



ARGUS Valuation – Capitalisation (formerly Visual Investor) v.2.04

Change History

Last Updated: 30/10/2007



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Updates contained in Version 2.04.008

Issues

Area	Issue	Ref No
Area Schedule	Changes made to the ERV Mode setting in the Area Schedule are saved when cancel and exit	10341
Area Schedule	Scrolling through tenants from the Area Schedule does not update the ERV mode for each tenant.	7976_TFS
Cost Schedule	Correct spelling of duplicate cost in menu option	10298
DCF Calculation	A revenue cost with a flagged delay to the start timing and inflation applied, which is valued at the Exit of the DCF, is currently being inappropriately inflated for the term of the DCF.	7879_TFS
Tenant Record	Opening the detailed tenant record from the Tenancy Schedule always opens the first tenant record – Oracle and MS SQL databases only	10339
Valuation Logs	When Currency Scenario is used at portfolio level, with multiple properties set to different conversion rates, when valuations are logged for reports the converted property values are logged.	7219_TFS

Updates contained in Version 2.04.007

Enhancements

Active directory Authentication

Active directory authentication has been implemented in this release enabling the use of the security username and passwords set up on your network to log into ARGUS Valuation - Capitalisation. The ARGUS Valuation - Capitalisation Admin Guide has been updated, with details of how to implement active directory authentication provided in Chapter 6.

DCF Acquisition Costs

Two new switches have been added to the DCF Setup, Options tab to allow the user to enable/disable stamp duty and other acquisition costs in the DCF. These checkboxes mirror the 'enable in DCF' options for stamp duty and acquisition costs in the Cost Schedule.

Issues

Area	Issue	Ref No
Area Schedule	Floating point division by zero' message in Area Schedule	10255
Command Centre	Some CVL files cause command Centre to error due to invalid Tag field	8542
Command Centre	" is not a valid integer value	9033
Costs Schedule	Cost notes not saved unless tab out of field	9179
Costs Schedule	Copying cost with inflation group loses inflation setting	9466
Costs Schedule	Manual distribution cost is delayed in DCF if no. months delay entered On Valuation	10178
CSV Import window	VISTA - issues with CSV Import window	10257
Data Analysis	Total area column in data analysis confusing and prone to disappear.	8714
Data Analysis	Grouping fields in data analysis results in advanced graph not showing detail	8715
Data Analysis	Data analysis export to excel of vacant period labelled incorrectly	8728
DCF	Description in 'Line Info window (DCF)' gets distributed when maximized	10232
DCF	Empty rates cost not coming through in regular amounts in spreadsheet.	9859
DCF	Portfolio DCF/Projections: Resource Issue.	8427
DCF	Tenant with lease term of 7 days causes DCF to hang	8449
DCF	Finance on deferred purchase appears in net cash flow 1 month later	8153
DCF	Equity % at end of DCF is not taking account of debt repayments	8754
DCF	Cannot find IRR at portfolio level	8792
DCF	Final rent apportionment omitted in DCF when tenant pays rent in arrears	8949
DCF	Exit yield sensitivity produces different IRR from manual inputs	9467
DCF	Apply disposal auto-calculate differs from exit valuation in DCF with sub LH	9897
DCF	Override exit yield changes when DCF start date is changed	9211
DCF	AV error when running DCF - linked to Apply Purchase switch	10076
DCF	Portfolio DCF Graphic	9080
DCF	Property first quarter rent needs to be refreshed before appearing in portfolio DCF	9921
DCF	Portfolio DCF export to excel exports as string if not in default region currency	10012
DCF	Problem with clearing sort order in SQL server	10167
DCF	Portfolio DCF summary rows do not include interest so do not total net cash flow	9299
Export	DCF Excel Export template over 3.5 megabytes	6356
Export	Pisces Export when local date time format uses '-' separator.	9180
Export	Putting " in the tenant Name & Status Description field stops Excel exports	8575
Export	Pisces Export: An invalid character was found in text content	8662



