

1476 MAGAZINE ST.
ARTIST CO-OP B & B/COMMERCIAL OFFICE SPACE

10 YEAR PROJECTIONS

YEAR		1	2	3	4	5	6	7	8	9	10
REVENUE:											
ROOM COUNT		9	9	9	9	9	9	9	9	9	9
ROOM NIGHTS		3285	3285	3285	3285	3285	3285	3285	3285	3285	3285
ADR		\$185	\$191	\$196	\$202	\$208	\$214	\$221	\$228	\$234	\$241
GROWTH RATE		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
OCCUPANCY		45.00%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%
TOTAL ROOM REV		\$273,476	\$394,353	\$406,183	\$418,369	\$430,920	\$443,847	\$457,163	\$470,878	\$485,004	\$499,554
PARKING SPACES		2	2	2	2	2	2	2	2	2	2
PARKING RATE		\$15.00	\$15.45	\$15.91	\$16.39	\$16.88	\$17.39	\$17.91	\$18.45	\$19.00	\$19.57
OCCUPANCY		75.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TOTAL PARKING REVENUE		\$8,213	\$11,279	\$11,617	\$11,965	\$12,324	\$12,694	\$13,075	\$13,467	\$13,871	\$14,287
COMMERCIAL LEASE REVENUE:											
NRSF		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
RENT NET NET NET		\$25.00	\$25.75	\$26.52	\$27.32	\$28.14	\$28.98	\$29.85	\$30.75	\$31.67	\$32.62
GROSS POTENTIAL INCOME LEASE		\$30,000	\$30,900	\$31,827	\$32,782	\$33,765	\$34,778	\$35,822	\$36,896	\$38,003	\$39,143
EVENT REVENUE		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
TOTAL REVENUE:		\$314,689	\$439,531	\$452,627	\$466,116	\$480,009	\$494,320	\$509,059	\$524,241	\$539,878	\$555,985
EXPENSES:											
COOP OPERATING EXPENSES		(\$204,809)	(\$210,953)	(\$217,282)	(\$223,800)	(\$230,514)	(\$237,430)	(\$244,553)	(\$251,889)	(\$259,446)	(\$267,229)
GROWTH RATE		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
NET OPERATING INCOME		\$109,880	\$228,578	\$235,345	\$242,316	\$249,495	\$256,890	\$264,507	\$272,352	\$280,432	\$288,755
RETURN ON COST		4.99%	10.37%	10.68%	11.00%	11.32%	11.66%	12.01%	12.36%	12.73%	13.11%
NET OPERATING INCOME		\$109,880	\$228,578	\$235,345	\$242,316	\$249,495	\$256,890	\$264,507	\$272,352	\$280,432	\$288,755
1ST MORTGAGE DEBT SERVICE		(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)	(\$142,063)
DEBT COVERAGE RATIO		0.77	1.61	1.66	1.71	1.76	1.81	1.86	1.92	1.97	2.03
BEFORE TAX CASH FLOW		(\$32,183)	\$86,515	\$93,282	\$100,253	\$107,432	\$114,827	\$122,444	\$130,289	\$138,369	\$146,692
INVESTOR MEMBERS	60.00%	\$51,909	\$55,969	\$60,152	\$64,459	\$68,896	\$73,466	\$78,173	\$83,022	\$88,015	\$93,115
CASH ON CASH RETURN ON EQUITY			9.42%	10.16%	10.92%	11.70%	12.51%	13.34%	14.19%	15.07%	15.98%
SALE OF ASSET:											
NET OPERATING INCOME:		\$109,880	\$228,578	\$235,345	\$242,316	\$249,495	\$256,890	\$264,507	\$272,352	\$280,432	\$288,755
CAPITALIZATION RATE		8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%
GROSS SALES PRICE		\$1,292,701	\$2,689,151	\$2,768,767	\$2,850,771	\$2,935,235	\$3,022,233	\$3,111,842	\$3,204,138	\$3,299,203	\$3,397,121
less COST OF SALES:	5.00%	(\$64,635)	(\$134,458)	(\$138,438)	(\$142,539)	(\$146,762)	(\$151,112)	(\$155,592)	(\$160,207)	(\$164,960)	(\$169,856)
NET SALES PROCEEDS		\$1,228,066	\$2,554,693	\$2,630,328	\$2,708,232	\$2,788,473	\$2,871,122	\$2,956,249	\$3,043,931	\$3,134,243	\$3,227,265
less OUTSTANDING LOAN			(\$1,608,317)	(\$1,561,480)	(\$1,511,753)	(\$1,458,960)	(\$1,402,910)	(\$1,343,403)	(\$1,280,226)	(\$1,213,152)	(\$1,141,942)
CASH FLOW FROM SALE			\$946,376	\$1,068,849	\$1,196,479	\$1,329,514	\$1,468,212	\$1,612,846	\$1,763,705	\$1,921,091	\$2,085,323
RETURN OF INVESTOR CAPITAL			(\$550,812)	(\$550,812)	(\$550,812)	(\$550,812)	(\$550,812)	(\$550,812)	(\$550,812)	(\$550,812)	(\$550,812)
CASH FLOW AVAILABLE TO DIST.			\$395,565	\$518,037	\$645,668	\$778,702	\$917,400	\$1,062,035	\$1,212,894	\$1,370,279	\$1,534,511
INVESTOR MEMBERS	60.00%		\$237,339	\$310,822	\$387,401	\$467,221	\$550,440	\$637,221	\$727,736	\$822,168	\$920,707
INVESTOR FIVE YEAR CASH FLOW		(\$550,812)	\$0	\$51,909	\$55,969	\$60,152	\$1,082,492				