

Island Living One

Operating Statement...5% vacancy...3% increase...\$6,000,000 loan @ 5%

8 Story Building --- All Rental Except CRA Space --- **24 Hour Security**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Income:		1.03	1.03	1.03	1.03	1.03
Residential Units	698,196.00	719,141.88	740,716.14	762,937.62	785,825.75	809,400.52
Commercial Units	189,000.00	194,670.00	200,510.10	206,525.40	212,721.17	219,102.80
Reserve for Residential Vacancy 5 %	(34,909.80)	(35,957.09)	(37,035.81)	(38,146.88)	(39,291.29)	(40,470.03)
Other Income	-	-	-	-	-	-
Total Yearly Income >>>	852,286.20	877,854.79	904,190.43	931,316.14	959,255.63	988,033.30
Expenses:						
Reserves	5,000.00	5,150.00	5,304.50	5,463.64	5,627.54	5,796.37
Administration	37,500.00	38,625.00	39,783.75	40,977.26	42,206.58	43,472.78
Maintenance	83,200.00	85,696.00	88,266.88	90,914.89	93,642.33	96,451.60
Repairs	5,000.00	5,150.00	5,304.50	5,463.64	5,627.54	5,796.37
Utilities	36,000.00	37,080.00	38,192.40	39,338.17	40,518.32	41,733.87
Insurance	36,000.00	37,080.00	38,192.40	39,338.17	40,518.32	41,733.87
Security 24 Hours per day	157,680.00	162,410.40	167,282.71	172,301.19	177,470.23	182,794.34
Advertisement	4,000.00	4,120.00	4,243.60	4,370.91	4,502.04	4,637.10
Legal	7,200.00	7,416.00	7,638.48	7,867.63	8,103.66	8,346.77
Accounting	14,400.00	14,832.00	15,276.96	15,735.27	16,207.33	16,693.55
Real Estate Taxes = 2 % of Value	190,000.00	190,000.00	190,000.00	190,000.00	190,000.00	190,000.00
Total Expenses >>>	575,980.00	593,259.40	611,057.18	629,388.90	648,270.56	667,718.68
City Tax Rebate >>>	(190,000.00)	(190,000.00)	(190,000.00)	(190,000.00)	(190,000.00)	(190,000.00)
Adjusted Expenses >>>	385,980.00	403,259.40	421,057.18	439,388.90	458,270.56	477,718.68
Net Operation Income >>>	466,306.20	474,595.39	483,133.25	491,927.25	500,985.06	510,314.61
\$ 6,000,000.00 Debt Service @ 5%	384,000.00	384,000.00	384,000.00	384,000.00	384,000.00	384,000.00
Distributable Earnings / Loss >>>	82,306.20	90,595.39	99,133.25	107,927.25	116,985.06	126,314.61
Annual depreation:						
Commercial units 24% of Cost Over 39.5 Years >>>>>>>>>>>>:	79,000.00	79,000.00	79,000.00	79,000.00	79,000.00	79,000.00
Residential units 76% of Cost						