Area	Issue	Ref No
Export	PISCES 1.6 not exporting ITZA	9088
Form	MSSQL: Clients report 'Another User has Edited Record'	3873
Form	List users alphabetically in portfolio security form	9868
Form	Able to edit category label in forecast file	10015
GUI	Currency scenario. Can't input a conversion factor if language setting has a ',' as a separator	8439
GUI	List of target portfolios not showing all portfolios when batch copy/move	9156
Help System	Help System does not work in VISTA operating system	10248
Projections Analysis	Projections analysis net value after vendor's costs rounding error	6692
Projections Analysis	Comp. mean average total return in DCF Projections different	9360
Projections Analysis	Projections calculations do not fully update when GRE file is edited	9693
Projections Analysis	Issue with Projections Net Income Received spiking when rent changes.	10159
Property Form	Property/Tenant windows losing 'QUICK VALUER' label on the Header	10214
Property Form	System crashes after deleting a Property (Tenure)	10218
QuickVal	'Cannot focus a disabled or invisible window' error when scrolling through QV tenants	8940
Reports	Reports only - international portfolios don't work exits calculations correctly in reports	4290
Reports	Cost schedule report shows rent passing £0 for indexed leases (when there is a rent passing)	8410
Reports	Equivalent yield not showing on report after targeting at portfolio level	8764
Reports	Cost schedule report by property and type not showing property name headers correctly	9106
Reports	Error initialising output file if export DCF report then change display cycle	10039
Reports	Invalid report file message when try to load .rp2 file	8687
Reports	DCF report period total inconsistent when a loan is applied.	8127
Reports	Valuation report not showing deduction for froth with indexed rent	8252
Save File (CVL)	VISTA - issues while saving a file as CVL file	10256
Security	View only rights to portfolio - able to edit cost amounts (although not save them)	8732
Security	Portfolio security: Last user added to system not visible in list	10005
Security	View only rights to portfolio - not able to see rental growth and exit yield setup	8731
Stamp Duty window	Stamp Duty set up window popping out an irrelevant numbered row	10231
Tenancy Schedule	Copy/paste rental growth group setting in tenancy schedule does not hold	8748
Tenancy Schedule	Tenant valuation incorrect when apply cost and play around with the repeat.	10023



Area	Issue	Ref No
Tenant Form	Cannot focus a disabled or invisible window error - regional/language settings	8515
Tenant Form	Some fields allow negative values and %'s to be entered. See report	10157
Tenant Form	Detailed Tenant screen still holds previous Tenant name on Header	10210
Trad Val Calculation	Trad valuation: Force EY Update - if ground lease is valued using capitalisation by method could error	8541
Trad Val Calculation	Income valued during expiry void when O/S RR option checked	10084
Trad Val Calculation	Ground rent as & when gearing deduction incorrect when outstanding rent reviews	10086
Translations	Translation invwin.ini file settings	8435
System Setup	Date formats do not reflect System Settings	8969

Updates contained in Version 2.04.006

General

Data Analysis

A column displaying the Tenant Ref No. has been added to the Data Analysis form.

Data Checker

Additional entries have been added to the Data Checker to highlight when tenants have outstanding rent reviews or are holding over. These have been classed as Information.

Help file

In previous versions CHM help files sometimes would not open on network installations owing to a Microsoft Windows security patch. In this upgrade version a modification is made to the registry so that the help file can be viewed.

Template portfolio

The Enable Template Portfolio switch in User Preferences is now only enabled for supervisors.

Supervisors are now able to delete template tenant records when multiple property and tenant templates have been created in the database. Previously when the default property template had only one tenant template, tenant records in other property templates could not be deleted.

CVL export

When a CVL file is saved and the 'export factual data only' option is checked, specific rent or specific value amounts defined on lease renewal are now not exported.

