

# Lessor – Lease Liability Calculation

## *Base Example – Generic Building Lease*

\*\*Disclaimer – The exposure draft received nearly 700 letters of comment through the comment period ended December 15, 2010. There is some expectation that key features of the standard will be modified as a result of constituent response. As a result, these illustrative examples will not likely be accurate or appropriate to rely upon after issuance of the final standard. We have provided these as an educational tool only and do not represent these examples to be accurate under current or future final standards. Any templates used in the examples below are for internal use only and are not available for distribution.

# BKD 2010 Lease Exposure Draft Template - Version 09-2010

## LESSOR - Rights To Use Asset Calculation and Amortization

Original Present Value of Lease Streams:  
Period of Amortization (years)

\$	4,978,482.12
	15

Because changes in future cash flows may occur, once the initial lease term is defined, the beginning right to use asset PV of lease streams should be manually keyed as a starting point.

Periods	Carrying Basis Beginning of Period	End of Period Impairment or Reassessment	# of Amortization Periods	Periodic Amortization Formula	Amortization Flexible Summary	Accumulated Amortization	End of Period Net Carrying Basis
Jan-10	4,978,482.12		180	(27,658.23)	(27,658.23)	(27,658.23)	4,950,823.89
Feb-10	4,978,482.12		180	(27,658.23)	(55,316.46)	(55,316.46)	4,923,165.66
Mar-10	4,978,482.12		180	(27,658.23)	(82,974.69)	(82,974.69)	4,895,507.43
Apr-10	4,978,482.12		180	(27,658.23)	(110,632.92)	(110,632.92)	4,867,849.20
May-10	4,978,482.12		180	(27,658.23)	(138,291.15)	(138,291.15)	4,840,190.97
Jun-10	4,978,482.12		180	(27,658.23)	(165,949.38)	(165,949.38)	4,812,532.74
Jul-10	4,978,482.12		180	(27,658.23)	(193,607.61)	(193,607.61)	4,784,874.51
Aug-10	4,978,482.12		180	(27,658.23)	(221,265.84)	(221,265.84)	4,757,216.28
Sep-10	4,978,482.12		180	(27,658.23)	(248,924.07)	(248,924.07)	4,729,558.05
Oct-10	4,978,482.12		180	(27,658.23)	(276,582.30)	(276,582.30)	4,701,899.82
Nov-10	4,978,482.12		180	(27,658.23)	(304,240.53)	(304,240.53)	4,674,241.59
Dec-10	4,978,482.12		180	(27,658.23)	(331,898.76)	(331,898.76)	4,646,583.36
Jan-11	4,978,482.12		180	(27,658.23)	(27,658.23)	(359,556.99)	4,618,925.13
Feb-11	4,978,482.12		180	(27,658.23)	(55,316.46)	(387,215.22)	4,591,266.90
Mar-11	4,978,482.12		180	(27,658.23)	(82,974.69)	(414,873.45)	4,563,608.67
Apr-11	4,978,482.12		180	(27,658.23)	(110,632.92)	(442,531.68)	4,535,950.44
May-11	4,978,482.12		180	(27,658.23)	(138,291.15)	(470,189.91)	4,508,292.21
Jun-11	4,978,482.12		180	(27,658.23)	(165,949.38)	(497,848.14)	4,480,633.98
Jul-11	4,978,482.12		180	(27,658.23)	(193,607.61)	(525,506.37)	4,452,975.75
Aug-11	4,978,482.12		180	(27,658.23)	(221,265.84)	(553,164.60)	4,425,317.52
Sep-11	4,978,482.12		180	(27,658.23)	(248,924.07)	(580,822.83)	4,397,659.29
Oct-11	4,978,482.12		180	(27,658.23)	(276,582.30)	(608,481.06)	4,370,001.06
Nov-11	4,978,482.12		180	(27,658.23)	(304,240.53)	(636,139.29)	4,342,342.83
