

INCOME STATEMENT

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REVENUES															
Potential Rental Income	96,000	99,840	103,834	107,987	112,306	116,799	121,471	126,329	131,383	136,638	142,103	147,788	153,699	159,847	166,241
Other Non-Interest Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income Adjustment (dev. from Goal)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Potential Gross Income	96,000	99,840	103,834	107,987	112,306	116,799	121,471	126,329	131,383	136,638	142,103	147,788	153,699	159,847	166,241
less Vacancy and Rent Loss Allowance	9,600	4,992	5,192	5,399	5,615	5,840	6,074	6,316	6,569	6,832	7,105	7,389	7,685	7,992	8,312
Total Effective Gross Income	86,400	94,848	98,642	102,588	106,691	110,959	115,397	120,013	124,813	129,806	134,998	140,398	146,014	151,855	157,929
OPERATING EXPENSES															
Maintenance	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847	2,960	3,079	3,202	3,330	3,463	3,602
Utilities	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801
Insurance	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801
Administrative & General	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	2,135	2,220	2,309	2,402	2,498	2,598	2,701
Advertising	520	541	562	585	608	633	658	684	712	740	770	801	833	866	900
Supplies	520	541	562	585	608	633	658	684	712	740	770	801	833	866	900
Property Management	3,120	3,245	3,375	3,510	3,650	3,796	3,948	4,106	4,270	4,441	4,618	4,803	4,995	5,195	5,403
Outside Services	520	541	562	585	608	633	658	684	712	740	770	801	833	866	900
Salaries and Commissions	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801
Property tax	16,640	17,306	17,998	18,718	19,466	20,245	21,055	21,897	22,773	23,684	24,631	25,617	26,641	27,707	28,815
Other Operating Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Expense Adjustment (dev. from Goal)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	28,080	29,203	30,371	31,586	32,850	34,164	35,530	36,951	38,429	39,967	41,565	43,228	44,957	46,755	48,625
Operating Ratio	32.5%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%
Net Operating Income (NOI)	58,320	65,645	68,271	71,001	73,841	76,795	79,867	83,062	86,384	89,839	93,433	97,170	101,057	105,099	109,303
Operating Ratio	32.5%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%
Gross Operating Profit Margin	67.5%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%	69.2%
NON-OPERATING EXPENSE & INCOME															
Depreciation	25,091	26,182	26,348	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545
Amortization of Other Loan Closing Costs	2,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extraordinary Non-Operating Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extraordinary Non-Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income	112	262	300	150	0	0	0	0	0	0	0	0	0	0	0
Total Other Expense (income as neg.)	26,979	25,920	26,048	26,395	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545	26,545
Income Before Interest & Taxes (EBIT)	31,341	39,725	42,222	44,606	47,296	50,250	53,321	56,516	59,839	63,294	66,888	70,625	74,512	78,554	82,758
INTEREST EXPENSE															
Interest On Long Term Debt	43,310	42,874	42,406	41,903	41,363	40,781	40,157	39,485	38,763	37,987	37,153	36,256	35,292	34,256	33,142
Amortized Loan Fees (points)	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400
Interest on Short Term Debt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Interest Expense	43,710	43,274	42,806	42,303	41,763	41,181	40,557	39,885	39,163	38,387	37,553	36,656	35,692	34,656	33,542
Income Before Taxes	-12,368	-3,549	-584	2,303	5,533	9,068	12,765	16,631	20,676	24,907	29,335	33,969	38,820	43,898	49,216
State Income Tax	0	0	0	182	437	716	1,008	1,314	1,633	1,968	2,317	2,684	3,067	3,468	3,888
Federal Income Tax	0	0	0	742	1,784	2,923	4,115	5,361	6,665	8,029	9,456	10,950	12,514	14,151	15,865
Net Income	-12,368	-3,549	-584	1,378	3,313	5,429	7,642	9,956	12,377	14,911	17,561	20,336	23,240	26,280	29,463

INCOME STATEMENT SUPPLEMENT

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
OPERATING TAX INFORMATION															
State Taxable Income	0	0	0	2,303	5,533	9,068	12,765	16,631	20,676	24,907	29,335	33,969	38,820	43,898	49,216
State Accumulated Loss Carry Over	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
State Write-Off on Personal Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
State Tax Savings on Personal Income	977	280	46	0	0	0	0	0	0	0	0	0	0	0	0
Federal Taxable Income	0	0	0	2,121	5,096	8,352	11,756	15,317	19,042	22,939	27,017	31,286	35,753	40,430	45,328
Fed. Accumulated Loss Carry Over	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Federal Write-Off on Personal Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Federal Tax Savings on Personal Income	3,987	1,144	188	0	0	0	0	0	0	0	0	0	0	0	0
Total Tax Savings on Personal Income	4,964	1,424	234	0	0	0	0	0	0	0	0	0	0	0	0