

# CAM Recovery in EBS Property Manager

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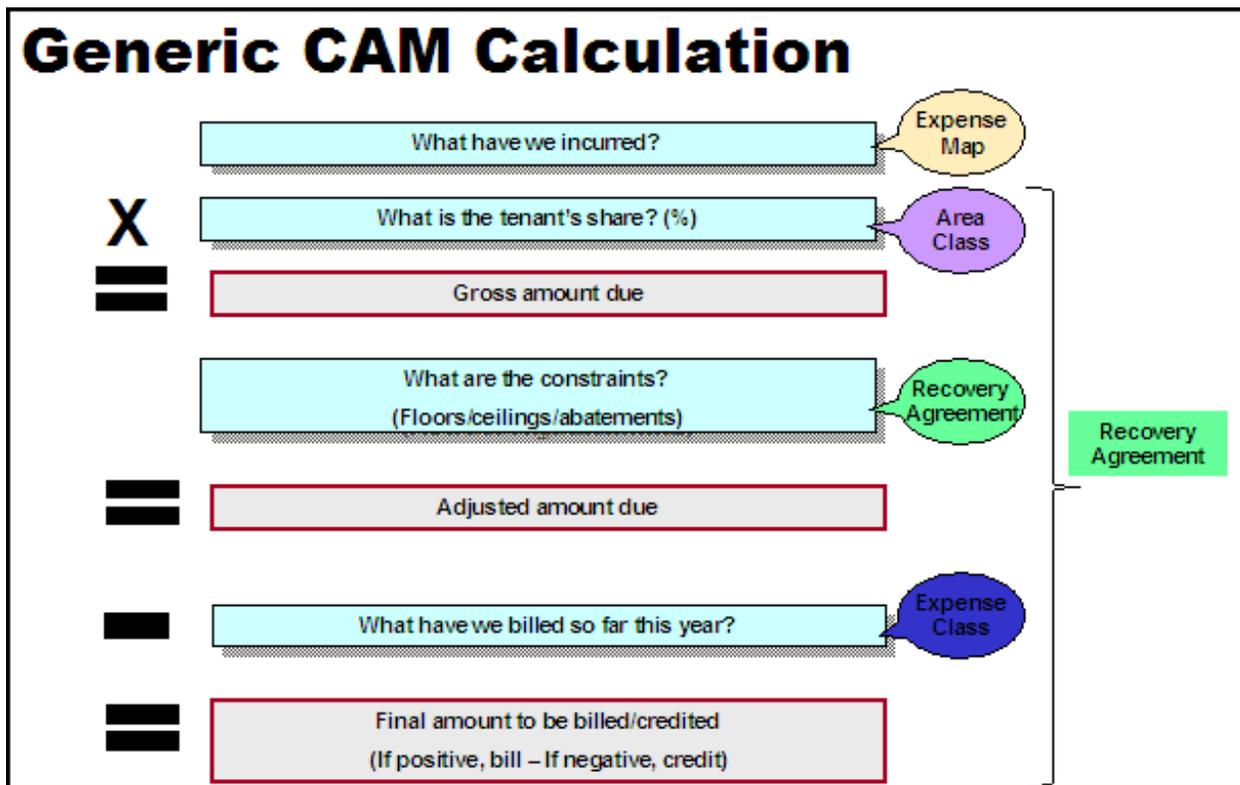
Property Manager allows companies to manage leases for the rental of any kind of real property, whether you are paying rents or billing rents. In addition to rent, payments or billings may be set up to manage invoices for taxes, insurance, maintenance or any fees covered by a lease agreement.

When those fees involve expenses, such as tax, insurance or maintenance, which are variable in nature, most companies charge an estimated fee and do annual "true-ups". This involves comparing the actual expenses incurred to the estimated fees charged and creating a one-time bill for the difference. This "true-up" process is CAM (Common Area Maintenance) Recovery.

This paper covers how landlords can use CAM Recovery in Oracle E-Business Suite. The screen shots are from both Release 12 and Release 11i.10.

## Generic CAM Calculation

The following picture shows the basic process of calculating a CAM Recovery invoice.



The balloons indicate Oracle's name for each part of the process.

Some additional term definitions are helpful

- Recovery Type – usability of a particular space by the type of tenant
  - o Examples: Food Court, Kiosk, Office, General
- Space Standard – classification of the location used in the recovery process
  - o Examples: Internal, External, Office, General

- Constraint – condition that sets lower or upper limits of the amount that can be charged; constraints can have affectivity dates
  - o Types
    - Minimum / Maximum Prorata Share amount
    - Minimum / Maximum Rate (cost per area)
    - Floor – minimum amount that must be charged
    - Ceiling – maximum amount that can be charged
    - % Over Prior Year Amount (Cap) – maximum % increase in dollars that can be charged
    - % Over Prior Year Cap – compound increase over the first actual amount or cumulative cap
  - o Within the same to/from dates one can define both a minimum and maximum amount or rate
  - o ‘Percentage Over Prior Year Actual’ and ‘Percentage Over Prior Year Cap’ cannot coexist within same date range
    - Can specify either in addition to Minimum/Maximum Amount/Rate
- Abatement – reduction in Amount Due usually due to extraordinary event
  - o Defined per Billing Type/Purpose combination
- Multiple % - allows increase or reduction for a specific line
  - o Example: Double share for utilities for Food Court shops in a shopping center
- Contributor – tenant whose area or prorata share of expenses, or both, is excluded from the calculation of total gross leasable area or total expenses of all other tenants in an area class

## New Module Setups

### System Options

To use CAM Recovery, additional System Options must be configured. These System Options must be configured for each organization. The navigation path is: Setup → Options → System Options. When the screen opens, query the desired Organization. In Release 11*i*, you must query the organization you are currently in. When the query returns results, click the ‘Select’ button, then the ‘Update’ button.

The screenshot shows the 'Update Setup Options: Vision Operations' interface. It is divided into two main sections: 'General Information' and 'Automatic Number Generation'. The 'General Information' section includes options like 'Ledger', 'Accounting Option', 'Currency Conversion Type', 'Use SYSDATE to record space assignment', 'Multiple Tenancy Lease', 'Automatic Space Distribution', 'Consolidate Recovery Terms' (highlighted with a red box and set to 'No'), 'Default Landlord/Tenant View', 'Default Location Area For Leases', 'Extend Index Rent Terms Upon Lease Extension', 'Location Code Separator', 'Invoice Grouping Name', 'Legacy Cutoff Date', 'Calculate Annualized Basis for Index Rent', 'Allow Tenancy Overlap Within Lease', 'Recalculate Index Rent On Account Change', and 'Smallest Term Amount'. The 'Automatic Number Generation' section includes options for 'Company', 'Lease', 'Rent Increase', 'Variable Rent', 'Recovery Agreement', 'Recovery Expense', 'Recovery Area Class', and 'Recovery Expense Class', all of which are highlighted with a red box and set to 'Yes'.

The CAM Recovery setups are highlighted with boxes. The 4 options on the right govern whether automatic numbering should be used for Recovery Agreements, Area Classes, Expense Classes and Recovery Expense runs.

The other option, Consolidate Recovery Terms, governs whether running recovery creates a line for each combination of recovery type and standard. If the option is set to 'No', a line is created for each combination. If the option is set to 'Yes', only one line is created for the selected period. Additionally, when the calculation is run, all lines must calculate correctly to see any of the lines, making it difficult to diagnose which line is in error.

### Lookup Codes

Property Manager makes extensive use of Lookup Codes. CAM Recovery is no exception to this practice. The following lookup codes govern the choices for Abatement Type, Recovery Type, and Recovery Space Standard:

- PN\_REC\_ABAT\_TYPE – Abatement Type
  - o Seeded Values: Re-Location
- PN\_RECOVERY\_TYPE – Recovery Type
  - o Seeded Values: Food Court, Freestanding, Kiosk, Major, Pad, Specialty, General
- PN\_RECOVERY\_SPACE\_STD\_TYPE
  - o Seeded Values: Exterior, Interior, General
  - o Added Values for the examples in this paper: Tower, Office, Factory, Roof

### Additional Setups For Properties

In order for a location to participate in CAM Recovery, certain options must be specified for that location. At the Building or Land level, the space must be marked 'Occupiable' and 'Customer Assignable'. These settings are set by default and located on the Occupancy Tab.

The Area tab requires a value for UOM. Any defined value is acceptable. Entering a value for 'Gross' is optional. If a value is entered here, the sum of the values entered at the Office or Section level cannot exceed this value. Additionally, this value will become the denominator when calculating each tenant's share of the total space (instead of the sum of the values entered at the Office or Section level).

