

Budget Summary

Acquisition, Stabilization & Development

Anticipated Uses		Anticipated Sources	
Acquisition and Pre-Development Costs	\$2,684,639	Acquisition Loan	\$1,610,784
PHASE 1: Critical Repairs and Stabilization	\$5,374,242	Construction Loan	\$4,200,000
PHASE 2: Pad Site and Building Development	\$5,960,160	Government Subsidies	\$6,374,242
		Small Change Investors Equity ¹	\$1,000,000
		TREND/Investors Equity ¹	\$834,016
Total Project Costs²	\$14,019,041	Total Project Sources²	\$14,019,041

NOTES:

1. Total project equity is \$1,834,016. Small Change investors are able to contribute up to \$1,000,000, with the TREND Fund providing the balance.
2. The budget does not include residential development costs, with the assumption that the value of the land for residential use will be realized by Year 6.

10 Year Operating Projections

Forecast

For the Years Ending	Year 1 Sep-2026	Year 2 Sep-2027	Year 3 Sep-2028	Year 4 Sep-2029	Year 5 Sep-2030	Year 6 Sep-2031	Year 7 Sep-2032	Year 8 Sep-2033	Year 9 Sep-2034	Year 10 Sep-2035	Total
Total Rental Revenue	103,439	91,258	364,130	747,199	874,023	884,422	875,389	857,063	917,112	896,477	6,610,512
Total Other Tenant Revenue	21,816	60,321	255,492	459,273	526,296	541,621	545,721	553,141	590,397	593,412	4,147,490
Total Tenant Revenue	125,255	151,579	619,622	1,206,472	1,400,319	1,426,043	1,421,110	1,410,204	1,507,509	1,489,889	10,758,002
Operating Subsidy	531,200	506,059	383,020	0	0	0	0	0	0	0	1,420,279
Total Vacancy & Credit Loss	0	0	0	-17,086	-70,016	-71,302	-54,433	-42,560	-75,375	-56,181	-386,953
Gross Revenue	656,455	657,638	1,002,642	1,189,386	1,330,303	1,354,741	1,366,677	1,367,644	1,432,134	1,433,708	11,791,328
Total Operating Expenses	459,005	458,973	483,351	494,195	526,296	541,621	557,008	572,518	590,397	606,867	5,290,231
Net Operating Income	197,450	198,665	519,291	695,191	804,007	813,120	809,669	795,126	841,737	826,841	6,501,097
Total Non-Operating Expenses	40,500	41,715	42,966	44,255	45,583	46,951	48,359	49,810	51,304	52,843	464,286
Total Leasing & Capital Costs	0	0	0	0	48,676	0	0	62,954	0	19,093	130,723
Total Debt Service	156,950	156,950	476,325	476,325	585,943	585,944	585,944	585,944	585,945	585,944	4,782,214
Cash Flow After Debt Service	0	0	0	174,611	123,805	180,225	175,366	96,418	204,488	168,961	1,123,874

Projected Cash Available for Investor Distribution										
						Land Sale				Sale
	2026 1	2027 2	2028 3	2029 4	2030 5	2031 6	2032 7	2033 8	2034 9	2035 10
Net Operating Income	197,450	198,665	519,291	695,191	804,007	813,120	809,669	795,126	841,737	826,841
Less: First Mortgage Debt Service	(156,950)	(156,950)	(476,325)	(476,325)	(585,943)	(585,944)	(585,944)	(585,944)	(585,945)	(585,945)
Less: Non-Operating Expenses	(40,500)	(41,715)	(42,966)	(44,255)	(45,583)	(46,951)	(48,359)	(49,810)	(51,304)	(52,841)
Less: Leasing and Capital Costs	-	-	-	-	(48,676)	-	-	(62,954)	-	(19,000)
Operating Cash Flow to Equity	-	-	-	174,611	123,805	180,225	175,366	96,418	204,488	168,941
Debt Coverage Ratio (NOI/Debt Service)	1.26	1.27	1.09	1.46	1.37	1.39	1.38	1.36	1.44	1.41
Sale Proceeds	-	-	-	-	-	669,750	-	-	-	4,938,600
Cash Available for Distribution	-	-	-	\$174,611	\$123,805	\$849,975	\$175,366	\$96,418	\$204,488	\$5,107,600
Projected Cash Available for Distribution to Small Change Investors				\$85,559	\$60,664	\$416,488	\$85,929	\$47,245	\$100,199	\$2,502,700
Potential Distribution to a \$5,000 investor				\$428	\$303	\$2,082	\$430	\$236	\$501	\$12,500

YEAR 10 DISPOSITION ANALYSIS		
Disposition Scenario		
Year 10 NOI		\$ 826,841
Exit CAP Rate	8.0%	
Sale Price		\$10,335,513
Loan Payoff		(4,466,658)
Broker Fee	4%	(413,421)
Closing Costs	5%	(516,776)

NOTE: The foregoing is a mathematical calculation based on our current assumptions about future events. Some of these assumptions will prove to have been inaccurate, possibly for the reasons described on Exhibit B,, Risks of Investing. Hence, the results of investing will likely differ from those illustrated above, for better or for worse, possibly by a large amount.