Dec-11	4,978,482.12		180	(27,658.23)	(331,898.76)	(663,797.52)	4,314,684.60
Jan-12	4,978,482.12		180	(27,658.23)	(27,658.23)	(691,455.75)	4,287,026.37
Feb-12	4,978,482.12		180	(27,658.23)	(55,316.46)	(719,113.98)	4,259,368.14
Mar-12	4,978,482.12		180	(27,658.23)	(82,974.69)	(746,772.21)	4,231,709.91
Apr-12	4,978,482.12		180	(27,658.23)	(110,632.92)	(774,430.44)	4,204,051.68
May-12	4,978,482.12		180	(27,658.23)	(138,291.15)	(802,088.67)	4,176,393.45
Jun-12	4,978,482.12		180	(27,658.23)	(165,949.38)	(829,746.90)	4,148,735.22
Jul-12	4,978,482.12		180	(27,658.23)	(193,607.61)	(857,405.13)	4,121,076.99
Aug-12	4,978,482.12		180	(27,658.23)	(221,265.84)	(885,063.36)	4,093,418.76
Sep-12	4,978,482.12		180	(27,658.23)	(248,924.07)	(912,721.59)	4,065,760.53
Oct-12	4,978,482.12		180	(27,658.23)	(276,582.30)	(940,379.82)	4,038,102.30
Nov-12	4,978,482.12		180	(27,658.23)	(304,240.53)	(968,038.05)	4,010,444.07
Dec-12	4,978,482.12		180	(27,658.23)	(331,898.76)	(995,696.28)	3,982,785.84
Jan-13	4,978,482.12		180	(27,658.23)	(27,658.23)	(1,023,354.51)	3,955,127.61
Feb-13	4,978,482.12		180	(27,658.23)	(55,316.46)	(1,051,012.74)	3,927,469.38
Mar-13	4,978,482.12		180	(27,658.23)	(82,974.69)	(1,078,670.97)	3,899,811.15
Apr-13	4,978,482.12		180	(27,658.23)	(110,632.92)	(1,106,329.20)	3,872,152.92
May-13	4,978,482.12		180	(27,658.23)	(138,291.15)	(1,133,987.43)	3,844,494.69
Jun-13	4,978,482.12		180	(27,658.23)	(165,949.38)	(1,161,645.66)	3,816,836.46
Jul-13	4,978,482.12		180	(27,658.23)	(193,607.61)	(1,189,303.89)	3,789,178.23
Aug-13	4,978,482.12		180	(27,658.23)	(221,265.84)	(1,216,962.12)	3,761,520.00
Sep-13	4,978,482.12		180	(27,658.23)	(248,924.07)	(1,244,620.35)	3,733,861.77
Oct-13	4,978,482.12		180	(27,658.23)	(276,582.30)	(1,272,278.58)	3,706,203.54
Nov-13	4,978,482.12		180	(27,658.23)	(304,240.53)	(1,299,936.81)	3,678,545.31
Dec-13	4,978,482.12		180	(27,658.23)	(331,898.76)	(1,327,595.04)	3,650,887.08
Jan-14	4,978,482.12		180	(27,658.23)	(27,658.23)	(1,355,253.27)	3,623,228.85
Feb-14	4,978,482.12		180	(27,658.23)	(55,316.46)	(1,382,911.50)	3,595,570.62
Mar-14	4,978,482.12		180	(27,658.23)	(82,974.69)	(1,410,569.73)	3,567,912.39
Apr-14	4,978,482.12		180	(27,658.23)	(110,632.92)	(1,438,227.96)	3,540,254.16
May-14	4,978,482.12		180	(27,658.23)	(138,291.15)	(1,465,886.19)	3,512,595.93
Jun-14	4,978,482.12		180	(27,658.23)	(165,949.38)	(1,493,544.42)	3,484,937.70
Jul-14	4,978,482.12		180	(27,658.23)	(193,607.61)	(1,521,202.65)	3,457,279.47
Aug-14	4,978,482.12		180	(27,658.23)	(221,265.84)	(1,548,860.88)	3,429,621.24
Sep-14	4,978,482.12		180	(27,658.23)	(248,924.07)	(1,576,519.11)	3,401,963.01

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## LESSOR - Rights To Use Asset Calculation and Amortization

Original Present Value of Lease Streams:  
Period of Amortization (years)

\$	4,978,482.12
	15

Because changes in future cash flows may occur, once the initial lease term is defined, the beginning right to use asset PV of lease streams should be manually keyed as a starting point.

