

**ABC BEAUTY, INC.**  
**d.b.a. ABC BEAUTY #500**  
**MAJOR SHOPPING CENTER**  
**HOPE, UT**  
**TENANT SALES AUDIT REPORT**  
for the twenty-four (24) months  
ended December 31, 2001

## TENANT SALES AUDIT REPORT

Tenant: ABC Beauty, Inc.  
Trade Name: ABC Beauty #500  
Shopping Center: Major Shopping Center  
City / State: Hope, UT  
Period: The twenty-four (24) months  
ended December 31, 2001

### Client

Company: Major Realty, LP  
Person: Mr. Bill Smith, General Manager  
Address: 123 Main Street  
City / State: Topeka, KS 55555  
Date of Examination: April 14, 2002  
Date of Report: April 16, 2002

**Compu/Audit, Inc.**  
**6320 west 85th Place, Suite 102**  
**Los Angeles, Ca. 90045**  
**1 - 800 - WE AUDIT**

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## Section 1

### Executive Overview

Tenant: ABC Beauty, Inc.  
Shopping Center: Major Shopping Center  
City: Hope, UT  
Report Date: April 16, 2002  
Landlord: Major Realty, LP  
Management: Major Property Management Co.

1. Audit Period: From January 1, 2000 to December 31, 2001
2. Examination Location: Newark, NJ
3. Date of Examination: April 14, 2002

4. Total Unreported Sales.....	<u>\$ 125,290</u>
5. Sales in Percentage Rent.....	<u>80,719</u>
6. Percentage Rent Due Landlord.....	2,422
7. Interest Due Landlord.....	577
8. Examination Fee Due Landlord.....	<u>700</u>
9. Grand Total.....	<u>\$ 3,699</u>

10. Tenant's response to findings:  
Tenant agrees with findings.
11. Sales records requested but not provided:  
None.
12. Tenant's compliance with Reporting Requirements:  
Tenant does not comply with Reporting Requirements.

## **Section 1**

### **Executive Overview** (continued)

#### **Comments**

Books and records are in good order, and the tenant was helpful and cooperative. The tenant's corporate sales reporting policy is to exclude all Mail Order and Catalog sales from reported sales. The lease only permits the exclusion of Mail Order and Catalog sales provided the related orders are not received or filled from the premises. However, the unreported sales orders were received and filled from the premises. Employee sales are less than 2% of gross sales, and are therefore properly excluded from reported sales as is the sale by the tenant of equipment. Bad debts, also excluded by the lease, are less than 2% of gross sales.

## Section 2

### A

### Additional Percentage Rent Due

	Lease Year Ended 12/31/01	Lease Year Ended 12/31/00
Reported Sales	\$ 685,065	\$ 670,364
Findings:		
1. <u>Mail order and catalog sales</u>	54,757	70,533
Total Findings	54,757	70,533
Subject Sales	739,822	740,897
Break Point	700,000	700,000
Percentage Rent Application	39,822	40,897
	%	%
	3	3
Amount of Percentage Rent Paid Previously	1,195	1,227
Percentage Rent Balance Due	0	0
	1,195	1,227

### Summary

Additional Percentage Rent Due	\$2,422
Interest Due Landlord	577
Examination Fee Due	700
Total Due Landlord	<u>\$3,699</u>

For Additional information, please contact Compu/Audit, Inc. at

1 - 800 - WE AUDIT (932 - 8348)

<http://www.compuaudit.com>