The screenshot displays the 'Building - SB Offices' window with the 'Occupancy' tab selected. The 'Details' section on the left contains the following information:

- Operating Unit: Vision Operations
- Name: SB Offices
- Alias: SBO
- Location Code: SBO
- Property: SB Properties
- Tenure: Owned
- From: 01-JAN-2000
- To: [ ]

The 'Occupancy' tab on the right shows the following settings:

- Status: Occupiable
- Employee Assignable:
- Cost Center Assignable:
- Customer Assignable:
- Disposition: [ ]
- Accounting Treatment: [ ]

The 'Area' tab at the bottom shows the following values:

- UOM: SFT
- Gross: [ ]
- Rentable: 800
- Usable: 800
- Assignable: 800
- Vacant: 200
- % Vacant: 25.00
- Levels: 2
- Units: 4
- Load Factor: 0

At the Floor/Parcel level, 'Occupancy Status' and 'Customer Status' must also be checked. The required values are the defaults.

| Floor   | Alias | Location Code | From        | To | Occupancy Status | Customer Assignable                 |
|---------|-------|---------------|-------------|----|------------------|-------------------------------------|
| Floor 1 | F1    | SBO-F1        | 01-JAN-2000 |    | Occupiable       | <input checked="" type="checkbox"/> |
| Floor 2 | F2    | SBO-F2        | 01-JAN-2000 |    | Occupiable       | <input checked="" type="checkbox"/> |

The required settings at the Office / Section level are not all required, nor are default values always assigned. 'Occupancy Status' must be 'Occupiable' and 'Customer Assignable' must be checked. 'Rentable', 'Usable', and 'Assignable' cannot be null or zero. The value for the 'Assignable' must be set to the value that will be used to calculate the location's share, i.e., if the sum of all Assignable is 800, and the value for a particular office is 200, then tenant's assigned to this office will receive 1/4 of the recovery costs (200 ÷ 800).

**Details**

Name: Office 100  
 Suite:   
 Alias: O100  
 Location Code: SBO-F1-O100  
 From: 01-JAN-2000  
 To:   
**Area**

Rentable: 100  
 Usable: 100  
 Common Flag  
 Common:   
 Assignable: 100  
 Secondary Circulation:   
 Vacant:   
**Usage**

Space Type:   
 Function Type:   
 Standard Type:   
 Bookable Flag [ ]  
**Occupancy**

Occupancy Status: Occupiable  
 Employee Assignable  
 Cost Center Assignable  
 Customer Assignable  
 Disposition:   
 Accounting Treatment:   
 Maximum:   
 Optimum:   
 Utilized:   
 Vacancy:

## Lease Setup Application Fields

Each lease that will be assigned to a CAM Recovery Agreement must have certain setups. These setups are on the Location and Billings tabs.

On the Location tab, a Recovery Type and Recovery Standard must be assigned. With 11i.10, if the Primary box is checked, these fields are now required. However, checking the Primary Flag is not required for the location to be a Cam Recovery location.

Additionally the Customer and Bill-to Site that will be assigned to the resulting invoice must be assigned to the location. Again, if the Primary box is checked, these are required fields.

Lease (SB100) - 1351, Vision Operations

Operating Unit: Vision Operations  
 Name: SB100  
 Type: Net Lease  
 Master Lease:   
 Approval Status: Draft  
 Primary Location:   
 Number: 1351  
 Class: Revenue  
 Abstracted By: OPERATIONS  
 Lease Status: Active  
 Customer: AT&T Universal Card

Details | Contacts | **Locations** | Insurance | Rights and Obligations | Options | Billings | Notes

CAM

| Type   | Code       | Primary                             | Recovery Type | Recovery Space Standard | Usage        | Customer Name       | Bill To Site      | Share |
|--------|------------|-------------------------------------|---------------|-------------------------|--------------|---------------------|-------------------|-------|
| Office | SBO-F1-O10 | <input checked="" type="checkbox"/> | General       | Office                  | Office Space | AT&T Universal Card | Jacksonville (OP) | 100   |
|        |            | <input type="checkbox"/>            |               |                         |              |                     |                   |       |
|        |            | <input type="checkbox"/>            |               |                         |              |                     |                   |       |
|        |            | <input type="checkbox"/>            |               |                         |              |                     |                   |       |

Region:   
 Building/Land: SB Offices  
 Address: 14419 Greenwood Ave. N, #332, Seattle, WA, 98133, United States  
 Office Park:   
 Floor/Parcel: Floor 1  
 Property:   
 Office/Section: Office 100

Most Leases have multiple billing terms. One of them usually has the Purpose 'Rent' and the Type 'Base Rent'. This term would rarely, if ever, be involved in CAM Recovery. Usually terms with purposes such as 'Operating Expense', 'Insurance' or other non-rent purpose are involved. CAM Recovery matches only to Purpose (not Type). Therefore, if you have multiple terms with the Purpose 'Operating Expense' and only one of the terms with the Type 'Maintenance' should be part of CAM Recovery, this term will need to be re-defined with a different Purpose.

Each billing term involved in CAM Recovery must have a location assigned to it. This location MUST be at the office or section level, as Oracle's CAM Recovery does not recognize assigned area except at that level.

When the location is assigned, verify that Area is not zero. If so, CAM Recovery agreements will be limited to types that do not use area classes.

The Recoverable box must be checked or the term will not be considered. This box is the only required field that cannot be specified from the Term Details screen.

Details | Contacts | Locations | Insurance | Rights and Obligations | Options | **Billings** | Notes

Date From: 22-FEB-2008 Date To: 22-FEB-2008 Find

CAM

| TT | Location    | Area | Purpose   | Type      | Recoverable                         | Frequency | Schedule Day | Normalize                | Start Date  | End Date    | Actual Amount |
|----|-------------|------|-----------|-----------|-------------------------------------|-----------|--------------|--------------------------|-------------|-------------|---------------|
|    | SBO-F1-O100 | 100  | Rent      | Base Rent | <input type="checkbox"/>            | Monthly   | 1            | <input type="checkbox"/> | 01-JAN-2000 | 31-DEC-2009 | 1,000.00      |
|    | SBO-F1-O100 | 100  | Operating | Common A  | <input checked="" type="checkbox"/> | Monthly   | 1            | <input type="checkbox"/> | 01-JAN-2000 | 31-DEC-2009 | 100.00        |

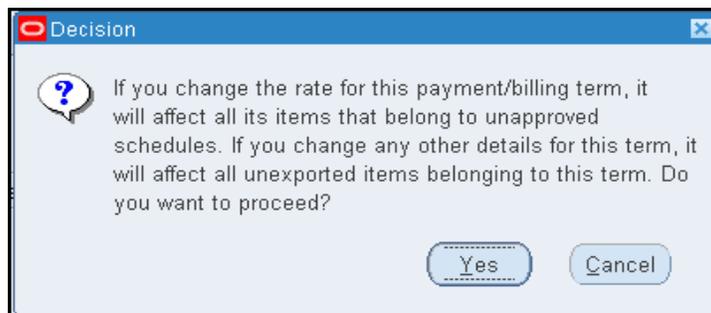
Details | Contacts | Locations | Insurance | Rights and Obligations | Options | **Billings** | Notes

Date From: 22-FEB-2008 Date To: 22-FEB-2008 Find

CAM

| Customer Name       | Bill To Site       | Payment Term | Transaction Type | Currency | Annual Amount | Annual/Area | [ ] | Invoice Grouping N: |
|---------------------|--------------------|--------------|------------------|----------|---------------|-------------|-----|---------------------|
| AT&T Universal Card | Jacksonville (OPS) | IMMEDIATE    | Invoice          | USD      | 12,000.00     | 120.00      |     |                     |
| AT&T Universal Card | Jacksonville (OPS) | IMMEDIATE    | Invoice          | USD      | 1,200.00      | 12.00       |     |                     |

If changes have to be made to terms on existing leases that have been finalized, the following message will display when the record is saved.



Usually this message indicates that any changes only affect unapproved schedules. This restriction does not apply to CAM Recovery. So, for example, if the Recoverable flag is checked in May 2008, all the 2007 schedules are still eligible for participation.

The GL combinations assigned to this term will be the combinations used for the resulting CAM Recovery term.

## Expense Map, Expense Class, Area Class

The Expense Map links GL account balances where the actual expenses are recorded to a billing Purpose and Property or Property/Location combination.

The Expense Class specifies which Billing Terms the actuals will be compared to. Included terms are those with the 'Recoverable' flag checked and with a matching Location / Recovery Type / Recovery Space Standard combination.

The Area Class uses the assignable area from the location assigned to the Billing Term to determine which tenants will participate in CAM Recovery and what portion of the cost each tenant will be assigned. If a particular tenant was not active for the entire CAM period, the tenant's share will either be prorated or ignored (depends on 'As Of Date' – see discussion later in this paper).

### Expense Map

Referring back to the Generic CAM Calculation diagram earlier in the paper, remember the Expense Map is used to calculate "What have we incurred?".

The Release 12 navigation for this screen is Setup → Expense Accounts Mapping. It is possible that the 11i menu may exclude the function for the Expense Map screen. If so, add the function 'Expense Accounts Mapping' to either the PN\_RECOVERY\_SUBMENU or the PN\_SETUP\_MENU.

This map pulls the balances (from GL\_BALANCES) for a range of accounting combinations and assigns the results to a combination of Property (or Property/Location) and Expense Type. When assigned to a Recovery Agreement, the results of this map are then matched to Billing Terms with the same Property/Location and to a Billing Purpose that matches the Expense Type.

| Property Name | Location Type | Location Code | GL Account From      | GL Account To        | Expense Type      | Effective From | Effective To | Recoverable                         | <input type="checkbox"/> |
|---------------|---------------|---------------|----------------------|----------------------|-------------------|----------------|--------------|-------------------------------------|--------------------------|
| SB Properties | Building      | SBO           | 01.110.7410.0000.000 | 01.110.7410.0000.000 | Operating Expense | 01-JAN-2000    | 31-DEC-4712  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Acme Utica St | Building      |               | 01.-7420.0000.000    | 01.-7420.0000.000    | Insurance         | 01-JAN-2000    | 31-DEC-4712  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

The accounts listed in this map should not be the same accounts used in the Billing Terms. For example, if a Billing Term exists with a Billing Purpose of 'Operating Expense', the combination assigned to Revenue would be a revenue account. The account used in the Expense Map would be the account that Payables Invoices or Project Labor charges when maintenance is performed. This account would either be an expense account or a cost-of-sales account. It should not be the revenue account.