CSV Import

The CSV Import now imports floor area data using the area measure setting, e.g. metric or imperial, defined in the property template.



Search

When the Search form is used to search for a property or tenant record, double clicking on a result entry now closes the Search form and focuses the selected record on the Command Centre.

DCF

Tenants are now displayed in the portfolio DCF in the sort order selected on the Command Centre screen.

When a portfolio with a forecast file attached is copied and a new forecast file attached to the copy, this setting is now retained on exit from the DCF.

If the Finance module is not enabled, the portfolio DCF Finance tab now displays a message indicating that finance is not available.

DCF Projections

Options for purchaser's costs and vendor's fees now hold on exit from the portfolio DCF Projections form.

In earlier versions of ARGUS Valuation - Capitalisation the leasehold ground rent amount was reported both in row 6 (ground rent pa at exit) and in row 10 (run costs pa at exit) of the Start Date column in DCF Projections. This was a reporting issue which only affected the first, Start Date period and did not impact the returns calculations. This has been fixed in ARGUS Valuation - Capitalisation 2.04.006.

Reports

When a capital cost is repeated when rent is paid the Cost Schedule report now correctly reports the amount. This was a reporting issue only and did not affect the valuation calculations.

The Area Schedule now reports the rental values of all tenants, irrespective of whether floor areas have been defined.

The Area Schedule report now displays the selected rental value (rounded, unrounded or manual) for each tenant and the total of these.

The DCF Projections Report now outlines the Total Return basis for both time and money weighted returns, depending on the basis selected by the user.

Quick Valuer

When using Quick Valuer after printing portfolio level reports for properties with differing currencies previously the property currency signs could be mis-set. This issue has been fixed in version 2.04.006.

For properties with multiple tenures, ARGUS Valuation - Capitalisation now correctly handles scrolling between the Property and Tenant pages in Quick Valuer switching tenure interests.

In earlier versions of ARGUS Valuation - Capitalisation when used with a MS-SQL database, opening the Tenancy Schedule directly from Quick Valuer could cause the program to crash. This has been fixed in version 2.04.006.

Performance Analysis

The Columns menu, Show Periods form now correctly displays each date for the results periods.

The Copy Portfolio DCF Setup to all properties option now updates property DCF settings with those of the portfolio.

When the cycle date is used, the data column headers now display the correct date. Previously these showed the date for the following period.



Tenant form

In certain specific circumstances where private yield definitions had been entered against tenants, changes to these settings in the tenant form would not hold. This has been fixed in version 2.04.006.

Tenancy Schedule

If a user exits from the tenancy schedule directly after entering data into a field, and before moving into another field, the data is now saved on exit.

Calculation Issues

DCF

When tenants pay rent in arrears, rather than in advance, ARGUS Valuation - Capitalisation now correctly apportions rent in the first period of the cash flow.

The cash flow now displays results where there is a property level cost triggered by any lease event which has not been applied to any tenants, although no amount can be calculated for the cost.

DCF Finance

Where finance is linked to a deferred purchase a % loan to value may now be defined. In earlier versions deferred purchases were always financed at 100%. **Please note** that this change could impact valuation results. If required, finance may still be defined at 100% of the purchase price.

DCF Projections

The Total Return calculation has been amended to take account of acquisition fees in the numerator, as well as the denominator, when the Use Total Acquisition Costs at Start option is checked. This does not impact total returns when total acquisition costs are not applied at the start.

Capital Employed results are now calculated on the selected returns basis, money or time weighted.

When at the first review date shown in DCF Projections there is no change in the rent ARGUS Valuation - Capitalisation now correctly apportions the rent to show no change in the rent received.

When a cycle date is used in DCF Projections, ARGUS Valuation - Capitalisation now correctly calculates the first period time weighted return. Money weighted returns, or time weighted returns when a cycle date is not used, are not affected.

