

FAS13 Straight Line Calculation

Base Example – Generic Building Lease

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BKD 2010 Lease Exposure Draft Template - Version 09-2010

Calculation of Rental Expense on a Straight Line Basis (FASB 13)

Assumptions:

Assumes that extension of the lease for the renewal term is assured due to a penalty clause

Periods	Resulting Cash Lease Rate	Straight Line Period 1	Straight Line Period 2	Straight Line Period 3	Straight Line Period 4	Straight Line Period 5	Rolling S-L Liability	Flexible Summary
Jan-10	\$ -	\$ 52,137.78					\$ (52,137.78)	\$ 625,653.36
Feb-10	\$ -	\$ 52,137.78					\$ (104,275.56)	
Mar-10	\$ -	\$ 52,137.78					\$ (156,413.34)	
Apr-10	\$ 36,666.67	\$ 52,137.78					\$ (171,884.45)	
May-10	\$ 36,666.67	\$ 52,137.78					\$ (187,355.57)	
Jun-10	\$ 36,666.67	\$ 52,137.78					\$ (202,826.68)	
Jul-10	\$ 36,666.67	\$ 52,137.78					\$ (218,297.79)	
Aug-10	\$ 36,666.67	\$ 52,137.78					\$ (233,768.91)	
Sep-10	\$ 36,666.67	\$ 52,137.78					\$ (249,240.02)	
Oct-10	\$ 36,666.67	\$ 52,137.78					\$ (264,711.13)	
Nov-10	\$ 36,666.67	\$ 52,137.78					\$ (280,182.25)	
Dec-10	\$ 36,666.67	\$ 52,137.78					\$ (295,653.36)	
Jan-11	\$ 38,500.00	\$ 52,137.78					\$ (309,291.14)	\$ 625,653.36
Feb-11	\$ 38,500.00	\$ 52,137.78					\$ (322,928.92)	
Mar-11	\$ 38,500.00	\$ 52,137.78					\$ (336,566.70)	
Apr-11	\$ 38,500.00	\$ 52,137.78					\$ (350,204.48)	
May-11	\$ 38,500.00	\$ 52,137.78					\$ (363,842.26)	
Jun-11	\$ 38,500.00	\$ 52,137.78					\$ (377,480.04)	
Jul-11	\$ 38,500.00	\$ 52,137.78					\$ (391,117.82)	
Aug-11	\$ 38,500.00	\$ 52,137.78					\$ (404,755.60)	
Sep-11	\$ 38,500.00	\$ 52,137.78					\$ (418,393.38)	
Oct-11	\$ 38,500.00	\$ 52,137.78					\$ (432,031.16)	
Nov-11	\$ 38,500.00	\$ 52,137.78					\$ (445,668.94)	
Dec-11	\$ 38,500.00	\$ 52,137.78					\$ (459,306.72)	
Jan-12	\$ 40,433.33	\$ 52,137.78					\$ (471,011.17)	\$ 625,653.36
Feb-12	\$ 40,433.33	\$ 52,137.78					\$ (482,715.61)	