Although the Property Name / Location Type fields are not required, if at least Property Name is not specified, the 'Populate Expense Map' program will fail.

'Effective To' is also a required field. The value '31-DEC-4712' is the date used when the field is required but no end date is desired.

It is not required to specify a value for all segments of the accounting flexfield.

You can create a different map for every Property/Location or you can create one map that covers all properties and recovery agreements.

## Expense Class

While the Expense Map determines the actual expenses, the Expense Class determines which billing terms the actual expenses will be compared to. Therefore, the level of detail for Expense Type and Property/Location should match the Expense Map.

An Expense Class should be used by all leases assigned to a Property/Location. Therefore, either leave the Location Code blank to apply to multiple buildings/land assigned to the Property or specify a Building or Land location. Then you will not be able to specify any level below that and have CAM Recovery work correctly.

The navigation is Leases and Document → Recovery → Recovery Agreement Landlord. Select the Setup tab, then the 'Expense Classes' sub-tab. To create a new class, click 'Create Class'.

The screenshot shows the 'Create Expense Class' form in Oracle Property Manager Recoveries. The form is titled 'Create Expense Class' and includes a 'Cancel' and 'Apply' button. The form fields are as follows:

|                           |               |                                    |     |
|---------------------------|---------------|------------------------------------|-----|
| Expense Class Number      | 10125         | * Currency                         | USD |
| * Expense Class Name      | SB Offices    | Portion Percentage                 | 100 |
| Expense Class Description |               | Fee Percentage Before Contributors |     |
| Property Name             | SB Properties | Fee Percentage After Contributors  |     |
| Location Code             | SBO           | Area Class Default                 |     |

Below the form is a table for 'Expense Class Types' with columns for 'Expense Type', 'Inclusions', and 'Delete'. The table currently shows 'No results found.' and an 'Add Another Row' button.

The 'Expense Class Number' was set automatically as automatic numbering was set to 'Yes' in the System Options. 'Currency' defaults from the Set of Books. Enter a descriptive name for 'Expense Class Name' and (optionally) a description.

Enter the Property Name and Location Code (Building or Land) or just the Property Name for this Expense Class.

The percentages are used to limit the amount of billed expenses to be compared to the actual expenses.

Do not click Apply at this time. This will cause the screen to return to a blank query. Instead click 'Add Another Row' to specify the Expense Types. Remember that the Expense Type will be matched to the Billing Purpose.

The screenshot shows the 'Update Expense Class' form in Oracle Property Manager Recoveries. The form is titled 'Update Expense Class: 10125' and includes a 'Cancel' and 'Apply' button. The form fields are as follows:

|                           |               |                                    |     |
|---------------------------|---------------|------------------------------------|-----|
| Expense Class Number      | 10125         | * Currency                         | USD |
| * Expense Class Name      | SB Offices    | Portion Percentage                 | 100 |
| Expense Class Description |               | Fee Percentage Before Contributors |     |
| Property Name             | SB Properties | Fee Percentage After Contributors  |     |
| Location Code             | SBO           | Area Class Default                 |     |

Below the form is a table for 'Expense Class Types' with columns for 'Expense Type', 'Inclusions', and 'Delete'. The table shows one row: 'Operating Expense' with an 'Inclusions' icon highlighted in a red box and a 'Delete' icon.

For each Expense Type, click the Inclusions icon to add the Expense Class Types (Recovery Type and Space Standard).

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Recovery Agreements Expenses Area **Setup**

Area Classes | Expense Classes

Setup: Expense Classes > Update Expense Class: 10125 >

**Update Expense Inclusions: Operating Expense** Cancel Apply

Expense Class Name SB Offices Property Name SB Properties  
 Expense Class Number 10125 Location Code SBO  
 Expense Class Description Portion Percentage 100

---

| Select *Space Standard | *Recovery Type | Share % | Fee % Before Contributors |
|------------------------|----------------|---------|---------------------------|
| No results found.      |                |         |                           |

The easiest way to enter the data is to click 'Display All Inclusions'. The form will then find all combinations of Recovery Type and Space Standard from the lease location assignments for the specified Property/Location. Or you can click 'Add Another Row' and use the LOVs to select from the list of Recovery Types and Space Standards from the lease location assignments for the specified Property/Location.

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Recovery Agreements Expenses Area **Setup**

Area Classes | Expense Classes

Setup: Expense Classes > Update Expense Class: 10125 >

**Update Expense Inclusions: Operating Expense** Cancel Apply

Expense Class Name SB Offices Property Name SB Properties  
 Expense Class Number 10125 Location Code SBO  
 Expense Class Description Portion Percentage 100

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Select Expense Class Inclusions:  |

Select All | Select None

| Select *Space Standard          | *Recovery Type | Share % | Fee % Before Contributors |
|---------------------------------|----------------|---------|---------------------------|
| <input type="checkbox"/> Office | General        | 100     |                           |

The percentages can be adjusted to limit the amount of billed expense to be compared to the actual expenses.

### Area Class

The Area Class determines which tenants at the Property will be participating in CAM Recovery. Like the Expense Class, the level of Detail for Property and Location Code should match the Expense Map.

Unlike the Expense Class, the button is labeled 'Exclusions', not 'Inclusions' and adding rows here removes matching tenants from the totals.

The navigation to define an Area Class is Leases and Documents → Recovery → Recovery Agreement Landlord. Click the Setup tab, then the Area Classes sub-tab. To create a new class, click 'Create Class'.

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Recovery Agreements Expenses Area **Setup**

Area Classes | Expense Classes

Setup: Area Classes >

**Create Area Class** Cancel Apply

You need to enter either the property name or the location code, or you can enter both.  
 \* Indicates required field

Area Class Number 10124 \* Area Class Name SB Offices  
 Area Class Description  Property Name SB Properties  
 Location Code SBO Portion Percentage 100

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**Area Class Exclusions**

| *Space Standard   | *Recovery Type | Relation | Area Exclusion Type | Delete |
|-------------------|----------------|----------|---------------------|--------|
| No results found. |                |          |                     |        |

The Area Class Number was set automatically because automatic numbering was set to 'Yes' in the System Options. Enter a descriptive name for 'Area Class Name' and (optionally) a description.

Enter the Property Name and Location Code (Building or Land) or just the Property Name for this Area Class.

Do not click Apply at this time. This will cause the screen to return to a blank query. Instead click 'Add Another Row' to add any Exclusions.

The screenshot shows the Oracle Property Manager Recoveries interface. At the top, there are navigation tabs: 'Area Classes | Expense Classes', 'Recovery Agreements', 'Expenses', 'Area', and 'Setup'. The 'Setup Area Classes' section is active, showing a 'Create Area Class' form. The form has the following fields: Area Class Number (10124), Area Class Description (empty), Location Code (SBO), Area Class Name (SB Offices), Property Name (SB Properties), and Portion Percentage (100). Below the form is a table titled 'Area Class Exclusions' with columns: Space Standard, Recovery Type, Relation, Area, Exclusion Type, and Delete. The 'Space Standard' column has a dropdown menu open showing 'Area', 'Both', and 'Prorata Share'. There are 'Add Another Row' and 'Apply' buttons at the bottom of the table.

If exclusions are desired, then enter the desired Space Standard and Recovery Type. If the exclusion is based on a condition, enter the condition. Select 'Area' to exclude the area, 'Prorata Share' to exclude the expense or 'Both' to exclude both area and expense.

For example, some tenants of a property are using the Roof to put up antennas. All share in the maintenance. You are creating a recovery agreement to cover the cost of the roof maintenance and want to charge only those tenants using the roof. You can specify the combination(s) of 'Space Standard' and 'Recovery Type' for all other types of leased space and select 'Both'. Now this area class will only contain the area assigned to the Roof.

Tenants excluded this way are called Contributors.

## Recovery Agreement

### Methods

There are actually four ways to calculate CAM Recover: Prorata Share, Fixed Rate, Fixed Amount, and Fixed Percentage.

### Prorata Share

The most versatile method is Prorata Share. This method is based on:

- Total Expenses Billed (Expense Class)
- Total Expenses Incurred (Expense Map)
- Total Area (From Location)
- (Optional) Multiple %
- Tenant's Recoverable Area (Area Class)
  - o (Optional) Constraints and Abatements
- Occupancy % (As Of Date and Lease Dates)

The formula for this method is:

$$((\text{Tenant's Recoverable Area} * \text{Occupancy \%}) / \text{Total Area}) * (\text{Total Expenses}) * (\text{Multiple \%})$$

This method requires both an area class and an expense class and an expense map

### Fixed Rate

This method is based on

- Fixed \$ per area amount
- Tenant Recoverable Area (Area Class)
  - o (Optional) Constraints and Abatements
- Occupancy % (As Of Date and Lease Dates)
- (Optional) Multiple %

The formula for this method is:

$$\text{Fixed rate} * \text{Tenant's Recoverable Area} * \text{Occupancy \%} * \text{Multiple \%}$$

This method requires neither an area class nor an expense class nor an expense map. The Tenant Recoverable Area is manually entered, as are the constraints and abatements.