Cost Schedule

When a cost with private inflation defined is copied the inflation rates are now given a different ID so that changes to the original cost's inflation rates do not alter those in the copy.

A revenue cost triggered on voids where the void lasts for one day only is now deducted for just one day.

A revenue cost triggered on voids where the void lasts for one day only is now deducted for just one day.

When the manual distribution cost trigger is used, inflation rates are not available for definition and inflation is not applied to these costs. In earlier versions of ARGUS Valuation - Capitalisation if a different cost trigger had been used for a cost and inflation rates applied, if the cost trigger was then changed to manual distribution the inflation rates continued to apply to the cost. This has been fixed in version 2.04.006.



Updates contained in Version 2.04.005

General

PISCES

The Pisces export outputs an element for each event in the tenant Lease Schedule. In earlier versions the Payment Schedule element was placed incorrectly in the Pisces 1.6 export file when a Rent Review element (a 'rent review' or 'resume market' lease event) was followed by a Payment Schedule element (such as a fixed rent review, interim step, indexed, index base or rent free event). This only affected users importing an ARGUS Valuation - Capitalisation PISCES 1.6 file into other systems or as an export to IPD. PISCES version 1.4 export files were not affected. This issue has been fixed in ARGUS Valuation - Capitalisation 2.04.005.

If ARGUS Valuation - Capitalisation is used with modules 1 and 2 only (property only mode) the Pisces option to import into a new portfolio is now disabled.

Tenancy Schedule

The Sort function in the Tenancy Schedule has been extended and now includes natural, name and file ref. no. options in addition to the manual sort order. The sort order now holds when the detailed tenant record is opened from the Tenancy Schedule.

Ground Lease

A ground lease term of up to 3000 years can now be defined, subject to a maximum expiry in the year 4000.

Reports

A new Cost Schedule Report has been created which details information by cost type (capital/revenue), in addition to the existing report which presents cost information by interest (property/tenant).

A new Portfolio Summary Valuation Report is included in this version which includes a schedule of tenant information for each property in the portfolio.

Where a tenant had a holding over rent applied and then disabled without resetting the holding over rent to zero, the Detailed Valuation Report would previously report the tenant as holding over. This did not affect the valuation calculations and has been fixed in 204005.

DCF Projections

The selected Projections options, such as cycle, returns basis etc, are now retained on exit from the DCF Projections form.

If the forecast file option is selected in DCF Setup but no file is attached, when DCF Projections is run the user is now warned that no forecast file has been attached.

The Start Date column now correctly reports the initial gross and net rental income. Previously the gross income was reported in both fields. Exit values are not affected.

In a multi currency portfolio where a conversion scenario is applied rent and cost data shown in the Start Date column is now converted.



Forecast File

For an Exception created in a forecast file, users now have the ability to manually enter a Matching Value, as well as select from the drop down list.

Cost Schedule

The Notes section of the Cost Schedule is now fully editable.

When a cost to which an inflation group has been applied is copied, the inflation group setting is now also copied.

Tenant Record

When a tenant record with private rental growth assumptions has been copied, changes to the original tenant's growth assumptions no longer impact growth rates in the copied records.

The Break Exercised field on the Lease & Rent page of the tenant record is no longer editable.

The user is now warned if a break option date is defined which occurs prior to the lease start date.

When the tenant Indexation Rate setting is Property Rate Adjustment a negative adjustment can now be defined, as well as a positive adjustment.

Property Supplementary Reference Field

This field now accepts letters as well as numbers.

Portfolio Security

User permissions are now immediately updated on exit from the portfolio security form.

Regional Settings

Where a user's regional settings are set to a date format using decimal points between dates (such as d.m.yyyy), ARGUS Valuation - Capitalisation now accepts the date entered.

Equity % owned

The Align Equity % for Properties field can now be defined to two decimal places at portfolio level.

Calculation Issues

DCF Projections

An option has been added to the DCF Projections Analysis form to enable users to calculate returns using the total acquisition cost (net value plus fees) at the start.

