(1,205,623)	(220,077)	(222,277)	(224,500)	(226,745)	(229,013)	(231,303)
<i>Project Funded % Loan Fees</i>	(84,378)	0	(84,378)	0	0	0	0	0	0	0
<i>Project Funded Loan Fees</i>	(84,378)	0	(84,378)	0	0	0	0	0	0	0
<i>Project Funded Interest</i>	(2,030,244)	0	0	(12,501)	(24,558)	(26,758)	(28,981)	(31,226)	(33,494)	(35,784)
<i>Total Project Funded Interest and Fees</i>	(2,114,622)	0	(84,378)	(12,501)	(24,558)	(26,758)	(28,981)	(31,226)	(33,494)	(35,784)
Timed Repayment: Project	0	0	0	0	0	0	0	0	0	0
Auto. Repayment	8,437,842	0	0	0	0	0	0	0	0	0
Total Repayment	8,437,842	0	0	0	0	0	0	0	0	0
Closing Balance	0	(1,250,133)	(2,455,758)	(2,675,832)	(2,898,110)	(3,122,610)	(3,349,355)	(3,578,368)	(3,809,671)	
Timed Profit Participation	0	0	0	0	0	0	0	0	0	0
Auto. Profit Participation	0	0	0	0	0	0	0	0	0	0
Total Profit Participation	0	0	0	0	0	0	0	0	0	0
<i>Adj. for Project Funded Interest and Fees</i>	2,037,951	0	84,378	12,501	24,558	26,758	28,981	31,226	33,494	35,784
Net Cash Flow (IRR)	2,037,951	0	(1,165,755)	(1,193,121)	(195,519)	(195,519)	(195,519)	(195,519)	(195,519)	(195,519)
Cumulative Net Cash Flow	0	(1,250,133)	(2,455,758)	(2,675,832)	(2,898,110)	(3,122,610)	(3,349,355)	(3,578,368)	(3,809,671)	
+ Finance : Mortgage IRR: 6.2% Annual Int. Rate/Comp: 6.00%/Monthly Annual Payment(P+I): \$3,524,072 DS Ratio: 1.21 Initial Loan/Value Ratio: 0.75										

Revenue	57,603,765	Pre-Finance IRR	19.47%	Interest & Fees	-9,501,573	Tot Int. & Fees	-9,729,473
Costs (All)	-41,974,473	Project IRR	11.73%	Mortgage Interest	-227,900	Dev. Yield	11.01%
Profit	15,629,292	Equity IRR	19.89%	Interest Inc Mortgage	-9,434,860		

All Phases (Unmerged) 2. Office Component 3. Retail Component 4. Single Unit Sales example 5. Multi Unit Sales example 6. OA - Healthcare operation 7. Residential Condomin

All phases included in this group R1:156 C3:59 Project Cash Flow Pre-Finance: IRR = 19.47%

Important note: to enable all of the above italicized rows to show, make sure in the 'General' tab in Finance Setup, that the option 'Display Project-Funded information lines (italicized)' in Finance Cash Flow.

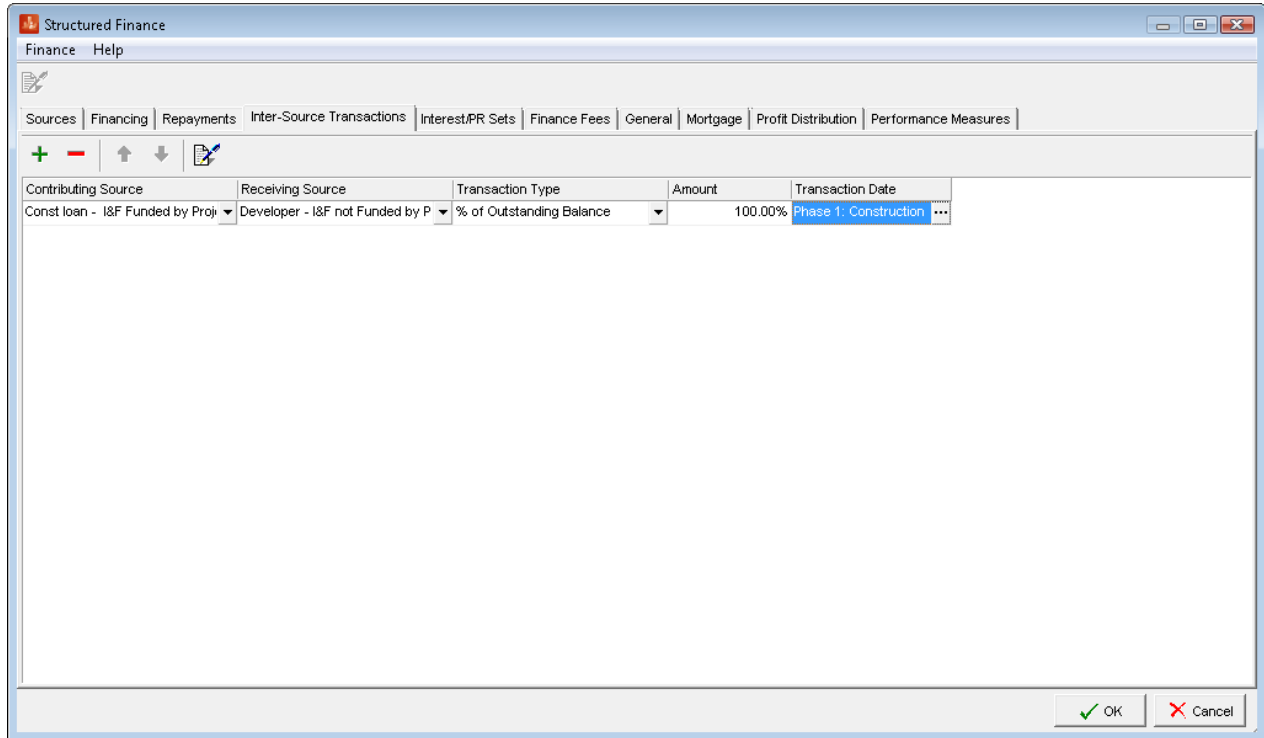
The italicized rows are:

- *Auto Project Cost – Project Costs*: the actual Project Costs being funded in the current period by the Source;
- *Auto Project Cost – Project Funded Interest & Fees*: the Contribution being made by the Source in the current period, in respect of all Interest and Fees for all Sources (not just the current Source being viewed) that have been selected as 'Add to Project'. In this illustration, there are a total of four such Sources, therefore this line item is a composite of this Source's contribution towards the 'pool' of Project-Funded Interest and Fees for the entire project.
- *Auto Project Contribution*: total of the above two lines.
- *Total Contribution*: the above line plus any additional contributions (eg. Timed Contributions and/or Inter-Source Contributions (described below)).
- *Project-Funded % Loan Fees*: in this instance, the Source has a single % Fee specified. This line represents the amount this Source actually earns (the fee) as a benefit of the Source's participation in the funding of the project.
- *Project Funded loan Fees*: total of all Fees charged by this Source to the Project.
- *Project Funded Interest*: This line represents the amount of interest that this Source actually earns in the current period as a benefit of the Source's participation in the funding of the project.
- *Total Project Funded Interest and Fees*: above Total lines for Fees and Interest.
- *Adj. for Project Funded Interest and Fees*: this is taken from the Total Project Funded Interest and Fees, and is used to add to the IRR (Net Cash Flow) line for the Source. It represents the actual earnings of the Source for Interest and Fees. This is paid in addition to the Repayment line which represents only the repayment of Contributions made and therefore is exclusive of the actual earned Interest and Fees.

Automation of existing Timed Finance Transactions with a new tab in Financing setup entitled “Inter-Source Transactions”

This feature largely automates the Timed Finance Transactions of previous versions of the software. Timed Finance Transaction functionality is maintained in existing files until all entries are removed (zeroed out), at which time the Inter-Source Transactions become the only way to accomplish such entries.

Inter-Source Transactions are set up and maintained in the following tab of the Finance Module setup area:



In the example above, the Construction Loan is paying out 100% of the Outstanding Balance of the Developer at the Start of Phase 1 Construction. Note that you can also specify an Amount to be paid, as a selection in the 'Transaction Type' field.