### Fixed Amount

This method is based on:

- Fixed Amount
- (Optional) Constraints and Abatement

The formula for this method is:

$$\text{Fixed Amount}$$

Since this type merely assigns an amount that should be billed, it would be just as easy to set up billing terms that ensure that amount is billed.

### Fixed Percentage

This method is based on:

- Expense Classes
- Manually entered %

The formula for this method is:

$$\text{Total Expense} * \text{Fixed \%}$$

This method requires an expense map and an expense class, but not an area class. No constraints or abatements can be specified. This method is useful when all the leases are currently set up with location assignments at any level other than office or section.

### Example of Prorata Agreement

Due to the time limitations of a one-hour presentation, the rest of this paper will present setting up and running a Prorata Share Recovery Agreement. Setup of the other types of agreements is similar.

Our sample location, SB Offices, has two floors. There are two offices on each floor. Office 100 has 100 sq ft and is rented. Office 110 has 300 sq ft and is rented. Office 200 has 200 sq ft and is rented. Office 210 has 200 sq ft and is vacant.

The following chart shows the salient information about the leases on these locations

| Location Information       |          |          |          |       |
|----------------------------|----------|----------|----------|-------|
| Location Code              | SB100    | SB110    | SB200    | SB210 |
| Location Assignable Sq. Ft | 100      | 300      | 200      | 200   |
| Lease Information          |          |          |          |       |
| Lease Number               | SB100    | SB110    | SB200    |       |
| Lease Start Date           | 1-Jan-00 | 1-Jan-00 | 1-Jan-00 |       |

|  |                         |                         |                         |  |
|--|-------------------------|-------------------------|-------------------------|--|
| Lease End Date   | 31-Dec-09               | 31-Dec-09               | 31-Aug-07               |  |
| Recovery Type  | General                 | General                 | General                 |  |
| Recovery Space Std   | Office                  | Office                  | Office                  |  |
| Recovery Customer  | AT&T Universal Card     | Total Internet          | Vision                  |  |
| Recovery Bill-to site  | Jacksonville (OPS)      | Foster City (OPS)       | Seattle (OPS)           |  |
| Payments w/ Recoverable Flag Checked - Dates run with full lease |                         |                         |                         |  |
| Purpose  | Operating Expense       | Operating Expense       | Operating Expense       |  |
| Type   | Common Area Maintenance | Common Area Maintenance | Common Area Maintenance |  |
| Monthly Amount   | \$100                   | \$200                   | \$120                   |  |
| Revenue account  | 01-110-4530-0000-000    | 01-110-4530-0000-000    | 01-110-4530-0000-000    |  |

### Recovery Agreement Creation

The navigation is: Leases and Documents → Recovery → Recovery Agreement Landlord. Click ‘Create Agreement’ to create a new agreement.

Enter the Lease Name or Number. This fills in all the remaining fields except Recovery Agreement Name (the Recovery Agreement Number is assigned because Automatic Numbering is set to ‘Yes’).

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**Recovery Agreements** Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Recovery Agreements: Existing Agreements >

**Create Recovery Agreement**

\* Indicates required field

\* Lease Number: SB100  
 Status: Final  
 Location Code: SBO\_F1\_O100  
 Property Name: SB Properties  
 Recovery Agreement Name: SB100  
 Recovery Agreement Number: 10160  
 Negative Recovery: Credit

\* Lease Name: SB100  
 Lease Status: Active  
 Customer Name: AT&T Universal Card  
 \* Currency: USD  
 \* Agreement Start Date: 01-Jan-2000  
 \* Agreement End Date: 31-Dec-2009  
 Term Template:

**Recovery Lines**

Include All Lines

| *Billing Type     | *Billing Purpose | *Recovery Start Date | *Recovery End Date | Calculation Method | Fixed Amount | Fixed Rate | Fixed % | *Multiple % | Delete |
|-------------------|------------------|----------------------|--------------------|--------------------|--------------|------------|---------|-------------|--------|
| No results found. |                  |                      |                    |                    |              |            |         |             |        |

Add Another Row

The dates for the agreement default to the Lease start and end dates. These can be changed as long as the dates are within the lease dates.

In the ‘Negative Recovery’ field, indicate whether the CAM Recovery amount should be created as a Credit Memo or as a negative Invoice if the calculation yields a negative number (i.e. the customer has overpaid through the monthly estimated payments).

Click ‘Include All Lines’ to pull in all the billing terms where the Recoverable Flag is checked. The ‘Calculation Method’ defaults to ‘Prorata Share’, but can be changed.

Click ‘Complete Line Details’.

ORACLE Property Manager Recoveries

Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Recovery Agreements: Existing Agreements >

Create Recovery Agreement

\* Indicates required field

\* Lease Number SB100  
 Status Final  
 Location Code SBO\_F1\_O100  
 Property Name SB Properties  
 Recovery Agreement Name SB100  
 Recovery Agreement Number 10180  
 Negative Recovery Credit

\* Lease Name SB100  
 Lease Status Active  
 Customer Name AT&T Universal Card  
 \* Currency USD  
 \* Agreement Start Date 01-Jan-2000  
 \* Agreement End Date 31-Dec-2009  
 Term Template

Recovery Lines

Include All Lines

| *Billing Type | *Billing Purpose  | *Recovery Start Date | *Recovery End Date | Calculation Method | Fixed Amount | Fixed Rate | Fixed % | *Multiple % | Delete |
|---------------|-------------------|----------------------|--------------------|--------------------|--------------|------------|---------|-------------|--------|
| Common Are    | Operating Expense | 01-Jan-2000          | 31-Dec-2009        | Prorata Share      |              |            |         | 100         |        |

Add Another Row

Cancel Complete Line Details Apply

When the following screen appears, click 'Include All Lines'.

ORACLE Property Manager Recoveries

Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Expense Area Constraints Abatements

Create Line Details: Expense

Cancel Step 1 of 4 Next Finish

Include All Lines

| *Billing Type        | *Billing Purpose | Calculation Method | *Expense Class Name | *Expense Class Number | Expense Class Description | *Recovery Start Date | *Recovery End Date | Delete |
|----------------------|------------------|--------------------|---------------------|-----------------------|---------------------------|----------------------|--------------------|--------|
| No search conducted. |                  |                    |                     |                       |                           |                      |                    |        |

Add Another Row

The screen stays at 'Step 1' and displays the Billing Type and Purpose and Calculation Method for each billing term with the Recoverable Flag checked. Select the Expense Class by either Name or Number. Click 'Next' to go to step 2.

ORACLE Property Manager Recoveries

Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Expense Area Constraints Abatements

Create Line Details: Expense

Cancel Step 1 of 4 Next Finish

Include All Lines

| *Billing Type | *Billing Purpose | Calculation Method | *Expense Class Name | *Expense Class Number | Expense Class Description | *Recovery Start Date | *Recovery End Date | Delete |
|---------------|------------------|--------------------|---------------------|-----------------------|---------------------------|----------------------|--------------------|--------|
| Common A      | Operating Ex     | Prorata Share      | SB Offices          | 10125                 |                           | 01-Jan-2000          | 31-Dec-2009        |        |

Add Another Row

In Step 2, the Area Class is entered.

ORACLE Property Manager Recoveries Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Expense Area Constraints Abatements

Create Line Details: Area

Cancel Back Step 2 of 4 Next Finish

Include All Lines

| Billing Type | Billing Purpose | Calculation Method | Area Class Name | Area Class Number | Area Class Description | Recovery Start Date | Recovery End Date | Area Type        |
|--------------|-----------------|--------------------|-----------------|-------------------|------------------------|---------------------|-------------------|------------------|
| Common A     | Operating Exp   | Prorata Share      | SB Offices      | 10127             |                        | 01-Jan-2000         | 31-Dec-2009       | Total Assignable |

Add Another Row

The choices for Area Type are:

- Total Assignable – use the sum of all the Assignable fields for each location – if any space is vacant, the landlord will absorb that portion of cost
  - o In our example, the total area used in the calculation will be 800
- Total Occupied – Total Assignable minus Total Vacant – all cost will be distributed, the landlord will not absorb any costs due to vacancies
  - o In our example, the total area used in the calculation will be 600 as Office 210 (200 sq ft) is unoccupied
- Total Weighted Average – for each location the occupied area is multiplied by the occupied %
  - o In our example, the total area used in the calculation will be 549.58 (100% of 100 (Office 100), 100% of 300 (Office 110), 74.79% of 200 (Office 200 – lease expired 30-SEP))
- Total Assignable or Occupied – use the greater of Total Occupied or Total Assignable – it is to the landlord’s advantage to use Occupied
  - o Must also specify the ‘Floor Percentage’ - since Total Assignable is usually greater than Total Occupied, the Total Assignable is multiplied by this % before the ‘greater of’ is selected thus reducing the amount of cost the landlord must absorb
  - o In our example, if Floor Percentage is set to 90, the total area used in the calculator will be 720 (800 is larger than 600, 90% of 800 is 720)
- Total Assignable or Weighted Average – use the greater of Total Occupied or Total Assignable – it is to the landlord’s advantage to use Weighted Average
  - o Must also specify the ‘Floor Percentage’ - since Total Assignable is usually greater than Weighted Average, the Total Assignable is multiplied by this % before the ‘greater of’ is selected thus reducing the amount of cost the landlord must absorb
  - o In our example, if Floor Percentage is set to 90, the total area used in the calculator will be 720 (800 is larger than 549.58, 90% of 800 is 720)

Click Next to advance to Step 3.

