

2013 / 2014 Budget

PROJECT:  
COMPANY PREFIX

|  | AUG.    | SEPT.   | OCT.    | NOV.    | DEC.    | JAN.    | FEB.    | MAR.    | APR.    | MAY.    | JUN.    | JUL.    | AUG.    | SEP.    | OCT.    | NOV.    | DEC.    |  |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| <b>Revenues</b>                          |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| <b>Rent</b>                              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| Base Rent                                | 194,261 | 194,259 | 137,045 | 168,100 | 142,011 | 142,011 | 142,011 | 142,011 | 142,011 | 140,788 | 140,788 | 118,209 | 141,467 | 141,467 | 106,547 | 144,582 | 144,582 |  |
| Total Rent                               | 194,261 | 194,259 | 137,045 | 168,100 | 142,011 | 142,011 | 142,011 | 142,011 | 142,011 | 140,788 | 140,788 | 118,209 | 141,467 | 141,467 | 106,547 | 144,582 | 144,582 |  |
| <b>Recoveries</b>                        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| Monthly CAM                              | 25,817  | 25,808  | 22,921  | 22,357  | 22,529  | 22,529  | 22,529  | 22,529  | 22,529  | 16,873  | 16,884  | 16,870  | 16,886  | 16,868  | 16,872  | 16,866  | 16,891  |  |
| Total Recoveries                         | 25,817  | 25,808  | 22,921  | 22,357  | 22,529  | 22,529  | 22,529  | 22,529  | 22,529  | 16,873  | 16,884  | 16,870  | 16,886  | 16,868  | 16,872  | 16,866  | 16,891  |  |
| Total Rental/Recoveries Income           | 220,078 | 220,067 | 159,966 | 190,457 | 164,540 | 164,540 | 164,540 | 164,540 | 164,540 | 157,661 | 157,662 | 135,079 | 158,353 | 158,335 | 123,419 | 161,448 | 161,473 |  |
| <b>Other Income</b>                      |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| Antenna                                  | 500     | 500     | 500     | 500     | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |  |
| Total Other Income                       | 500     | 500     | 500     | 500     | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |  |
| <b>TOTAL REVENUE</b>                     | 220,578 | 220,567 | 160,466 | 190,957 | 164,540 | 164,540 | 164,540 | 164,540 | 164,540 | 157,661 | 157,662 | 135,079 | 158,353 | 158,335 | 123,419 | 161,448 | 161,473 |  |
| <b>Recoverable Expenses</b>              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| <b>Cleaning Expenses</b>                 |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| Day Porter                               | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   | 1,716   |  |
| Janitorial Contract                      | 4,957   | 4,957   | 4,957   | 4,957   | 4,957   | 4,957   | 4,957   | 4,957   | 4,957   | 4,597   | 4,597   | 4,597   | 4,597   | 4,597   | 4,597   | 4,597   | 4,597   |  |
| Janitorial Supplies and Material         | 675     | 675     | 675     | 675     | 675     | 650     | 650     | 650     | 650     | 650     | 650     | 650     | 650     | 650     | 650     | 650     | 650     |  |
| Other Cleaning                           | -       | -       | -       | -       | -       | -       | -       | -       | -       | (2,676) | (2,676) | (2,676) | (2,676) | (2,676) | (2,676) | (2,676) | (2,676) |  |
| Window Washing                           | -       | -       | 1,154   | -       | -       | -       | -       | 2,100   | -       | 2,000   | 1,100   | -       | -       | 1,100   | -       | -       | 1,100   |  |
| Total Cleaning Expense                   | 7,348   | 7,348   | 8,502   | 7,348   | 7,348   | 7,323   | 7,323   | 9,423   | 7,323   | 6,287   | 5,387   | 4,287   | 4,287   | 5,387   | 4,287   | 4,287   | 5,387   |  |
| <b>Building Repairs and Maintenance</b>  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| Door Locks & Keys                        | -       | 125     | -       | -       | 50      | -       | -       | 250     | -       | -       | 250     | -       | -       | 250     | -       | -       | 250     |  |
| Electrical Contracts/Repairs             | 310     | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |  |
| Elevator Contract -Repairs & Maintenance | 350     | -       | 518     | -       | -       | 500     | -       | -       | 500     | -       | -       | 500     | -       | -       | 500     | -       | -       |  |
| Fire and Life Safety                     | 285     | 1,685   | 220     | 285     | 85      | 435     | 300     | 1,335   | 435     | 300     | 435     | 435     | 300     | 435     | 435     | 300     | 1,335   |  |
| HVAC Repairs                             | -       | 1,500   | -       | 750     | -       | -       | 6,800   | -       | 1,000   | 16,000  | 13,000  | -       | 1,000   | 1,000   | -       | -       | -       |  |
| HVAC Contracts/Material                  | 1,110   | -       | -       | 1,110   | -       | 1,100   | -       | -       | -       | 150     | -       | -       | -       | 1,100   | -       | -       | -       |  |
| Interior Repairs & Maintenance           | -       | -       | 100     | -       | -       | 150     | -       | 150     | -       | 150     | -       | 150     | -       | 150     | -       | 150     | -       |  |
| Licenses and Inspection Fees             | -       | -       | -       | -       | 225     | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |  |
| Fire and Life Safety - R&M               | -       | -       | -       | -       | -       | -       | 500     | 1,500   | -       | 500     | 1,500   | -       | 500     | 1,500   | -       | 500     | 1,500   |  |
| Lighting Fixtures & Lights               | 250     | 250     | 250     | 250     | 250     | -       | -       | 2,500   | -       | -       | -       | -       | -       | 2,500   | -       | -       | -       |  |
| Miscellaneous Repairs/Maintenance        | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   |  |
| Other Building Repairs & Maintenance     | 125     | -       | -       | 125     | -       | 610     | 610     | 610     | 610     | 610     | 610     | 610     | 610     | 610     | 610     | 610     | 610     |  |
| Plumbing                                 | -       | 500     | 150     | -       | 500     | -       | 800     | 600     | 750     | -       | -       | 1,000   | -       | -       | -       | -       | -       |  |
| Roof Repairs                             | -       | 1,500   | -       | -       | 1,500   | 8,000   | 1,300   | 8,000   | -       | 109,500 | 100,000 | 106,500 | 1,200   | -       | -       | -       | -       |  |
| Security Devices                         | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      | 85      |  |
| Building Engineer Contract               | 1,085   | 1,085   | 1,085   | 1,085   | 1,085   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |  |
| Total Building Repairs and Maintenance   | 8,600   | 11,730  | 7,408   | 8,690   | 8,780   | 15,880  | 15,395  | 20,030  | 8,380   | 132,145 | 120,880 | 114,280 | 8,695   | 12,630  | 6,630   | 6,645   | 8,780   |  |