Periods	Carrying Basis Beginning of Period	End of Period Impairment or Reassessment	# of Amortization Periods	Periodic Amortization Formula	Amortization Flexible Summary	Accumulated Amortization	End of Period Net Carrying Basis
Oct-14	4,978,482.12		180	(27,658.23)	(276,582.30)	(1,604,177.34)	3,374,304.78
Nov-14	4,978,482.12		180	(27,658.23)	(304,240.53)	(1,631,835.57)	3,346,646.55
Dec-14	4,978,482.12		180	(27,658.23)	(331,898.76)	(1,659,493.80)	3,318,988.32
Jan-15	4,978,482.12		180	(27,658.23)	(27,658.23)	(1,687,152.03)	3,291,330.09
Feb-15	4,978,482.12		180	(27,658.23)	(55,316.46)	(1,714,810.26)	3,263,671.86
Mar-15	4,978,482.12		180	(27,658.23)	(82,974.69)	(1,742,468.49)	3,236,013.63
Apr-15	4,978,482.12		180	(27,658.23)	(110,632.92)	(1,770,126.72)	3,208,355.40
May-15	4,978,482.12		180	(27,658.23)	(138,291.15)	(1,797,784.95)	3,180,697.17
Jun-15	4,978,482.12		180	(27,658.23)	(165,949.38)	(1,825,443.18)	3,153,038.94
Jul-15	4,978,482.12		180	(27,658.23)	(193,607.61)	(1,853,101.41)	3,125,380.71
Aug-15	4,978,482.12		180	(27,658.23)	(221,265.84)	(1,880,759.64)	3,097,722.48
Sep-15	4,978,482.12		180	(27,658.23)	(248,924.07)	(1,908,417.87)	3,070,064.25
Oct-15	4,978,482.12		180	(27,658.23)	(276,582.30)	(1,936,076.10)	3,042,406.02
Nov-15	4,978,482.12		180	(27,658.23)	(304,240.53)	(1,963,734.33)	3,014,747.79
Dec-15	4,978,482.12		180	(27,658.23)	(331,898.76)	(1,991,392.56)	2,987,089.56
Jan-16	4,978,482.12		180	(27,658.23)	(27,658.23)	(2,019,050.79)	2,959,431.33
Feb-16	4,978,482.12		180	(27,658.23)	(55,316.46)	(2,046,709.02)	2,931,773.10
Mar-16	4,978,482.12		180	(27,658.23)	(82,974.69)	(2,074,367.25)	2,904,114.87
Apr-16	4,978,482.12		180	(27,658.23)	(110,632.92)	(2,102,025.48)	2,876,456.64
May-16	4,978,482.12		180	(27,658.23)	(138,291.15)	(2,129,683.71)	2,848,798.41
Jun-16	4,978,482.12		180	(27,658.23)	(165,949.38)	(2,157,341.94)	2,821,140.18
Jul-16	4,978,482.12		180	(27,658.23)	(193,607.61)	(2,185,000.17)	2,793,481.95
Aug-16	4,978,482.12		180	(27,658.23)	(221,265.84)	(2,212,658.40)	2,765,823.72
Sep-16	4,978,482.12		180	(27,658.23)	(248,924.07)	(2,240,316.63)	2,738,165.49
Oct-16	4,978,482.12		180	(27,658.23)	(276,582.30)	(2,267,974.86)	2,710,507.26
Nov-16	4,978,482.12		180	(27,658.23)	(304,240.53)	(2,295,633.09)	2,682,849.03
Dec-16	4,978,482.12		180	(27,658.23)	(331,898.76)	(2,323,291.32)	2,655,190.80
Jan-17	4,978,482.12		180	(27,658.23)	(27,658.23)	(2,350,949.55)	2,627,532.57
Feb-17	4,978,482.12		180	(27,658.23)	(55,316.46)	(2,378,607.78)	2,599,874.34
Mar-17	4,978,482.12		180	(27,658.23)	(82,974.69)	(2,406,266.01)	2,572,216.11
Apr-17	4,978,482.12		180	(27,658.23)	(110,632.92)	(2,433,924.24)	2,544,557.88
May-17	4,978,482.12		180	(27,658.23)	(138,291.15)	(2,461,582.47)	2,516,899.65
Jun-17	4,978,482.12		180	(27,658.23)	(165,949.38)	(2,489,240.70)	2,489,241.42
Jul-17	4,978,482.12		180	(27,658.23)	(193,607.61)	(2,516,898.93)	2,461,583.19
Aug-17	4,978,482.12		180	(27,658.23)	(221,265.84)	(2,544,557.16)	2,433,924.96
Sep-17	4,978,482.12		180	(27,658.23)	(248,924.07)	(2,572,215.39)	2,406,266.73
Oct-17	4,978,482.12		180	(27,658.23)	(276,582.30)	(2,599,873.62)	2,378,608.50
Nov-17	4,978,482.12		180	(27,658.23)	(304,240.53)	(2,627,531.85)	2,350,950.27
Dec-17	4,978,482.12		180	(27,658.23)	(331,898.76)	(2,655,190.08)	2,323,292.04
Jan-18	4,978,482.12		180	(27,658.23)	(27,658.23)	(2,682,848.31)	2,295,633.81
Feb-18	4,978,482.12		180	(27,658.23)	(55,316.46)	(2,710,506.54)	2,267,975.58
Mar-18	4,978,482.12		180	(27,658.23)	(82,974.69)	(2,738,164.77)	2,240,317.35
Apr-18	4,978,482.12		180	(27,658.23)	(110,632.92)	(2,765,823.00)	2,212,659.12
May-18	4,978,482.12		180	(27,658.23)	(138,291.15)	(2,793,481.23)	2,185,000.89
Jun-18	4,978,482.12		180	(27,658.23)	(165,949.38)	(2,821,139.46)	2,157,342.66
Jul-18	4,978,482.12		180	(27,658.23)	(193,607.61)	(2,848,797.69)	2,129,684.43
Aug-18	4,978,482.12		180	(27,658.23)	(221,265.84)	(2,876,455.92)	2,102,026.20
Sep-18	4,978,482.12		180	(27,658.23)	(248,924.07)	(2,904,114.15)	2,074,367.97
Oct-18	4,978,482.12		180	(27,658.23)	(276,582.30)	(2,931,772.38)	2,046,709.74
Nov-18	4,978,482.12		180	(27,658.23)	(304,240.53)	(2,959,430.61)	2,019,051.51
Dec-18	4,978,482.12		180	(27,658.23)	(331,898.76)	(2,987,088.84)	1,991,393.28
Jan-19	4,978,482.12		180	(27,658.23)	(27,658.23)	(3,014,747.07)	1,963,735.05
Feb-19	4,978,482.12		180	(27,658.23)	(55,316.46)	(3,042,405.30)	1,936,076.82
Mar-19	4,978,482.12		180	(27,658.23)	(82,974.69)	(3,070,063.53)	1,908,418.59
Apr-19	4,978,482.12		180	(27,658.23)	(110,632.92)	(3,097,721.76)	1,880,760.36
May-19	4,978,482.12		180	(27,658.23)	(138,291.15)	(3,125,379.99)	1,853,102.13
Jun-19	4,978,482.12		180	(27,658.23)	(165,949.38)	(3,153,038.22)	1,825,443.90