ORACLE Property Manager Recoveries Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Expense Area Constraints Abatements

Create Line Details: Constraints

Cancel Back Step 3 of 4 Next Finish

Include All Lines

| Billing Type | Billing Purpose | Calculation Method | Scope | Relation | Value | Recovery Start Date | Recovery End Date | Delete |
|--------------|-----------------|--------------------|-------|----------|-------|---------------------|-------------------|--------|
| Common A     | Operating Exp   | Prorata Share      |       |          |       | 01-Jan-2000         | 31-Dec-2009       |        |

Add Another Row

Cancel Back Step 3 of 4 Next Finish

To enter a constraint, select the Scope, Relation, and Value.

**Search and Select: Scope** Cancel Select

**Search**  
To find your item, select a filter item in the pulldown list and enter a value in the text field, then select the "Go" button.

Search By

**Results**

| Select                | Quick Select | Scope                    | Relation |
|-----------------------|--------------|--------------------------|----------|
| <input type="radio"/> |              | % Over Prior Year Amount | Maximum  |
| <input type="radio"/> |              | % Over Prior Year Cap    | Maximum  |
| <input type="radio"/> |              | Prorata Share            | Maximum  |
| <input type="radio"/> |              | Prorata Share            | Minimum  |
| <input type="radio"/> |              | Rate                     | Maximum  |
| <input type="radio"/> |              | Rate                     | Minimum  |

[About this Page](#) Cancel Select

If no constraints are desired, or after all constraints are entered, click Next to advance to Step 4.

**ORACLE** Property Manager Recoveries Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Expense Area Constraints **Abatements**

**Create Line Details: Abatements** Cancel Back Step 4 of 4 Finish

| *Billing Type | *Billing Purpose | Calculation Method | Abatement Type       | Abatement Amount     | Abatement Description | *Recovery Start Date | *Recovery End Date | Delete |
|---------------|------------------|--------------------|----------------------|----------------------|-----------------------|----------------------|--------------------|--------|
| Common A      | Operating Exp    | Prorata Share      | <input type="text"/> | <input type="text"/> | <input type="text"/>  | 01-Jan-2000          | 31-Dec-2009        |        |

Remember that the 'Abatement Type' is constrained by the 'Lookup Code' values. Enter the amount. This will be deducted from the calculated amount.

If no abatements are desired, or after all abatements are entered, click Next to finish. Now you can click Apply.

### **Tenants w/o Agreements**

Oracle provides a screen where you can use a Property to find all leases/tenants without any Recovery Agreements. Enter a start/end date (use the desired recovery period), and a property or property/location. Click 'Go'. The screen returns all leases without agreements. You can now click the Create Agreement icon to create the agreements. This is a lot faster than starting from scratch.

You can also query any agreement and click the Duplicate button.

## **Running the Process**

### **Timings and Limitations**

CAM Recovery is usually run annually. In order to be successful, all expenses for the covered period must be posted in GL. All billings for the covered period must be approved and exported, although they do not have to be invoiced in AR. Usually this means that the covered period is the prior year and the covered periods are closed.

CAM Recovery creates a billing term that cannot be seen from the Leases and Documents screen. It can only be viewed from the CAM Recovery screens and from the Approve/Export Billings screens. This is a

one-time billing. Unlike a mortgage escrow reconciliation where a new escrow payment is calculated, CAM Recovery does not adjust existing terms. Nor does CAM Recovery calculate what a new adjusted payment would be.

CAM Recovery also does not produce any reconciliation reports. The only reconciliation is the details available from running the process. If your customers want a detailed reconciliation, you will have to write the report yourself.

CAM Recovery is dependent on GL Balances. If the selected GL Balance includes JEs that should not be part of this process, these JEs must be reclassified (or when the expense class is run, the amount to be distributed can be adjusted). This is important for accounts such as Property Tax. Normally the actual bill is booked to a liability account and the balance of this account expensed over the year. Thus, care must be taken when selecting the accounts for the Expense Map to ensure the correct accounts are selected.

### **Extract Expenses from GL**

The first step in the process is to extract the actual expenses from GL. While the process is a concurrent program, the navigation to run this program is: Leases and Documents → Recovery → Extract Expenses from GL.

|                                |                         |
|--------------------------------|-------------------------|
| Mapping Name                   | SB-7410                 |
| Location Code                  |                         |
| Property Name                  |                         |
| Set Of Books                   | Vision Operations (USA) |
| Period Name Start              | Jan-07                  |
| Period Name End                | Dec-07                  |
| Balance Type                   | Actual                  |
| Budget Name                    |                         |
| Populate Recoveries            | No                      |
| As Of Date                     | 01-JAN-2007             |
| Period Start Date              | 01-JAN-2007             |
| Period End Date                | 31-DEC-2007             |
| Populate Expense Class Details |                         |
| Populate Area Class Details    |                         |
| Use Overrides                  |                         |
| Recovery Expense Number        |                         |

Enter your expense map name. If your expense map covers multiple properties, you will have to populate expense and area classes separately. Even if your expense map only references a single property, you may choose to run the process step-by-step. In either case, leave Location Code, Property Name blank and enter 'No' for 'Populate Recoveries'. If your expense map covers a single property and you wish to run the process in a single step, enter the property and location and enter 'Yes' for 'Populate Recoveries', 'Populate Expense Class Details', and 'Populate Area Class Details'. If you are using automatic numbering, then leave 'Recovery Expense Number' blank (you'll have to read the log file to get the number), else fill in the number.

In either case, fill in the 'Set of Books', and the 'Period Name Start' and 'Period Name End' for which GL Balances are to be calculated. You can select actual balances or budget balances. If you select 'Budget', enter the 'Budget Name'. The 'Period Start Date' and 'Period End Date' typically match the first date of 'Period Name Start' and the last date of 'Period Name End'. Note that once a recovery calculation is approved, you cannot run that recovery for any dates that overlap these dates.

The 'As Of Date' is critical in determining whether leases that end in the middle of the period dates or start in the middle of the dates are included. If a lease starts after the 'As Of Date', it will not be included. Or if a lease ends before the 'As Of Date', it will not be included. Additionally, the same 'As Of Date' must be used for all other parts of the recovery process or no match to the actual expenses will occur. Oracle is not consistent with the ordering of these three dates, so be careful.

This concurrent program does not produce a report. However the log file will show the CCID and amount for each accounting combination that it finds. The end of the log will show the number of records processed.

```

Number of rows in CCID pl/sql table: 1
PN_REC_EXP_EXTR_FROM_GL_PKG.get_ccids (-)
PN_REC_EXP_EXTR_FROM_GL_PKG.get_amount (+)
loop: 1 CCID: 13083 SOB: 1 CURRENCY: USD FROM DT: 01-JAN-07 TO DT: 31-DEC-07
Amount1: 46000
PN_REC_EXP_EXTR_FROM_GL_PKG.get_amount (-)
PN_REC_EXP_EXTR_FROM_GL_PKG.populate_rec_exp_itf (+)
SOB: 1 FRM DT: 01-JAN-07 TO DT: 31-DEC-07
Number of records processed: 1
Number of records inserted: 1

```

These records are inserted into PN\_REC\_EXP\_ITF. Looking at the records in this file shows that even though a property or location wasn't specified, the program used the property/location from the expense map. Once the expense class is generated, EXPENSE\_LINE\_DTL\_ID will be populated with the link to the expense class.

| EXPENSE_LINE_DTL_ID | PROPERTY_ID | LOCATION_ID   | EXPENSE_TYPE_CODE | EXPENSE_ACCOUNT_ID   | ACCOUNT_DESCRIPTION | ACTUAL_AMOUNT        |            |
|---------------------|-------------|---------------|-------------------|----------------------|---------------------|----------------------|------------|
|                     | 304         | 3009 OPEX     |                   | 13083                |                     | 46000                |            |
| FROM_DATE           | TO_DATE     | TRANSFER_FLAG | MODE_FLAG         | LAST_UPDATE_DATE     | LAST_UPDATED_BY     | CREATION_DATE        | CREATED_BY |
| 1/1/2007            | 12/31/2007  | N             |                   | 2/23/2008 8:56:18 PM | 1318                | 2/23/2008 8:56:18 PM | 1318       |

### Populate Recovery Expenses/Area

The next step is to populate the area and expense classes. The navigation to this concurrent program is: Leases and Documents → Recovery → Populate Recoveries with Expenses.

Enter a Location Code or Property Code or Both. Though the fields are not marked required, the program will not work if both fields are left blank. Enter the same dates as you entered for generating the Expense Map. Do not enter a Currency Code unless you want to match to lines that are not the specified Set-of-Books currency. Enter 'Yes' for 'Populate Expense Class Details', 'Populate Area Class Details', and 'Use Override Values'. This last parameter determines whether overrides made in a previous period or previous generations are applied to this generation. If AutoNumbering was set to 'Yes', leave 'Recovery Expense Number' blank, else fill in a number (this is an alphanumeric field).