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|-----------------------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|--------|--------|--------|--------|--------|
| <b>Administration</b>             |        |         |        |        |        |        |        |        |        |         |         |         |        |        |        |        |        |
| Administrative - Other            | -      | -       | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       | -      | -      | -      | -      | -      |
| Site Manager                      | 6,984  | 10,491  | 6,984  | 6,984  | 6,984  | 7,770  | 5,179  | 5,179  | 5,179  | 5,179   | 7,770   | 5,179   | 5,179  | 5,179  | 5,179  | 7,770  | 5,179  |
| Other Consultants                 | 85     | 85      | 85     | 85     | -      | -      | -      | -      | -      | -       | -       | -       | -      | -      | -      | -      | -      |
| Postage & Delivery                | 15     | 15      | 15     | 15     | 15     | 15     | 15     | 15     | 15     | 20      | 20      | 20      | 20     | 20     | 20     | 20     | 20     |
| Office Supplies                   | -      | -       | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       | -      | -      | -      | -      | -      |
| Subscriptions                     | 974    | 444     | 444    | 444    | 428    | 363    | 57     | 357    | 363    | 57      | 357     | 382     | 60     | 360    | 382    | 60     | 360    |
| Mileage & Travel                  | 350    | 350     | 350    | 350    | 350    | 65     | 65     | 65     | 65     | 65      | 65      | 65      | 65     | 65     | 65     | 65     | 65     |
| Payroll - Allocated Costs         | 440    | 440     | 440    | 440    | 440    | 453    | 453    | 453    | 453    | 453     | 453     | 453     | 453    | 453    | 453    | 453    | 453    |
| <b>Total Administration</b>       | 8,858  | 11,825  | 8,328  | 8,328  | 8,227  | 8,666  | 5,769  | 6,069  | 6,075  | 5,774   | 8,665   | 6,099   | 5,777  | 6,077  | 6,099  | 8,368  | 6,077  |
| <b>Total Recoverable Expenses</b> | 52,104 | 115,903 | 88,076 | 86,969 | 79,647 | 84,548 | 86,401 | 97,717 | 65,195 | 189,271 | 170,122 | 169,379 | 55,670 | 77,454 | 51,714 | 61,104 | 60,030 |