Mar-12	\$ 40,433.33	\$ 52,137.78					\$ (494,420.06)	
Apr-12	\$ 40,433.33	\$ 52,137.78					\$ (506,124.51)	
May-12	\$ 40,433.33	\$ 52,137.78					\$ (517,828.95)	
Jun-12	\$ 40,433.33	\$ 52,137.78					\$ (529,533.40)	
Jul-12	\$ 40,433.33	\$ 52,137.78					\$ (541,237.85)	
Aug-12	\$ 40,433.33	\$ 52,137.78					\$ (552,942.29)	
Sep-12	\$ 40,433.33	\$ 52,137.78					\$ (564,646.74)	
Oct-12	\$ 40,433.33	\$ 52,137.78					\$ (576,351.19)	
Nov-12	\$ 40,433.33	\$ 52,137.78					\$ (588,055.63)	
Dec-12	\$ 40,433.33	\$ 52,137.78					\$ (599,760.08)	
Jan-13	\$ 42,450.00	\$ 52,137.78					\$ (609,447.86)	\$ 625,653.36
Feb-13	\$ 42,450.00	\$ 52,137.78					\$ (619,135.64)	
Mar-13	\$ 42,450.00	\$ 52,137.78					\$ (628,823.42)	
Apr-13	\$ 42,450.00	\$ 52,137.78					\$ (638,511.20)	
May-13	\$ 42,450.00	\$ 52,137.78					\$ (648,198.98)	
Jun-13	\$ 42,450.00	\$ 52,137.78					\$ (657,886.76)	
Jul-13	\$ 42,450.00	\$ 52,137.78					\$ (667,574.54)	
Aug-13	\$ 42,450.00	\$ 52,137.78					\$ (677,262.32)	
Sep-13	\$ 42,450.00	\$ 52,137.78					\$ (686,950.10)	
Oct-13	\$ 42,450.00	\$ 52,137.78					\$ (696,637.88)	
Nov-13	\$ 42,450.00	\$ 52,137.78					\$ (706,325.66)	
Dec-13	\$ 42,450.00	\$ 52,137.78					\$ (716,013.44)	
Jan-14	\$ 44,566.67	\$ 52,137.78					\$ (723,584.55)	\$ 625,653.36
Feb-14	\$ 44,566.67	\$ 52,137.78					\$ (731,155.67)	
Mar-14	\$ 44,566.67	\$ 52,137.78					\$ (738,726.78)	
Apr-14	\$ 44,566.67	\$ 52,137.78					\$ (746,297.89)	
May-14	\$ 44,566.67	\$ 52,137.78					\$ (753,869.01)	
Jun-14	\$ 44,566.67	\$ 52,137.78					\$ (761,440.12)	
Jul-14	\$ 44,566.67	\$ 52,137.78					\$ (769,011.23)	
Aug-14	\$ 44,566.67	\$ 52,137.78					\$ (776,582.35)	
Sep-14	\$ 44,566.67	\$ 52,137.78					\$ (784,153.46)	
Oct-14	\$ 44,566.67	\$ 52,137.78					\$ (791,724.57)	
Nov-14	\$ 44,566.67	\$ 52,137.78					\$ (799,295.69)	
Dec-14	\$ 44,566.67	\$ 52,137.78					\$ (806,866.80)	
Jan-15	\$ 46,800.00	\$ 52,137.78					\$ (812,204.58)	\$ 625,653.36
Feb-15	\$ 46,800.00	\$ 52,137.78					\$ (817,542.36)	