This program does not produce a report; however the log file gives important information. The first thing to notice is the parameters. For example, because the Location Code above is linked to a property, the program found the Property Code. The program also defaulted to the Set-of-Books Currency Code.

```
Running Expense Lines extraction.  
Location ID      : 3009  
Property ID     : 304  
Period Start Date : 01-JAN-07  
Period End Date  : 31-DEC-07  
As of Date      : 01-JAN-07  
Currency Code   : USD  
Recovery Expense Number :  
Keep Override   : Y
```

Look for the section that says 'Recovery Expense lines'. Make sure there are no failures.

```
Recovery Expense Lines  
Total records processed : 1  
Number of records successful : 1  
Number of records failed : 0
```

The next section gives information about populating the Expense Class. Note the number listed for 'Recovery Expense Line ID'. This will allow you to query the results for the Expense Class. Make sure all the lines processed correctly.

```
Running Expense Class Detail extraction.  
Expense Class ID : 10125  
Recovery Expense Line ID: 10182  
Period Start Date : 2007/01/01 00:00:00  
Period End Date   : 2007/12/31 00:00:00  
As of Date        : 2007/01/01 00:00:00  
Keep Override     : Y
```

```
Expense Class Details  
Total records processed : 1  
Number of records successful : 1  
Number of records failed : 0
```

The next section gives information about populating the Area Class. Note the number listed for 'Area Class ID'. This will allow you to query the results for the Area Class. Make sure all the lines processed correctly.

```
Running Area Class Detail extraction.  
Area Class ID : 10127  
Period Start Date : 2007/01/01 00:00:00  
Period End Date   : 2007/12/31 00:00:00  
As of Date        : 2007/01/01 00:00:00  
Keep Override     : Y
```

```
Area Class Details  
Total records processed : 1  
Number of records successful : 1  
Number of records failed : 0
```

## View Results – Expenses

The navigation to review the resulting Expense Class is: Leases and Documents → Recovery → Recovery Agreement Landlord. Click the ‘Expenses’ tab. Use any of the fields to query the results. If you query by Location Code or Property Name, all expense classes for that Location/Property will be displayed so there will be no values for any of the date fields in the top of the form.

ORACLE Property Manager Recoveries

Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Recovery Expenses | Expense Class Details

Recovery Expenses

Search

Property Name: SB Properties  
 Location Code: SBO  
 Recovery Expense Number: 10182  
 Go

As Of Date: 01-Jan-2007  
 Period Start Date: 01-Jan-2007  
 Period End Date: 31-Dec-2007  
 (example: 24-Feb-2008)

Select Recovery Expense: (Generate Class Details) (Update) (Delete) (Create)

| Select                | Recovery Expense Number | Property Name | Location Code | As Of Date  | Period Start Date | Period End Date | Budget Expense | Actual Expense |
|-----------------------|-------------------------|---------------|---------------|-------------|-------------------|-----------------|----------------|----------------|
| <input type="radio"/> | 10182                   | SB Properties | SBO           | 01-Jan-2007 | 01-Jan-2007       | 31-Dec-2007     | 0.00           | 46,000.00      |

If the link in the ‘Recovery Expense Number’ column is clicked, the screen displays all the lines from the expense map that match with the actual amount.

ORACLE Property Manager Recoveries

Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Recovery Expenses | Expense Class Details

Expenses: Recovery Expenses >

Recovery Expense: 10182

Recovery Expense Number: 10182  
 Property Name: SB Properties  
 Location Code: SBO  
 Currency Code: USD

As Of Date: 01-Jan-2007  
 Period Start Date: 01-Jan-2007  
 Period End Date: 31-Dec-2007  
 Budget Expense: 0.00  
 Actual Expense: 46,000.00

Update

Recovery Expense Lines

Select Recovery Expense Line: (View)

| Select                | Property Name | Location Code | Operations Accounting Flex   | Description | Expense Type      | Budget Expense | Actual Expense | Actual % Allocated | Allocated Amount | Recoverabl                          |
|-----------------------|---------------|---------------|--|-------------|-------------------|----------------|----------------|--------------------|------------------|-------------------------------------|
| <input type="radio"/> | SB Properties | SBO           | 01-110-7410-0000-000<br>Company-Department-Account-Sub-Account-Product |             | Operating Expense | 0.00           | 46,000.00      | 0                  | 0.00             | <input checked="" type="checkbox"/> |

You can click the ‘Update’ button and change the accounting flexfield or the amount. You can add additional lines. You can unclick the Recoverable flag, which will prohibit the amount from being included in the total.

## View Results – Area

The navigation to review the resulting Area Class is: Leases and Documents → Recovery → Recovery Agreement Landlord. Click the ‘Area’ tab. Use any of the fields to query the results.

ORACLE Property Manager Recoveries

Close Window Preferences Help Personalize Page Diagnostics

Recovery Agreements Expenses Area Setup

Area Class Details

Search

Area Class Name: SB Offices  
 Property Name:   
 Location Code:   
 Go

Area Class Number: 10127  
 As Of Date: 01-Jan-2007  
 (example: 24-Feb-2008)

Select Area Class Detail: (Regenerate) (Update) (Delete) (Generate)

| Select                | Area Class Name | Area Class Number | Description | Property Name | Location Code | Start Date  | End Date    | As Of Date  | Total Assignable Area | Total Occupied Area Override | Total Weighted Average Override | Total Vacant Area Override | Status |
|-----------------------|-----------------|-------------------|-------------|---------------|---------------|-------------|-------------|-------------|-----------------------|------------------------------|---------------------------------|----------------------------|--------|
| <input type="radio"/> | SB Offices      | 10127             |             | SB Properties | SBO           | 01-Jan-2007 | 31-Dec-2007 | 01-Jan-2007 | 800                   | 600                          | 549.58                          | 200                        | Open   |

Note the 'Status'. If 'Open', changes can be made, if 'Locked', the area class has been used to calculate a recovery and that recovery has been finalized.

If you click the 'Select' button, then the 'Update' button or if you click the link in the 'Area Class Name', all the location/lease assignments for the location are displayed.

**Area Class Detail: 10127** Update

**Overview**

|                        |               |               |                                 |        |
|------------------------|---------------|---------------|---------------------------------|--------|
| Area Class Name        | SB Offices    | <b>Totals</b> | Total Assignable Area           | 800    |
| Area Class Number      | 10127         |               | Total Occupied Area             | 600    |
| Area Class Description |               |               | Total Occupied Area Override    | 600    |
| Property Name          | SB Properties |               | Total Excluded Occupied Area    | 0      |
| Location Code          | SBO           |               | Total Weighted Average          | 549.58 |
| As Of Date             | 01-Jan-2007   |               | Total Weighted Average Override | 549.58 |
| Start Date             | 01-Jan-2007   |               | Total Excluded Weighted Average | 0      |
| End Date               | 31-Dec-2007   |               | Total Vacant Area               | 200    |
| Status                 | Open          |               | Total Vacant Area Override      | 200    |
|                        |               |               | Total Excluded Vacant Area      | 0      |

**Occupancy and Vacancy Details**

▶ Refine Results

| Details       | Lease Name | Location Code | Start Date  | End Date    | Assignable Area      | Assigned Area | Assigned Area Override | Vacant Area | Occupied Area | Occupied Area Override | Weighted Average | Weighted Average Override | Exclude Prorate Share | Exclude Area | Included in Total |
|---------------|------------|---------------|-------------|-------------|----------------------|---------------|------------------------|-------------|---------------|------------------------|------------------|---------------------------|-----------------------|--------------|-------------------|
| ▼ Hide        | SB100      | SBO_F1_O100   | 01-Jan-2007 | 31-Dec-2007 | 100                  | 100           |                        | 0           | 100           |                        | 100              |                           |                       |              | ✓                 |
| Customer Name |            |               |             |             | Occupancy Percentage |               | Space Standard         |             |               | General                |                  | Recovery Type             |                       | Office       |                   |
| ▶ Show        | SB110      | SBO_F1_O110   | 01-Jan-2007 | 31-Dec-2007 | 300                  | 300           |                        | 0           | 300           |                        | 300              |                           |                       |              | ✓                 |
| ▶ Show        | SB200      | SBO_F2_O200   | 01-Jan-2007 | 30-Sep-2007 | 200                  | 200           |                        | 0           | 200           |                        | 149.58           |                           |                       |              | ✓                 |
| ▶ Show        |            | SBO_F2_O200   | 01-Oct-2007 | 31-Dec-2007 | 200                  | 0             |                        | 200         | 0             |                        | 0                |                           |                       |              | ✓                 |
| ▶ Show        |            | SBO_F2_O210   | 01-Jan-2007 | 31-Dec-2007 | 200                  | 0             |                        | 200         | 0             |                        | 0                |                           |                       |              | ✓                 |

[Return to Area Class Details](#) Update

Clicking the + next to 'Show' displays the customer name, occupancy percentage, space standard, and recovery type. Note that lease SB200 has a weighted average that indicates the space was not occupied the entire year.

