

**ABC ELECTRONICS, INC.**  
**d.b.a. ABC ELECTRONICS #619**  
**MAJOR SHOPPING CENTER**  
**DALLAS, TX**  
**TENANT SALES AUDIT REPORT**  
for the twenty-four (24) months  
ended December 31, 2001

## TENANT SALES AUDIT REPORT

Tenant:	ABC Electronics, Inc.
Trade Name:	ABC Electronics #619
Shopping Center:	Major Shopping Center
City / State:	Dallas, TX
Period:	The twenty-four (24) months ended December 31, 2001

### Client

Company:	Major Realty, LLC
Person:	Mr. Bill Smith, General Manager
Address:	123 Main Street
City / State:	New York, NY 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 Electronics, Inc.  
Shopping Center: Major Shopping Center  
City: Dallas, TX  
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: Detroit, MI
3. Date of Examination: April 14, 2002

4. Total Unreported Sales.....	<u>\$ 139,103</u>
5. Unreported Sales in Percentage Rent.....	<u>85,354</u>
6. Percentage Rent Due Landlord.....	2,560
8. Examination Fee Due Landlord.....	750
9. Grand Total.....	<u>\$ 3,310</u>

10. Tenant's response to findings:  
Tenant agrees with findings.
11. Sales records requested but not provided:  
Annual financial statements, warranty information, self-financed credit sales.
12. Tenant's compliance with Reporting Requirements:  
Tenant does not comply with Reporting Requirements, as annual sales reports are incorrect.

## **Section 1**

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

#### **Comments**

The tenant was somewhat helpful and cooperative, and the books and records were of average quality. There are thirteen sales categories maintained by the tenant for sales analysis purposes. As a matter of corporate policy, certain types of revenue, such as cellular telephone sales commissions, Service Plan Income, and miscellaneous income, are not reported by the tenant. The tenant maintains its own credit charge card. Interest earned from these credit sales is not excluded by the lease, but is not reported by the tenant. Various types of product insurance policies may be sold with tenant self-financed credit sales. These revenues are not reported as revenues by the tenant, as required by the lease.

**Section 2**

**A**

**Additional Percentage Rent Due**

	Lease Year Ended 12/31/01	Lease Year Ended 12/31/00
Reported Sales	\$ 422,013	\$ 374,238
Findings		
1. Arithmetic difference	87,736	51,367
Total Findings	87,736	51,367
Subject Sales	509,749	425,605
Break Point	450,000	400,000
Percentage Rent Application	59,749	25,605
	%	%
Percentage Rent Rate	3	3
Amount of Percentage Rent	1,792	768
Paid Previously	0	0
Percentage Rent Balance Due	\$ 1,792	\$ 768

**Summary**

Additional Percentage Rent Due	\$2,560
Examination Fee	750
Total Due Landlord	<u><u>\$3,310</u></u>

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

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