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Calculation of Rental Expense on a Straight Line Basis (FASB 13)

Assumptions:

Assumes that extension of the lease for the renewal term is assured due to a penalty clause

Periods	Resulting Cash Lease Rate	Straight Line Period 1	Straight Line Period 2	Straight Line Period 3	Straight Line Period 4	Straight Line Period 5	Rolling S-L Liability	Flexible Summary
Mar-15	\$ 46,800.00	\$ 52,137.78					\$ (822,880.14)	
Apr-15	\$ 46,800.00	\$ 52,137.78					\$ (828,217.92)	
May-15	\$ 46,800.00	\$ 52,137.78					\$ (833,555.70)	
Jun-15	\$ 46,800.00	\$ 52,137.78					\$ (838,893.48)	
Jul-15	\$ 46,800.00	\$ 52,137.78					\$ (844,231.26)	
Aug-15	\$ 46,800.00	\$ 52,137.78					\$ (849,569.04)	
Sep-15	\$ 46,800.00	\$ 52,137.78					\$ (854,906.82)	
Oct-15	\$ 46,800.00	\$ 52,137.78					\$ (860,244.60)	
Nov-15	\$ 46,800.00	\$ 52,137.78					\$ (865,582.38)	
Dec-15	\$ 46,800.00	\$ 52,137.78					\$ (870,920.16)	
Jan-16	\$ 49,133.33	\$ 52,137.78					\$ (873,924.61)	\$ 625,653.36
Feb-16	\$ 49,133.33	\$ 52,137.78					\$ (876,929.05)	
Mar-16	\$ 49,133.33	\$ 52,137.78					\$ (879,933.50)	
Apr-16	\$ 49,133.33	\$ 52,137.78					\$ (882,937.95)	
May-16	\$ 49,133.33	\$ 52,137.78					\$ (885,942.39)	
Jun-16	\$ 49,133.33	\$ 52,137.78					\$ (888,946.84)	
Jul-16	\$ 49,133.33	\$ 52,137.78					\$ (891,951.29)	
Aug-16	\$ 49,133.33	\$ 52,137.78					\$ (894,955.73)	
Sep-16	\$ 49,133.33	\$ 52,137.78					\$ (897,960.18)	
Oct-16	\$ 49,133.33	\$ 52,137.78					\$ (900,964.63)	
Nov-16	\$ 49,133.33	\$ 52,137.78					\$ (903,969.07)	
Dec-16	\$ 49,133.33	\$ 52,137.78					\$ (906,973.52)	
Jan-17	\$ 51,583.33	\$ 52,137.78					\$ (907,527.97)	\$ 625,653.36
Feb-17	\$ 51,583.33	\$ 52,137.78					\$ (908,082.41)	
Mar-17	\$ 51,583.33	\$ 52,137.78					\$ (908,636.86)	
Apr-17	\$ 51,583.33	\$ 52,137.78					\$ (909,191.31)	
May-17	\$ 51,583.33	\$ 52,137.78					\$ (909,745.75)	
Jun-17	\$ 51,583.33	\$ 52,137.78					\$ (910,300.20)	
Jul-17	\$ 51,583.33	\$ 52,137.78					\$ (910,854.65)	
Aug-17	\$ 51,583.33	\$ 52,137.78					\$ (911,409.09)	
Sep-17	\$ 51,583.33	\$ 52,137.78					\$ (911,963.54)	
Oct-17	\$ 51,583.33	\$ 52,137.78					\$ (912,517.99)	
Nov-17	\$ 51,583.33	\$ 52,137.78					\$ (913,072.43)	
Dec-17	\$ 51,583.33	\$ 52,137.78					\$ (913,626.88)	
Jan-18	\$ 54,166.67	\$ 52,137.78					\$ (911,597.99)	\$ 625,653.36
Feb-18	\$ 54,166.67	\$ 52,137.78					\$ (909,569.11)	
Mar-18	\$ 54,166.67	\$ 52,137.78					\$ (907,540.22)	
Apr-18	\$ 54,166.67	\$ 52,137.78					\$ (905,511.33)	
May-18	\$ 54,166.67	\$ 52,137.78					\$ (903,482.45)	
Jun-18	\$ 54,166.67	\$ 52,137.78					\$ (901,453.56)	
Jul-18	\$ 54,166.67	\$ 52,137.78					\$ (899,424.67)	
Aug-18	\$ 54,166.67	\$ 52,137.78					\$ (897,395.79)	
Sep-18	\$ 54,166.67	\$ 52,137.78					\$ (895,366.90)	
Oct-18	\$ 54,166.67	\$ 52,137.78					\$ (893,338.01)	
Nov-18	\$ 54,166.67	\$ 52,137.78					\$ (891,309.13)	
Dec-18	\$ 54,166.67	\$ 52,137.78					\$ (889,280.24)	
Jan-19	\$ 56,883.33	\$ 52,137.78					\$ (884,534.69)	\$ 625,653.36
Feb-19	\$ 56,883.33	\$ 52,137.78					\$ (879,789.13)	
Mar-19	\$ 56,883.33	\$ 52,137.78					\$ (875,043.58)	
Apr-19	\$ 56,883.33	\$ 52,137.78					\$ (870,298.03)	
May-19	\$ 56,883.33	\$ 52,137.78					\$ (865,552.47)	
Jun-19	\$ 56,883.33	\$ 52,137.78					\$ (860,806.92)	
Jul-19	\$ 56,883.33	\$ 52,137.78					\$ (856,061.37)	
Aug-19	\$ 56,883.33	\$ 52,137.78					\$ (851,315.81)	
Sep-19	\$ 56,883.33	\$ 52,137.78					\$ (846,570.26)	
Oct-19	\$ 56,883.33	\$ 52,137.78					\$ (841,824.71)	
Nov-19	\$ 56,883.33	\$ 52,137.78					\$ (837,079.15)	
Dec-19	\$ 56,883.33	\$ 52,137.78					\$ (832,333.60)	
Jan-20	\$ 59,733.33	\$ 52,137.78					\$ (824,738.05)	\$ 625,653.36
Feb-20	\$ 59,733.33	\$ 52,137.78					\$ (817,142.49)	
Mar-20	\$ 59,733.33	\$ 52,137.78					\$ (809,546.94)	
Apr-20	\$ 59,733.33	\$ 52,137.78					\$ (801,951.39)	

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Assumptions:

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Periods	Resulting Cash Lease Rate	Straight Line Period 1	Straight Line Period 2	Straight Line Period 3	Straight Line Period 4	Straight Line Period 5	Rolling S-L Liability	Flexible Summary
May-20	\$ 59,733.33	\$ 52,137.78					\$ (794,355.83)	
Jun-20	\$ 59,733.33	\$ 52,137.78					\$ (786,760.28)	
Jul-20	\$ 59,733.33	\$ 52,137.78					\$ (779,164.73)	
Aug-20	\$ 59,733.33	\$ 52,137.78					\$ (771,569.17)	
Sep-20	\$ 59,733.33	\$ 52,137.78					\$ (763,973.62)	
Oct-20	\$ 59,733.33	\$ 52,137.78					\$ (756,378.07)	
Nov-20	\$ 59,733.33	\$ 52,137.78					\$ (748,782.51)	
Dec-20	\$ 59,733.33	\$ 52,137.78					\$ (741,186.96)	
Jan-21	\$ 62,716.67	\$ 52,137.78					\$ (730,608.07)	\$ 625,653.36
Feb-21	\$ 62,716.67	\$ 52,137.78					\$ (720,029.19)	
Mar-21	\$ 62,716.67	\$ 52,137.78					\$ (709,450.30)	
Apr-21	\$ 62,716.67	\$ 52,137.78					\$ (698,871.41)	
May-21	\$ 62,716.67	\$ 52,137.78					\$ (688,292.53)	
Jun-21	\$ 62,716.67	\$ 52,137.78					\$ (677,713.64)	
Jul-21	\$ 62,716.67	\$ 52,137.78					\$ (667,134.75)	
Aug-21	\$ 62,716.67	\$ 52,137.78					\$ (656,555.87)	
Sep-21	\$ 62,716.67	\$ 52,137.78					\$ (645,976.98)	
Oct-21	\$ 62,716.67	\$ 52,137.78					\$ (635,398.09)	
Nov-21	\$ 62,716.67	\$ 52,137.78					\$ (624,819.21)	
Dec-21	\$ 62,716.67	\$ 52,137.78					\$ (614,240.32)	
Jan-22	\$ 65,850.00	\$ 52,137.78					\$ (600,528.10)	\$ 625,653.36
Feb-22	\$ 65,850.00	\$ 52,137.78					\$ (586,815.88)	
Mar-22	\$ 65,850.00	\$ 52,137.78					\$ (573,103.66)	
Apr-22	\$ 65,850.00	\$ 52,137.78					\$ (559,391.44)	
May-22	\$ 65,850.00	\$ 52,137.78					\$ (545,679.22)	
Jun-22	\$ 65,850.00	\$ 52,137.78					\$ (531,967.00)	
Jul-22	\$ 65,850.00	\$ 52,137.78					\$ (518,254.78)	
Aug-22	\$ 65,850.00	\$ 52,137.78					\$ (504,542.56)	
Sep-22	\$ 65,850.00	\$ 52,137.78					\$ (490,830.34)	
Oct-22	\$ 65,850.00	\$ 52,137.78					\$ (477,118.12)	
Nov-22	\$ 65,850.00	\$ 52,137.78					\$ (463,405.90)	
Dec-22	\$ 65,850.00	\$ 52,137.78					\$ (449,693.68)	
Jan-23	\$ 69,150.00	\$ 52,137.78					\$ (432,681.46)	\$ 625,653.36
Feb-23	\$ 69,150.00	\$ 52,137.78					\$ (415,669.24)	
Mar-23	\$ 69,150.00	\$ 52,137.78					\$ (398,657.02)	
Apr-23	\$ 69,150.00	\$ 52,137.78					\$ (381,644.80)	
May-23	\$ 69,150.00	\$ 52,137.78					\$ (364,632.58)	
Jun-23	\$ 69,150.00	\$ 52,137.78					\$ (347,620.36)	
Jul-23	\$ 69,150.00	\$ 52,137.78					\$ (330,608.14)	
Aug-23	\$ 69,150.00	\$ 52,137.78					\$ (313,595.92)	
Sep-23	\$ 69,150.00	\$ 52,137.78					\$ (296,583.70)	
Oct-23	\$ 69,150.00	\$ 52,137.78					\$ (279,571.48)	
Nov-23	\$ 69,150.00	\$ 52,137.78					\$ (262,559.26)	
Dec-23	\$ 69,150.00	\$ 52,137.78					\$ (245,547.04)	
Jan-24	\$ 72,600.00	\$ 52,137.78					\$ (225,084.82)	\$ 625,653.36
Feb-24	\$ 72,600.00	\$ 52,137.78					\$ (204,622.60)	
Mar-24	\$ 72,600.00	\$ 52,137.78					\$ (184,160.38)	
Apr-24	\$ 72,600.00	\$ 52,137.78					\$ (163,698.16)	
May-24	\$ 72,600.00	\$ 52,137.78					\$ (143,235.94)	
Jun-24	\$ 72,600.00	\$ 52,137.78					\$ (122,773.72)	
Jul-24	\$ 72,600.00	\$ 52,137.78					\$ (102,311.50)	
Aug-24	\$ 72,600.00	\$ 52,137.78					\$ (81,849.28)	
Sep-24	\$ 72,600.00	\$ 52,137.78					\$ (61,387.06)	
Oct-24	\$ 72,600.00	\$ 52,137.78					\$ (40,924.84)	
Nov-24	\$ 72,600.00	\$ 52,137.78					\$ (20,462.62)	
Dec-24	\$ 72,600.00	\$ 52,137.78					\$ (0.40)	