If the 'Update' button is checked, the areas can be adjusted. You can exclude the location from charges by clicking 'Exclude Prorate Share'. You can exclude an area from the 'total area' (denominator) by clicking 'Exclude Area'. For example, if the agreement says to distribute costs based on occupied area, click the 'Exclude Area' button for location SBO\_F2\_O2100. Click the 'Return to Area Class Details' link and click the 'Regenerate' button. When the concurrent program finishes, re-query the results and notice that the total assignable area is now 600, not 800. This will increase each person's portion of the expenses. Based on the screen below, the landlord will absorb 25% of all costs since 25% of the space was unoccupied.

**Update Area Class Detail: 10127** Cancel Apply

**Overview**

|                        |               |               |                                 |        |
|------------------------|---------------|---------------|---------------------------------|--------|
| Area Class Name        | SB Offices    | <b>Totals</b> | Total Assignable Area           | 800    |
| Area Class Number      | 10127         |               | Total Occupied Area             | 600    |
| Area Class Description |               |               | Total Occupied Area Override    | 600    |
| Property Name          | SB Properties |               | Total Excluded Occupied Area    | 0      |
| Location Code          | SBO           |               | Total Weighted Average          | 549.58 |
| As Of Date             | 01-Jan-2007   |               | Total Weighted Average Override | 549.58 |
| Start Date             | 01-Jan-2007   |               | Total Excluded Weighted Average | 0      |
| End Date               | 31-Dec-2007   |               | Total Vacant Area               | 200    |
| Status                 | Open          |               | Total Vacant Area Override      | 200    |
|                        |               |               | Total Excluded Vacant Area      | 0      |

**Occupancy and Vacancy Details**

▶ Refine Results

| Details       | Lease Name | Location Code | Start Date  | End Date    | Assignable Area     | Assigned Area | Assigned Area Override | Vacant Area | Occupied Area | Occupied Area Override | Weighted Average | Weighted Average Override | Exclude Prorate Share    | Exclude Area             | Included in Total |               |  |        |  |
|---------------|------------|---------------|-------------|-------------|---------------------|---------------|------------------------|-------------|---------------|------------------------|------------------|---------------------------|--------------------------|--------------------------|-------------------|---------------|--|--------|--|
| ▼ Hide        | SB100      | SBO_F1_O100   | 01-Jan-2007 | 31-Dec-2007 | 100                 | 100           |                        | 0           | 100           |                        | 100              |                           | <input type="checkbox"/> | <input type="checkbox"/> | ✓                 |               |  |        |  |
| Customer Name |            |               |             |             | AT&T Universal Card |               | Occupancy Percentage   |             |               | 100                    |                  | Space Standard            |                          | General                  |                   | Recovery Type |  | Office |  |
| ▶ Show        | SB110      | SBO_F1_O110   | 01-Jan-2007 | 31-Dec-2007 | 300                 | 300           |                        | 0           | 300           |                        | 300              |                           | <input type="checkbox"/> | <input type="checkbox"/> | ✓                 |               |  |        |  |
| ▶ Show        | SB200      | SBO_F2_O200   | 01-Jan-2007 | 30-Sep-2007 | 200                 | 200           |                        | 0           | 200           |                        | 149.58           |                           | <input type="checkbox"/> | <input type="checkbox"/> | ✓                 |               |  |        |  |
| ▶ Show        |            | SBO_F2_O200   | 01-Oct-2007 | 31-Dec-2007 | 200                 | 0             |                        | 200         | 0             |                        | 0                |                           | <input type="checkbox"/> | <input type="checkbox"/> | ✓                 |               |  |        |  |
| ▶ Show        |            | SBO_F2_O210   | 01-Jan-2007 | 31-Dec-2007 | 200                 | 0             |                        | 200         | 0             |                        | 0                |                           | <input type="checkbox"/> | <input type="checkbox"/> | ✓                 |               |  |        |  |

Cancel Apply

## Calculate Recovery – Single Agreement

The navigation is: Leases and Documents | Recovery | Recovery Agreement Landlord. Click (or stay on) the 'Recovery Agreement' tab. Query the Agreement, click the 'Select' button, and then click the 'Calculate' button.

The screenshot shows the Oracle Property Manager Recoveries interface. At the top, there are navigation tabs: Existing Agreements | Tenants Without Agreements | Recovery Agreements | Expenses | Area | Setup. The 'Recovery Agreements' tab is active. Below the tabs is a search section with fields for Property Name, Location Code, Lease Name, Lease Number, Customer Name, Recovery Agreement Name, Recovery Agreement Number, Agreement Start Date, and Agreement End Date. There are 'Go' and 'Clear' buttons. Below the search section is a table of recovery agreements.

| Select Agreement:     | Calculate     | Review Terms  | Recalculate         | Delete     | Create Agreement        |                           |                      |                    |        |           |
|-----------------------|---------------|---------------|---------------------|------------|-------------------------|---------------------------|----------------------|--------------------|--------|-----------|
| Select Name           | Property      | Location Code | Customer Name       | Lease Name | Recovery Agreement Name | Recovery Agreement Number | Agreement Start Date | Agreement End Date | Update | Duplicate |
| <input type="radio"/> | SB Properties | SBO_F1_0100   | AT&T Universal Card | SB100      | SB100                   | .10160                    | 01-Jan-2000          | 31-Dec-2009        |        |           |

The calculation is date sensitive. The period must be one year or less. The dates must match those entered when generating the Expense Map and Expense Class and Area Class. Note that the 'As Of Date' is last, not first. Enter the dates and click 'Go'.

The screenshot shows the 'Calculate Recovery Agreement: 10160' screen. It displays the following information:

- Location Code: SBO\_F1\_0100
- Customer Name: AT&T Universal Card
- Property Name: SB Properties
- Lease Number: SB100

Below this is the 'Calculation Period' section with the following fields:

- \* Period Start Date: 01-Jan-2007
- \* Period End Date: 31-Dec-2007
- \* As Of Date: 01-Jan-2007

There is a 'Go' button at the bottom of the calculation period section.

When the next screen appears, notice the Status. Click 'Go'.

The screenshot shows the 'Calculate Recovery Agreement: 10160' screen with the 'Recovery Lines' section. It displays the following information:

- Location Code: SBO\_F1\_0100
- Customer Name: AT&T Universal Card
- Property Name: SB Properties
- Lease Number: SB100

Below this is the 'Calculation Period' section with the following fields:

- \* Period Start Date: 01-Jan-2007
- \* Period End Date: 31-Dec-2007
- \* As Of Date: 01-Jan-2007

There is a 'Go' button at the bottom of the calculation period section. Below the calculation period section is the 'Recovery Lines' table.

| Select Line:          | Calculate               | Review Line Details |                  |              |            |         |            |          |
|-----------------------|-------------------------|---------------------|------------------|--------------|------------|---------|------------|----------|
| Select Billing Type   | Billing Purpose         | Calculation Method  | Recoverable Area | Fixed Amount | Fixed Rate | Fixed % | Multiple % | Status   |
| <input type="radio"/> | Common Area Maintenance | Operating Expense   | Prorata Share    |              |            |         | 100        | Complete |

The following status codes could be displayed:

- Open – cannot find an area and/or expense class that matches the dates – recovery cannot be calculated – check the dates entered and either re-generate the area and/or expense class or enter correct dates for the recovery
- Complete – all required details to do the calculation are present – click 'Select', then 'Calculate', or click 'Calculate All'

- Processing – the system is calculating the recovery – wait until the concurrent program is finished and re-query the record
- Error – the calculation failed – review the log for the concurrent request, correct the error, re-query the record and click ‘Re-calculate’

The resulting screen will show the results of the calculation.

**Confirmation**  
Calculate Recovery Agreement Request 30886005 Submitted successfully  
**Re-Calculate Recovery Agreement: 10160**

Location Code: SBO\_F1\_O100      Property Name: SB Properties  
Lease Number: SB100

**Calculation Period**  
Calculation Period: 01-JAN-2007 - 31-DEC-2007 - 01-JAN-2007

**Recovery Lines**

| Select Billing Type                           | Billing Purpose   | Calculation Method | Recoverable Area | Fixed Amount | Fixed Rate | Fixed % | Multiple % | Status       |
|---|-------------------|--------------------|------------------|--------------|------------|---------|------------|--------------|
| <input type="radio"/> Common Area Maintenance | Operating Expense | Prorata Share      |                  |              |            |         |            | 100 Complete |

The confirmation page shows the concurrent request id. The title of the page changes to ‘Re-Calculate’ and the date range can no longer be changed. To review and approve the results, click ‘Return to Recovery Agreements’.

When the screen displays, click the ‘Select’ button, then the ‘Review Terms’ button.

**Recovery Agreements**

Search

Property Name: \_\_\_\_\_      Recovery Agreement Name: SB100  
Location Code: \_\_\_\_\_      Recovery Agreement Number: 10160  
Lease Name: \_\_\_\_\_      Agreement Start Date: \_\_\_\_\_  
Lease Number: \_\_\_\_\_      Agreement End Date: \_\_\_\_\_  
Customer Name: \_\_\_\_\_      (example: 24-Feb-2008)

Go Clear

Select Agreement: Calculate | Review Terms | Recalculate | Delete | Create Agreement

| Property Name                                  | Location Code | Customer Name       | Lease Name | Recovery Agreement Name | Recovery Agreement Number | Agreement Start Date | Agreement End Date | Update | Duplicate |
|--|---------------|---------------------|------------|-------------------------|---------------------------|----------------------|--------------------|--------|-----------|
| <input checked="" type="radio"/> SB Properties | SBO_F1_O100   | AT&T Universal Card | SB100      | SB100                   | 10160                     | 01-Jan-2000          | 31-Dec-2009        |        |           |

This will show the calculation results. You can click ‘Show’ to see all the details. This is as close to a reconciliation report as Oracle will provide.