DCF Projections will now display results when a cost has been defined as a percentage of rent paid, with the Fix on Initial option checked.

Cash flow

The cash flow now displays results where there is a property level cost using a lease event cost trigger which has not been applied to any tenants, although no amount can be calculated for the cost.

When an early disposal of a property is defined falling on a day of the month other than the valuation date and the sales receipts are offset against a loan, the loan is now repaid correctly with the sales receipts. Previously in these specific circumstances the loan could be overpaid.

When a loan has been applied to a cash flow, the finance details are now immediately saved in the finance form. In earlier versions of ARGUS Valuation - Capitalisation, when used with an Oracle or MS-



SQL database, the loan details were saved on exit from the DCF form and so drilling down from the cash flow to the finance form before closing the DCF could disable the loan.

DCF calculations have been enhanced so that when a forecast file has been applied to a portfolio with more than 20 properties the DCF now calculates an IRR.

On All Reviews Cost Trigger

For consistency with the On Market Reviews cost trigger, cost triggered On All Reviews are no longer deducted on lease renewal. **Please note** that this change could impact valuation results. If costs are to be deducted at lease renewal, the On Renewal cost trigger may be used.

The On All Reviews cost trigger no longer calculates a cost on expiry of a rent free period.

On All Except Void Costs

Costs triggered on all except voids and repeated into perpetuity are no longer double counted in the DCF exit calculation on the final notional reversion. This is calculated as 150 years post DCF exit and so will not have a material impact on valuation results.

On Renewal Costs

On Renewal Costs are now deducted in the DCF exit calculation where the tenant lease expires during the DCF period, but the lease renewal occurs post DCF exit.

As & When Geared Leasehold Interests

Leasehold interests where reviews are upwards and downwards and ground rent is calculated on an 'as and when' geared basis with a fixed core will now continue to value the fixed core ground rent deduction during tenant void periods where there is no rental income.

Goal Seek Target valuation

When in Assumptions the EY Costs Option is set to use trial rates, the Goal Seek targeted valuation now correctly applies these rates in the iteration calculation.

Indexation

For indexed leases with a renewal rent free period defined, indexation is now calculated from the renewal lease start date; previously in ARGUS Valuation - Capitalisation 2.04 indexation was calculated from expiry of the rent free period.

Updates contained in Version 2.04.004

General

PISCES

In ARGUS Valuation - Capitalisation versions 2.04.002-3 a data file exported via PISCES version 1.6 placed the tenant name and description field information with the tenure element rather than the tenant element. The PISCES 1.6 version files were fully PISCES compliant and reimported all data into ARGUS Valuation - Capitalisation correctly. This only affected users importing an ARGUS Valuation - Capitalisation PISCES 1.6 file into other systems or as an export to IPD. This issue has been fixed in version 2.04.004. PISCES version 1.4 export files were not affected.



Cash flow

When finance is applied and the cash flow duration is for a period including a number of days (for example 5 years and 3 days), the net cash flow total for the final period previously could be overstated. This did not affect the cash flow calculations.

Drilling down from the cash flow to the finance form then exiting and updating the cash flow previously would change the finance IRR displayed for the loan. This did not affect the property or portfolio IRR calculation.

Reports

Acquisition costs are now shown properly in valuation reports when expressed as amounts rather than percentages.

CSV Import

The CSV Import will now import the next review date.

Language files

Updated South African and Danish dictionaries have been included in this version.

Calculation Issues

Cash flow

When vendor's fees are defined in the property Cost Schedule, total acquisition costs previously could be overstated in the DCF. Exit purchaser's and vendor's fees are not affected.

When the Exit cap rate Calculation Method is set as gradient in the property cash flow and the portfolio cash flow uses the property DCF exit cap rate settings, the gradient method is also now applied in the portfolio DCF. Previously the stepped method was used at portfolio level.