# BKD 2010 Lease Exposure Draft Template - Version 09-2010

## LESSOR - Rights To Use Asset Calculation and Amortization

Original Present Value of Lease Streams:  
Period of Amortization (years)

\$	4,978,482.12
	15

Because changes in future cash flows may occur, once the initial lease term is defined, the beginning right to use asset PV of lease streams should be manually keyed as a starting point.

Periods	Carrying Basis Beginning of Period	End of Period Impairment or Reassessment	# of Amortization Periods	Periodic Amortization Formula	Amortization Flexible Summary	Accumulated Amortization	End of Period Net Carrying Basis
Jul-19	4,978,482.12		180	(27,658.23)	(193,607.61)	(3,180,696.45)	1,797,785.67
Aug-19	4,978,482.12		180	(27,658.23)	(221,265.84)	(3,208,354.68)	1,770,127.44
Sep-19	4,978,482.12		180	(27,658.23)	(248,924.07)	(3,236,012.91)	1,742,469.21
Oct-19	4,978,482.12		180	(27,658.23)	(276,582.30)	(3,263,671.14)	1,714,810.98
Nov-19	4,978,482.12		180	(27,658.23)	(304,240.53)	(3,291,329.37)	1,687,152.75
Dec-19	4,978,482.12		180	(27,658.23)	(331,898.76)	(3,318,987.60)	1,659,494.52
Jan-20	4,978,482.12		180	(27,658.23)	(27,658.23)	(3,346,645.83)	1,631,836.29
Feb-20	4,978,482.12		180	(27,658.23)	(55,316.46)	(3,374,304.06)	1,604,178.06
Mar-20	4,978,482.12		180	(27,658.23)	(82,974.69)	(3,401,962.29)	1,576,519.83
Apr-20	4,978,482.12		180	(27,658.23)	(110,632.92)	(3,429,620.52)	1,548,861.60
May-20	4,978,482.12		180	(27,658.23)	(138,291.15)	(3,457,278.75)	1,521,203.37
Jun-20	4,978,482.12		180	(27,658.23)	(165,949.38)	(3,484,936.98)	1,493,545.14
Jul-20	4,978,482.12		180	(27,658.23)	(193,607.61)	(3,512,595.21)	1,465,886.91
Aug-20	4,978,482.12		180	(27,658.23)	(221,265.84)	(3,540,253.44)	1,438,228.68
Sep-20	4,978,482.12		180	(27,658.23)	(248,924.07)	(3,567,911.67)	1,410,570.45
Oct-20	4,978,482.12		180	(27,658.23)	(276,582.30)	(3,595,569.90)	1,382,912.22
Nov-20	4,978,482.12		180	(27,658.23)	(304,240.53)	(3,623,228.13)	1,355,253.99
Dec-20	4,978,482.12		180	(27,658.23)	(331,898.76)	(3,650,886.36)	1,327,595.76
Jan-21	4,978,482.12		180	(27,658.23)	(27,658.23)	(3,678,544.59)	1,299,937.53
Feb-21	4,978,482.12		180	(27,658.23)	(55,316.46)	(3,706,202.82)	1,272,279.30
Mar-21	4,978,482.12		180	(27,658.23)	(82,974.69)	(3,733,861.05)	1,244,621.07
Apr-21	4,978,482.12		180	(27,658.23)	(110,632.92)	(3,761,519.28)	1,216,962.84
May-21	4,978,482.12		180	(27,658.23)	(138,291.15)	(3,789,177.51)	1,189,304.61
Jun-21	4,978,482.12		180	(27,658.23)	(165,949.38)	(3,816,835.74)	1,161,646.38