**ORACLE Property Manager Recoveries** Close Window Preferences Help Personalize Page Diagnostics

**Recovery Agreements** Expenses Area Setup

Existing Agreements | Tenants Without Agreements

Recovery Agreements: Existing Agreements >

**Review Terms: Recovery Calculation**

Recovery Agreement Name SB100 Property Name SB Properties  
 Recovery Agreement Number 10160 Customer Name AT&T Universal Card  
 Location Code SBO\_F1\_0100 Lease Number SB100

Cancel Continue

**Recovery Period**

Calculation Period 01-JAN-2007 - 31-DEC-2007 - 01-JAN-2007  
 Go

**Recovery Period Summary**

Currency = US Dollars

| Details              | Billing Type            | Billing Purpose   | Status               | Budget Cost Per Area | Budget Prorata Share | Actual Cost Per Area | Actual Prorata Share | Billed Cost Per Area | Billed Recovery | Reconciled Amount |
|----------------------|-------------------------|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------|-------------------|
| ▼ Hide               | Common Area Maintenance | Operating Expense | COMPLETE             | 0.00                 | 0.00                 | 57.50                | 5,750.00             | 12.00                | 1,200.00        | 4,550.00          |
| Total Area           |                         | 800               | Actual Recovery      |                      | 5,750.00             | Total Budget Expense |                      | 0.00                 |                 |                   |
| Total Actual Expense |                         | 46,000.00         | Constrained Actual   |                      | 5,750.00             | Budget Prorata Share |                      | 0.00                 |                 |                   |
| Recoverable Area     |                         | 100               | Abatements           |                      | 0.00                 | Budget Cost Per Area |                      | 0.00                 |                 |                   |
| Multiple Percentage  |                         | 100               | Actual Prorata Share |                      | 5,750.00             | Tenancy Start Date   |                      | 01-Jan-2000          |                 |                   |
| Occupancy Percentage |                         | 100               | Billed Recovery      |                      | 1,200.00             | Tenancy End Date     |                      | 31-Dec-2009          |                 |                   |
| Fixed Percentage     |                         |                   | Reconciled Amount    |                      | 4,550.00             |                      |                      |                      |                 |                   |
| <b>Total</b>         |                         |                   |                      | 0.00                 |                      | 5,750.00             |                      | 1,200.00             |                 | 4,550.00          |

To approve the results and create the billing schedule, click 'Continue'.

**Billing Terms**

Select Billing Term: (Details) | (Approve All)

| Select Billing Type     | Billing Purpose   | Frequency | *Schedule Day | *Start Date | *End Date   | Customer Name       | *Bill To Site      | *Payment Terms | *Transaction Type |
|-------------------------|-------------------|-----------|---------------|-------------|-------------|---------------------|--------------------|----------------|-------------------|
| Common Area Maintenance | Operating Expense | One Time  | 31            | 1-Dec-2007  | 31-Dec-2007 | AT&T Universal Card | Jacksonville (OPS) | PN CONSOL IMMD | PN CONBIL USD     |

Cancel Back Finish

| *Reconciled Amount | Status | Term Template |
|--------------------|--------|---------------|
| 4,550.00           | Draft  |               |

Approved  
 Draft  
 On Hold

Change the 'Schedule Day' to any number 1-28. The form will allow you to approve the schedule with a value 29-31, but unless you are running this in a month that has 31 days, or unless December is still open, the approval process will result in error. Update any of the other fields as desired. Clicking the 'Details' button allows any of the Billing Term fields to be updated. If the calculations are correct, change the Status to 'Approved'. Click 'Finish'. The 'Schedules and Items' program will start.

Although the resulting payment schedule cannot be seen in the Billings tab of the Lease, it can be seen in the 'Authorize Billings' screen.

| Lease Name | Lease Number | Schedule Date | Billing Status | Approved By | Transferred By | Total    | Period Name |
|------------|--------------|---------------|----------------|-------------|----------------|----------|-------------|
| SB100      | SB100        | 01-DEC-2007   | Approved       | OPERATIONS  | OPERATIONS     | 1,100.00 | Dec-07      |
| SB100      | SB100        | 31-DEC-2007   | Draft          |             |                | 4,550.00 |             |

Term Details - 31-DEC-2007, 31-DEC-2007

| Rent                               |                         | Dates and Metrics |             |
|------------------------------------|-------------------------|-------------------|-------------|
| Purpose                            | Operating Expense       | Start Date        | 31-DEC-2007 |
| Type                               | Common Area Maintenance | End Date          | 31-DEC-2007 |
| Frequency                          | One Time                | Target Date       |             |
| Estimated                          |                         | Schedule Day      | 31          |
| Actual                             | 4,550.00                | Area Type         |             |
| Currency                           | USD                     | Annual            | 4,550.00    |
| Rate                               | 1.00                    | Area              |             |
| <input type="checkbox"/> Normalize |                         | Annual/Area       | 0.00        |
|                                    |                         | Location          | SBO_F1_0100 |

| Bill Accounts Distribution             |                     |
|--|---------------------|
| Customer Name                          | AT&T Universal Card |
| Customer Number                        | 1005                |
| Bill To                                | Jacksonville (OPS)  |
| Ship To                                |                     |
| Payment Term                           | PN CONSOL IMMDD     |
| Payment Method                         |                     |
| PO Number                              |                     |
| <input type="checkbox"/> Tax Inclusive |                     |
| Tax Code                               |                     |
| Transaction Type                       | PN CONBIL USD       |
| Invoice Rule                           |                     |
| Accounting Rule                        |                     |
| Salesperson                            |                     |

### Partial Year Results

The lease SB200 expired September 30, 2007. Calculating Recovery for this lease shows the effect of partial year occupancy. The 'Actual Prorata Share' calculation = 46,000 (Total Actual Expense) \* (200 (Recoverable Area) / 800 (Total Area)) \* .7479 (Occupancy Percentage).

| Recovery Period Summary       |                         |                   |                      |                      |                      |                      |                      |                      |                 |                   |
|-------------------------------|-------------------------|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------|-------------------|
| Currency = US Dollars         |                         |                   |                      |                      |                      |                      |                      |                      |                 |                   |
| Details                       | Billing Type            | Billing Purpose   | Status               | Budget Cost Per Area | Budget Prorata Share | Actual Cost Per Area | Actual Prorata Share | Billed Cost Per Area | Billed Recovery | Reconciled Amount |
| <input type="checkbox"/> Hide | Common Area Maintenance | Operating Expense | COMPLETE             | 0.00                 | 0.00                 | 57.50                | 8,600.85             | 7.22                 | 1,080.00        | 7,520.85          |
| Total Area                    |                         | 800               | Actual Recovery      |                      | 8,600.85             | Total Budget Expense |                      | 0.00                 |                 |                   |
| Total Actual Expense          |                         | 46,000.00         | Constrained Actual   |                      | 8,600.85             | Budget Prorata Share |                      | 0.00                 |                 |                   |
| Recoverable Area              |                         | 200               | Abatements           |                      | 0.00                 | Budget Cost Per Area |                      | 0.00                 |                 |                   |
| Multiple Percentage           |                         | 100               | Actual Prorata Share |                      | 8,600.85             | Tenancy Start Date   |                      | 01-Jan-2000          |                 |                   |
| Occupancy Percentage          |                         | 74.79             | Billed Recovery      |                      | 1,080.00             | Tenancy End Date     |                      | 30-Sep-2007          |                 |                   |
| Fixed Percentage              |                         |                   | Reconciled Amount    |                      | 7,520.85             |                      |                      |                      |                 |                   |
|                               |                         |                   |                      | <b>Total</b>         | 0.00                 |                      | 8,600.85             |                      | 1,080.00        | 7,520.85          |

### 'Calculate Recovery' Program

There is a concurrent program (accessed through the navigation: Leases and Documents → Recovery → Calculate Recovery) that calculates recovery, but it only works if recovery has already been calculated. When the recovery is calculated, a record is added to PN\_REC\_CALC\_PERIODS\_ALL. If there isn't a record in this table that matches the parameters for this program, the program fails.

Parameters

Lease number from  SB110

Lease number to  SB200

Location code from

Location code to

Recovery agreement number from

Recovery agreement number to

Property code

Customer name

Customer site

Calculation period ending

OK Cancel Clear Help

## Room for Improvement

Oracle has provided some amazing ability with CAM Recovery, but the process must currently be run location by location. Hopefully future enhancements to this process will provide the ability manage CAM Recovery for large numbers of agreements without the need to run the agreements individually.

## Conclusion

This paper did not demonstrate all the combinations of creating the components of CAM Recovery. Readers are encouraged to experiment with this functionality. Solution Beacon provides a Vision database that you can explore this feature. Use the following link [http://www.solutionbeacon.com/tool\\_vision.htm](http://www.solutionbeacon.com/tool_vision.htm), and then click on either the Release 11*i* or Release 12 link. Follow the instructions to register your account. You will need a valid CSI number. Your username and password will be emailed to you.