

# KAHR Real Estate Services

## Argus Training

In this two day course, attendees will learn how to use ARGUS to an intermediate level and will be exposed to its most advanced features. No previous ARGUS knowledge is required and attendees do not need any specific knowledge before taking the class. A limited exposure to commercial real estate or finance is sufficient as all relevant financial concepts are covered in class..

By the end of the class, you will know how to do the following:

- *Build ARGUS financial models using nothing more than a few assumptions*
- *Edit and audit existing models for errors and unreasonable assumptions*
- *Determine an appropriate purchase price and leverage based on desired rates of return and risk tolerance*
- *Build detailed cash flow projections, sources and uses schedules, and other financial reporting tools such as discounted cash flow analysis*
- *Estimate future sale prices based on cash flow and other approaches*
- *Account for the impact of debt financing, taxes, and depreciation*
- *Model complex partnerships and determine the returns to each investor*
- *Develop detailed construction budgets for development projects*
- *Build advanced mortgages such as construction and participating mortgages*
- *Run advanced scenario and sensitivity analyses on individual properties and portfolios*
- *Export all data and reports to customized reports in Excel*

### Schedule and Agenda

#### Day 1:

9:00

- Creating and Answering the Basic Four
- Questions for Any ARGUS Model
- Property Level Revenues, Expenses, and Capital Expenditures
- Introduction to Property Level Reporting
- Entering a Single Tenant
- Market Leasing Assumptions
- Introduction to Vacancy and Credit Loss
- Property Purchase & Resale
- Debt Financing
- Present Value Discounting
- Case Study: Reed Tower Part 1

12:30 Lunch

1:30

- Auditing
- Multiple Tenants
- Detailed Base Rent
- Retail Sales Rent
- Space Absorption
- Parking Revenue
- Tenant Groups
- Advanced Vacancy
- Relative Start Dates vs. Fixed Start Dates
- Detailed Reimbursement Methods
- Grossing Up Expenses
- Reference Accounts
- Reimbursable Reporting Groups
- Case Study: Reed Tower Part 2

#### Day 2:

9:00

- Introduction to the Categories Menu:
  - Rent Abatements
  - Rent Abatement Modifiers
  - Step Rent CPI Rent
  - Miscellaneous Rent
  - Parking Spaces
- Introduction to the Market Menu
- Advanced Market Leasing Assumptions
- Intelligent Renewals
- Land, Hard and Soft Costs
- S-Curves
- Reference Dates
- IRR Revisited
- Global Categories
- Global Report Packages
- Depreciation and Taxes
- Partnerships
- Case Study: Reed Tower Part 3

12:30 Lunch

1:30

- Escrow Accounts
- Stacking Plan
- Report Writer/EXCEL Integration
- Sensitivity Matrix
- Partnerships Revisited
- Apartment Model
- Hotel Model
- Portfolio Model

5:00 End of day

\* There is a short break (15 minutes) each day in the morning and the afternoon.

A strong emphasis is placed on how the software is actually used in the business world. All students will receive “hands-on” experience in the class and will also work on a case study at three separate times over the weekend. With each step, the case study’s complexity builds as the attendee’s knowledge increases. Different solutions to the case study are reviewed and discussed at the end of each unit.