Jul-21	4,978,482.12		180	(27,658.23)	(193,607.61)	(3,844,493.97)	1,133,988.15
Aug-21	4,978,482.12		180	(27,658.23)	(221,265.84)	(3,872,152.20)	1,106,329.92
Sep-21	4,978,482.12		180	(27,658.23)	(248,924.07)	(3,899,810.43)	1,078,671.69
Oct-21	4,978,482.12		180	(27,658.23)	(276,582.30)	(3,927,468.66)	1,051,013.46
Nov-21	4,978,482.12		180	(27,658.23)	(304,240.53)	(3,955,126.89)	1,023,355.23
Dec-21	4,978,482.12		180	(27,658.23)	(331,898.76)	(3,982,785.12)	995,697.00
Jan-22	4,978,482.12		180	(27,658.23)	(27,658.23)	(4,010,443.35)	968,038.77
Feb-22	4,978,482.12		180	(27,658.23)	(55,316.46)	(4,038,101.58)	940,380.54
Mar-22	4,978,482.12		180	(27,658.23)	(82,974.69)	(4,065,759.81)	912,722.31
Apr-22	4,978,482.12		180	(27,658.23)	(110,632.92)	(4,093,418.04)	885,064.08
May-22	4,978,482.12		180	(27,658.23)	(138,291.15)	(4,121,076.27)	857,405.85
Jun-22	4,978,482.12		180	(27,658.23)	(165,949.38)	(4,148,734.50)	829,747.62
Jul-22	4,978,482.12		180	(27,658.23)	(193,607.61)	(4,176,392.73)	802,089.39
Aug-22	4,978,482.12		180	(27,658.23)	(221,265.84)	(4,204,050.96)	774,431.16
Sep-22	4,978,482.12		180	(27,658.23)	(248,924.07)	(4,231,709.19)	746,772.93
Oct-22	4,978,482.12		180	(27,658.23)	(276,582.30)	(4,259,367.42)	719,114.70
Nov-22	4,978,482.12		180	(27,658.23)	(304,240.53)	(4,287,025.65)	691,456.47
Dec-22	4,978,482.12		180	(27,658.23)	(331,898.76)	(4,314,683.88)	663,798.24
Jan-23	4,978,482.12		180	(27,658.23)	(27,658.23)	(4,342,342.11)	636,140.01
Feb-23	4,978,482.12		180	(27,658.23)	(55,316.46)	(4,370,000.34)	608,481.78
Mar-23	4,978,482.12		180	(27,658.23)	(82,974.69)	(4,397,658.57)	580,823.55
Apr-23	4,978,482.12		180	(27,658.23)	(110,632.92)	(4,425,316.80)	553,165.32
May-23	4,978,482.12		180	(27,658.23)	(138,291.15)	(4,452,975.03)	525,507.09
Jun-23	4,978,482.12		180	(27,658.23)	(165,949.38)	(4,480,633.26)	497,848.86
Jul-23	4,978,482.12		180	(27,658.23)	(193,607.61)	(4,508,291.49)	470,190.63
Aug-23	4,978,482.12		180	(27,658.23)	(221,265.84)	(4,535,949.72)	442,532.40
Sep-23	4,978,482.12		180	(27,658.23)	(248,924.07)	(4,563,607.95)	414,874.17
Oct-23	4,978,482.12		180	(27,658.23)	(276,582.30)	(4,591,266.18)	387,215.94
Nov-23	4,978,482.12		180	(27,658.23)	(304,240.53)	(4,618,924.41)	359,557.71
Dec-23	4,978,482.12		180	(27,658.23)	(331,898.76)	(4,646,582.64)	331,899.48
Jan-24	4,978,482.12		180	(27,658.23)	(27,658.23)	(4,674,240.87)	304,241.25
Feb-24	4,978,482.12		180	(27,658.23)	(55,316.46)	(4,701,899.10)	276,583.02
Mar-24	4,978,482.12		180	(27,658.23)	(82,974.69)	(4,729,557.33)	248,924.79