When sales receipts from the early disposal of a property (using the Buy/Sell Extras option) are offset against a loan, previously the loan could be over-repaid.

Projections

Time weighted total returns now correctly reflect deferred purchase and early disposal of individual properties.

Updates contained in Version 2.04.003

General

Time Weighted Returns

This new program version includes revised time weighted return calculations based on IPD's new standardised method of calculation. The 'old' time weighted return calculations have also been retained for backwards compatibility.

Web licensing

This version of ARGUS Valuation - Capitalisation now contains ARGUS Software's new web licensing client. This will allow clients to activate and manage their own licences more easily, using the internet. This will not affect existing client licences which will continue to operate as normal unless upgraded. An internet connection is required to take advantage of this new functionality.

**Record Filter**

A Main Use Type (tenant) filter has been added.

PISCES

A number of minor fixes have been made to PISCES version 1.6.1 import and export options.

Pisces 1.4 export now exports a current ground rent amount for leasehold interests with as and when gearing.

Stamp Duty form

Issues could previously arise when editing a stamp duty set using a decimal separator other than '.'.

Tenancy Schedule

Copying a tenant record would, in some instances in earlier versions, not copy all the costs attached to the tenant.

Cost Schedule

The Cost Schedule could sometimes display a pound sign when the currency had been converted to euros; this is now corrected.

Category Analysis

Sub analysis can now be carried out using all categories.

Sub leasehold data is also now included in Category Analysis results.

Quick Valuer

Editing the rent review cycle in Quick Valuer now immediately refreshes the Lease Schedule.

The Holding Over checkbox option now holds when scrolling between tenants in Quick Valuer, using an Oracle or MS-SQL database.

CVL Import

Importing a CVL file to overwrite an existing property record previously could fail when the option to keep existing valuation log records was selected.

Reports

In valuation reports the Initial Yield (Contracted Rent) now includes an allowance for ground rent.

The DCF Exit Calculation Report could report an incorrect net rent amount when a tenant rent review date coincided with the DCF exit date.

The DCF Exit Calculation Report previously reported a current rent at exit ignoring rental growth. This issue affected exit valuations for tenants with a lease event to market rent during the DCF when rental growth had been applied, and has been corrected.

The DCF exit reports now report an exit net value net of capital costs. Previously, the net value shown was gross of capital expenditure.

For multi tenure properties, the DCF exit reports now only show an exit valuation for tenants which directly impact the interest being cash flowed.

The HTML report export option could raise an exception if a Tab command was sent to the printer when no tabs were specified.



Calculation Issues

Cash flow

For tenants with a renewal to a specific value, the specific value is now included in the cash flow where a property has an early disposal date.

In earlier versions tenant costs were not taken through to the exit valuation properly where the defined start date for the cost occurred on an event, such as the lease start date, which expired before the cash flow exit date. This affected costs set to repeat for a fixed period of time beyond the DCF exit, rather than into perpetuity.

On disposal costs are now triggered in the cash flow when properties are sold early.

Leasehold interests

If a leasehold interest starts at a future date, after the valuation date, ground rent is only deducted from lease start. Previously if leasehold gearing was on an as & when basis and a minimum ground rent was defined, ground rent was deducted from the valuation date.

Minimum uplifts now operate with ground leases.

DCF Rental Growth Variants

Growth variants are now calculated on rental growth rates defined at subsidiary and tertiary levels in a (.gre) forecast file.

Area Schedule

The Residual Zone A function now correctly takes account of % adjustments.

Updates contained in Version 2.04.002

General

PISCES

Special note:

This new program version contains new import and export compliance for PISCES version 1.6.1. Few companies have moved to the new standard yet. Older files are compliant with this program but since there has been little market exposure of the new standard, users are advised to note and report any anomalies when using 1.6.1

The PISCES Export function is now able to cope with rent payment dates falling on 29th February.

