

Assumptions								
Lease commencement date	January 1, 2018							
Lease term (months)	60							
Monthly rent	\$ 440							
Before Concession:								
Minimum lease payments before concession	\$ 26,400 (\$440 x 60 months)							
Monthly rent 1/1/18 to 2/29/20	\$ 440 (\$26,400 / 60 months)							
After Concession:								
COVID Concession	Deferral of rent for March, April and May 2020 payable in equal installments starting June							
Monthly lease payments June 2020-December 2022	\$ 483 (\$440 + (\$1,320/31))							
Summary of Receipts								
	1/1/18 to	3/1/20 to	Total					
	2/29/20	12/31/22						
Rent paid in cash	\$ 11,440	\$ 14,960	\$ 26,400					
Election to Apply Lease Modification to Concession								
	2018	2019	1/1/20 to	3/1/20-	6/1/20 -	2021	2022	Total
			2/29/20	5/31/20	12/31/20			
Balance Sheet								
Cash	\$ 5,280	\$ 10,560	\$ 11,440	\$ 11,440	\$ 14,818	\$ 20,609	\$ 26,400	
Accrued rent				1,320	1,022	511		-
Total assets	<u>\$ 5,280</u>	<u>\$ 10,560</u>	<u>\$ 11,440</u>	<u>\$ 12,760</u>	<u>\$ 15,840</u>	<u>\$ 21,120</u>	<u>\$ 26,400</u>	
Equity								
	<u>\$ 5,280</u>	<u>\$ 10,560</u>	<u>\$ 11,440</u>	<u>\$ 12,760</u>	<u>\$ 15,840</u>	<u>\$ 21,120</u>	<u>\$ 26,400</u>	
Income Statement								
Straight line rent revenues	\$ 5,280	\$ 5,280	\$ 880	\$ 1,320	\$ 3,378	\$ 5,791	\$ 5,791	\$ 27,720
Amortization of remaining accrued rent	-	-	-	-	(298)	(511)	(511)	\$ (1,320)
Net income	<u>\$ 5,280</u>	<u>\$ 5,280</u>	<u>\$ 880</u>	<u>\$ 1,320</u>	<u>\$ 3,080</u>	<u>\$ 5,280</u>	<u>\$ 5,280</u>	<u>\$ 26,400</u>
Cash Flows Statement								
Net income	\$ 5,280	\$ 5,280	\$ 880	\$ 1,320	\$ 3,080	\$ 5,280	\$ 5,280	
Accrued rent	-	-	-	(1,320)	298	511	511	
Cash from operating activities	<u>5,280</u>	<u>5,280</u>	<u>880</u>	<u>-</u>	<u>3,378</u>	<u>5,791</u>	<u>5,791</u>	
Cash - beginning of year	-	5,280	10,560	11,440	11,440	14,818	20,609	
Cash - end of year	<u>\$ 5,280</u>	<u>\$ 10,560</u>	<u>\$ 11,440</u>	<u>\$ 11,440</u>	<u>\$ 14,818</u>	<u>\$ 20,609</u>	<u>\$ 26,400</u>	
Election to Account for Concession as Enforceable Right in Original Lease Agreement								
	2018	2019	1/1/20 to	3/1/20-	6/1/20 -	2021	2022	Total
			2/29/20	5/31/20	12/31/20			
Balance Sheet								
Cash	\$ 5,280	\$ 10,560	\$ 11,440	\$ 11,440	\$ 14,818	\$ 20,609	\$ 26,400	
Accrued rent								
Total assets	<u>\$ 5,280</u>	<u>\$ 10,560</u>	<u>\$ 11,440</u>	<u>\$ 11,440</u>	<u>\$ 14,818</u>	<u>\$ 20,609</u>	<u>\$ 26,400</u>	
Equity								
	<u>\$ 5,280</u>	<u>\$ 10,560</u>	<u>\$ 11,440</u>	<u>\$ 11,440</u>	<u>\$ 14,818</u>	<u>\$ 20,609</u>	<u>\$ 26,400</u>	
Income Statement								
Straight line rent revenues	\$ 5,280	\$ 5,280	\$ 880	\$ -	\$ 3,080	\$ 5,280	\$ 5,280	\$ 25,080
Rent concession - variable consideration	-	-	-	-	298	511	511	\$ 1,320
Net income	<u>\$ 5,280</u>	<u>\$ 5,280</u>	<u>\$ 880</u>	<u>\$ -</u>	<u>\$ 3,378</u>	<u>\$ 5,791</u>	<u>\$ 5,791</u>	<u>\$ 26,400</u>
Cash Flows Statement								
Net income	\$ 5,280	\$ 5,280	\$ 880	\$ -	\$ 3,378	\$ 5,791	\$ 5,791	
Accrued rent								
Cash from operating activities	<u>5,280</u>	<u>5,280</u>	<u>880</u>	<u>-</u>	<u>3,378</u>	<u>5,791</u>	<u>5,791</u>	
Cash - beginning of year	-	5,280	10,560	11,440	11,440	14,818	20,609	
Cash - end of year	<u>\$ 5,280</u>	<u>\$ 10,560</u>	<u>\$ 11,440</u>	<u>\$ 11,440</u>	<u>\$ 14,818</u>	<u>\$ 20,609</u>	<u>\$ 26,400</u>	

