FIVE POINTS PHASE 3

REVENUE AND EXPENSES

Revenue	# Units	Contract Rents	Extension	Annual
1BR Units	46	$ 537	$ 24,702	$ 296,424
2BR Units	16	$ 577	$ 9,232	$ 110,784
3BR Units	18	$ 747	$ 13,446	$ 161,352
TOTAL	**80**		$ 565,632	**$ 568,560**

Expenses		
Administratvie Expneses		$ 141,990
Resident Services		$ 11,610
Utilities		$ 60,410
Maintenance		$ 99,750
Protective Services		$ 12,000
Insurance-Property		$ 10,480
Insurance-Liability		$ 9,520
Other		$ 3,030
PILOT		$ -
Total Operating Expenses		**$ 348,790**
Replacement for Reserves	300	$ 24,000
Asset Management Fee		$ 5,000
GP Asset Management Fee		$ 5,000
Debt Service at estimated cap		$ 120,073
Total Expenses		**$ 502,863**

20-YEAR PRO FORMA

Income Escalation	2%										
Expense Escalation	3%										
		Year 1	2	3	4	5	6	7	8	9	10
Income		$ 568,560	579,931	591,530	603,361	615,428	627,737	640,292	653,098	666,160	679,483
Less Bad Debt	2%	$ (11,371)	-11,599	-11,831	-12,067	-12,309	-12,555	-12,806	-13,062	-13,323	-13,590
Less Vacancy	3%	$ (17,057)	-17,398	-17,746	-18,101	-18,463	-18,832	-19,209	-19,593	-19,985	-20,384
Net Income		**$ 540,132**	**550,934**	**561,953**	**573,193**	**584,656**	**596,350**	**608,277**	**620,443**	**632,852**	**645,509**
Total Operating Expenses		**$ 348,790**	**359,254**	**370,032**	**381,133**	**392,567**	**404,344**	**416,474**	**428,968**	**441,837**	**455,092**
Reserves		$ 24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Asset Management Fee		$ 5,000	5,150	5,305	5,464	5,628	5,797	5,971	6,150	6,335	6,525
GP Asset Management Fee		$ 5,000	5,150	5,305	5,464	5,628	5,797	5,971	6,150	6,335	6,525
Debt Service		$ 120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073
Total Expenses		**$ 502,863**	**513,627**	**524,715**	**536,134**	**547,896**	**560,011**	**572,489**	**585,341**	**598,580**	**612,215**
Cash Flow after Fees and DS		**$ 37,269**	**37,307**	**37,238**	**37,059**	**36,760**	**36,339**	**35,788**	**35,102**	**34,272**	**33,294**
NOI		$ 167,342	167,680	167,921	168,060	168,089	168,006	167,803	167,475	167,015	166,417
Debt Service		$ 120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073
DSCR		1.39	1	1	1	1	1	1	1	1	1

Income Escalation	2%										
Expense Escalation	3%										
		Year 11	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**
Income		$ 693,073	706,934	721,073	735,494	750,204	765,208	780,512	796,122	812,044	828,285
Less Bad Debt	2%	$ (13,861)	-14,139	-14,421	-14,710	-15,004	-15,304	-15,610	-15,922	-16,241	-16,566
Less Vacancy	3%	$ (20,792)	-21,208	-21,632	-22,065	-22,506	-22,956	-23,415	-23,884	-24,361	-24,849
Net Income		**$ 658,420**	**671,587**	**685,020**	**698,719**	**712,694**	**726,948**	**741,487**	**756,316**	**771,442**	**786,870**
Total Operating Expenses		**$ 468,745**	**482,807**	**497,291**	**512,210**	**527,576**	**543,403**	**559,705**	**576,496**	**593,791**	**611,605**
Reserves		$ 24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Asset Management Fee		$ 6,721	6,923	7,131	7,345	7,565	7,792	8,026	8,267	8,515	8,770
GP Asset Management Fee		$ 6,721	6,923	7,131	7,345	7,565	7,792	8,026	8,267	8,515	8,770
Debt Service		$ 120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073
Total Expenses		**$ 626,260**	**640,726**	**655,626**	**670,973**	**686,779**	**703,060**	**719,830**	**737,103**	**754,894**	**773,218**
Cash Flow after Fees and DS		**$ 32,160**	**30,861**	**29,394**	**27,746**	**25,915**	**23,888**	**21,657**	**19,213**	**16,548**	**13,652**
NOI		$ 165,675	164,780	163,729	162,509	161,118	159,545	157,782	155,820	153,651	151,265
Debt Service		$ 120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073
DSCR		1	1	1	1	1	1	1	1	1	1