Changes have been made to improve performance on very slow computers.

Data checker

The 'indexation rate missing' flag has been corrected and now registers whether an indexation rate is present.

Reports

Portfolio level Summary Valuation Report now converts individual property vendors costs.



The portfolio Schedule, DCF exit report could overestimate the purchasers and vendors costs on exit and is now corrected DCF results were unaffected.

HTML report export has been fixed and a PDF file export function has been added.

A number of changes have been made to the Costs Report. Changes include the addition of a tenant, description field so users can more easily differentiate between tenants where two or more records share the same name.

Portfolio Cash flow

Override Purchasers and Vendors costs in a portfolio cash flow now holds and retains the decimal part of the numbers properly.

Portfolio level Debt/Equity line on the DCF Spreadsheet now includes all finance income and expenditure. IRR results are unaffected.

DCF Projections

The Projections screen immediately refreshes when the Initial Mode switch is altered on the Cash flow Setup page.

Payment dates

Issues could previously arise where regular rent payments fall on a non-existent date (eg. 30th February or 31st June). ARGUS Valuation - Capitalisation now treats payments falling on or after the 29th as being paid on the 28th.

Calculation Issues

Cash flow

Professional fees on purchase in cash flows are now properly shown when expressed as amounts rather than percentages.

Costs using the Lease End/Break trigger will now charge costs for the expiry of the renewal lease after the DCF has come to an end. The cost was previously applied if the initial lease expired during the cash flow, not if a break was exercised.

The current rent capitalisation applies the rent at exit shown in the cash flow where the initial lease comes to an end during the DCF and a rent free period applies to the renewal lease.

Grow/Exit sensitivity analysis now sensitises the ERV growth rates when tenant growth has been applied.

Property and portfolio cash flows now use a common, purchase price start point of zero when iterating to find the IRR. This solves odd issues when Property and Portfolio reports state different but equally correct IRR's.

Revenue costs entered within 12 months of the sale of the property will now not contribute to tenants' exit values.

Total expenditure summary lines near the foot of the cash flow page now calculate sale costs differently to provide greater clarity when head rents are capitalised by method. Cash flow results and the Net Cash flow line are unaffected.

The portfolio override, capitalisation method now correctly switches between the available options.



Head rents are now recalculated in DCF's where they are worked off rents net of revenue costs, and costs are inflated.

Vendors costs on DCF start will now apply when required, even when purchase costs on start have not been entered.

Stamp duty costs on purchase can now be disabled from the Cost Schedule.

Head rent reversion is now calculated on the inflated value where the head lease review falls after the DCF exit date.

Rent free periods are now included in capitalisations where the rent free period is in place as the cash flow comes to an end.

Rent reviews falling on the exit date are now capitalised.

Exit costs are now disabled where the gross value less capital costs is negative.

Exit calculations are now worked off the turnover rents at the end of the DCF and are therefore subject to turnover growth during the term of the cash flow.

Traditional valuations

Revenue costs with inflation now appear in traditional, day-one valuations. Given the tenant capitalisation yield will include growth implicitly, inflation on revenue costs is only shown in the DCF.

Shortcut DCF calculations now adjust reversionary rents by revenue costs and head rents where applicable.

Projections

Time weighted returns now include or exclude capital costs falling after the exit date according to the status of the Apply Cap. Ex After Exit switch and the DCF (Exit) Include option in the Details page of the Costs Schedule.

Capital reversions on lease renewal (in place of new leases) will now not recur once the lease expiry has passed.

Turnover rents

The turnover element is now not valued during rent free or void periods.

Known Issues

DCF Exit Calcs report

In very specific circumstances where the review coincides with the DCF end date, the program may report the initial, un-grown tenant rent in the cash flow, as the term rent on exit. The exit and cash flow values shown in the other reports and on the DCF itself are unaffected by the problem, which relates only to this report. The fix will be available in a future upgrade release.