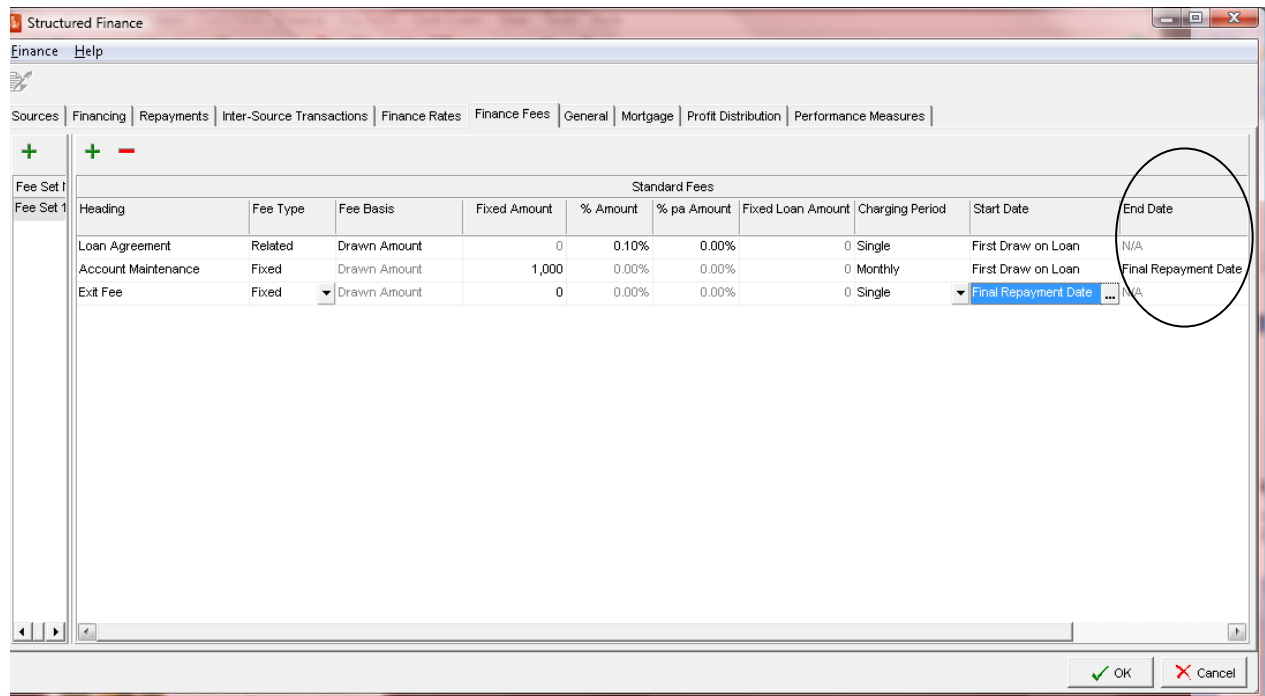
You can schedule as many such transactions as you wish, and they appear in the Finance Cash Flow for each Source included.

Set an end date for a finance fee in the financing area

This is set up in the 'End Date' field of the Finance Fees tab in Finance Setup. This allows you to control the last date a Finance Fee will be paid to a Source.

Exit fees on Bank Loans

This can be accomplished by setting a Charging Period to Single, then having the Start Date set to Final Repayment Date, as shown in the following screen.



Add loan fees to the Mortgage in the financing area

The Mortgage tab in Finance Setup has been reorganized for easier input – all inputs remain functionally the same as prior versions, except for the addition of the 'Mortgage Finance Fees' group at the bottom of the dialog, as shown below.

The screenshot shows the 'Structured Finance' dialog box with the 'Mortgage' tab selected. The 'Mortgage Active for this Scenario' checkbox is checked. The dialog is organized into several sections:

- Income and Timing:**
 - Month to place mortgage: Phase 6: Holding Period+35, Dec 2011
 - Monthly Stabilized Income: 354,511 (from Developer Cash Flow)
 - Annual Stabilized Income: 4,254,135
 - Manual Stabilized Income (Annual): 0 (Overrides Annual Stabilized Income)
- Mortgage Value:**
 - Mortgage amount as % of value: 75%
 - Project Capitalized Value: 60,773,360
 - Cap Rate to determine property value: 7.00%
 - Maximum funding amount: 45,580,020
 - Mortgage issued: 0
- Amortization:**
 - Annual interest rate: 6.00%
 - Monthly interest factor: 0.01
 - Amortization period (months): 300
 - Monthly (DS) principal and interest: 293,672.71
 - Compounding frequency: Monthly
 - Annual (DS) principal and interest: 3,524,072.49
 - Debt Service Ratio: 1.21
- Mortgage Finance Fees:**
 - % Finance fee: 0.00%
 - Fixed finance fee: 0
 - Add total fees to mortgage issued

Buttons for 'OK' and 'Cancel' are located at the bottom right of the dialog.

You can specify a % Finance Fee (% of Mortgage Issued) and/or a Fixed Finance Fee. In addition, you can specify if the total of such Fees are to be deducted from proceeds, or added to the Mortgage Issued number so that the actual proceeds are not reduced; however the outstanding balance is increased by the amount of the Fees

Additional minor enhancements:

Lock data (WCF) files when open, to prevent other users gaining the ability to write to the same data.

Allow 6 decimal places in currency conversion dialog.

Results panel - show total cost not including interest and fees.

Results Panel - View cost breakdown by group.

Results Panel - Balancing Account to show value if non-zero, and Active status.

Enhanced Reports - NOI Report - similar to Argus DCF.

Enhanced Reports - Operated Asset Assumptions Report.