# BKD 2010 Lease Exposure Draft Template - Version 09-2010

## LESSOR - Rights To Use Asset Calculation and Amortization

Original Present Value of Lease Streams:  
 Period of Amortization (years)

\$ 4,978,482.12
15

Because changes in future cash flows may occur, once the initial lease term is defined, the beginning right to use asset PV of lease streams should be manually keyed as a starting point.

Periods	Carrying Basis Beginning of Period	End of Period Impairment or Reassessment	# of Amortization Periods	Periodic Amortization Formula	Amortization Flexible Summary	Accumulated Amortization	End of Period Net Carrying Basis
Apr-24	4,978,482.12		180	(27,658.23)	(110,632.92)	(4,757,215.56)	221,266.56
May-24	4,978,482.12		180	(27,658.23)	(138,291.15)	(4,784,873.79)	193,608.33
Jun-24	4,978,482.12		180	(27,658.23)	(165,949.38)	(4,812,532.02)	165,950.10
Jul-24	4,978,482.12		180	(27,658.23)	(193,607.61)	(4,840,190.25)	138,291.87
Aug-24	4,978,482.12		180	(27,658.23)	(221,265.84)	(4,867,848.48)	110,633.64
Sep-24	4,978,482.12		180	(27,658.23)	(248,924.07)	(4,895,506.71)	82,975.41
Oct-24	4,978,482.12		180	(27,658.23)	(276,582.30)	(4,923,164.94)	55,317.18
Nov-24	4,978,482.12		180	(27,658.23)	(304,240.53)	(4,950,823.17)	27,658.95
Dec-24	4,978,482.12	(0.72)	180	(27,658.23)	(331,898.76)	(4,978,481.40)	(0.00)