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|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|----------|-----------|---------|----------|---------|---------|---------|---------|
| <b>Non-Recoverable Operating Expenses</b>         |         |         |         |         |         |         |         |         |         |           |          |           |         |          |         |         |         |         |
| Signage (Non-recoverable)                         | -       | 100     | -       | -       | 100     | -       | -       | -       | -       | -         | -        | -         | -       | -        | -       | -       | -       |         |
| Maintenance and repairs (Non-recoverable)         | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -        | -         | -       | -        | -       | -       | -       |         |
| Accounting fees                                   | -       | -       | -       | -       | -       | -       | 2,200   | -       | 5,665   | -         | -        | -         | -       | -        | -       | -       | -       |         |
| Legal and Professional fees                       | -       | -       | -       | -       | -       | 222     | 75      | 75      | 226     | 1,500     | -        | 155       | -       | -        | 160     | -       | -       |         |
| Bank fees   | -       | -       | -       | -       | -       | 900     | 900     | 900     | 900     | 900       | 900      | 900       | 900     | 900      | 900     | 900     | 900     |         |
| <b>Total Non-Recoverable Operating Expenses</b>   | -       | 100     | -       | -       | 100     | 1,122   | 3,175   | 975     | 6,791   | 2,400     | 900      | 1,055     | 900     | 900      | 1,060   | 900     | 900     |         |
| <b>TOTAL OPERATING EXPENSES</b>                   | 52,104  | 116,003 | 86,076  | 86,969  | 79,747  | 85,670  | 89,576  | 96,692  | 71,986  | 191,671   | 171,022  | 170,434   | 56,570  | 78,354   | 52,774  | 62,004  | 60,930  |         |
| <b>NET OPERATING INCOME / (LOSS)</b>              | 168,474 | 104,564 | 72,390  | 103,988 | 84,793  | 78,870  | 74,964  | 65,848  | 92,554  | (34,010)  | (13,370) | (35,355)  | 101,783 | 79,981   | 70,645  | 99,444  | 100,543 |         |
| <b>Debt Service</b>                               |         |         |         |         |         |         |         |         |         |           |          |           |         |          |         |         |         |         |
| Mortgage  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -        | -         | -       | -        | -       | -       | -       |         |
| Mortgage Principal Reduction                      | -       | -       | 70,000  | 70,000  | 70,000  | 70,000  | 70,000  | 70,000  | 70,000  | 70,000    | 70,000   | 70,000    | 70,000  | 70,000   | 70,000  | 70,000  | 70,000  |         |
| <b>Total Debt Service</b>                         | -       | -       | 70,000  | 70,000  | 70,000  | 70,000  | 70,000  | 70,000  | 70,000  | 70,000    | 70,000   | 70,000    | 70,000  | 70,000   | 70,000  | 70,000  | 70,000  |         |
| <b>NET CASH FLOW AFTER DEBT SERVICE</b>           | 168,474 | 104,564 | 2,390   | 33,988  | 14,793  | 8,870   | 4,964   | (4,152) | 22,554  | (104,010) | (83,370) | (105,355) | 31,783  | 9,981    | 645     | 29,444  | 30,543  |         |
| <b>NET INCOME</b>                                 | 168,474 | 104,564 | 2,390   | 33,988  | 14,793  | 8,870   | 4,964   | (4,152) | 22,554  | (104,010) | (83,370) | (105,355) | 31,783  | 9,981    | 645     | 29,444  | 30,543  |         |
| <b>Leasing &amp; Capital Costs</b>                |         |         |         |         |         |         |         |         |         |           |          |           |         |          |         |         |         |         |
| Capital Improvements                              | -       | -       | -       | -       | -       | -       | -       | -       | -       | 8,875     | 8,875    | 8,875     | -       | -        | -       | -       | -       |         |
| Tenant Improvements                               | -       | 22,410  | -       | -       | -       | -       | -       | -       | 9,198   | -         | -        | -         | -       | 25,875   | -       | -       | -       |         |
| Lease Commissions                                 | -       | 17,217  | -       | -       | -       | -       | -       | -       | 9,813   | -         | -        | -         | -       | 23,000   | -       | -       | -       |         |
| Loan Fees (Refinance)                             | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -        | -         | -       | -        | -       | -       | -       |         |
| Capitalized Legal Fees                            | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -        | -         | -       | -        | -       | -       | -       |         |
| <b>Total Capital Expenditures</b>                 | -       | 39,627  | -       | -       | -       | -       | -       | -       | 19,011  | 8,875     | 8,875    | 8,875     | -       | 48,875   | -       | -       | -       |         |
| <b>PROJECT CASH FLOW / (DEFICIT)</b>              | 168,474 | 64,937  | 2,390   | 33,988  | 14,793  | 8,870   | 4,964   | (4,152) | 3,543   | (112,885) | (92,245) | (114,230) | 31,783  | (38,894) | 645     | 29,444  | 30,543  |         |
| <b>Accumulated Cash, Prior Period<sup>4</sup></b> | 345,871 | 345,871 | 514,345 | 579,283 | 591,673 | 615,661 | 630,454 | 650,454 | 852,532 | 857,496   | 853,344  | 856,887   | 744,002 | 651,758  | 537,528 | 569,311 | 530,417 | 591,049 |
| <b>Total Projected Accumulated Cash</b>           | 345,871 | 345,871 | 514,345 | 579,283 | 591,673 | 615,661 | 630,454 | 650,454 | 852,532 | 857,496   | 853,344  | 856,887   | 744,002 | 651,758  | 537,528 | 569,311 | 530,417 | 591,049 |

1 Insurance - Self Reserve: Not a current expense. Self-reserve for insurance payment due on or about March 1, 2014

2 Property Tax - Self Reserve: Not a current expense. Self-reserve for property tax payment due on or about December 1, 2013. Does not include use of prior property tax accumulated funds held by the lender.

3 Demo and clean up work on empty space suggested by leasing agent to decrease vacancy. (Approx \$2 per sq foot for space previously occupied by Phillips)

4 Cash in excess: To align year end DIP balances and budget