

PROPOSED BUDGET FOR THE YEAR ENDING DECEMBER 31, 2004
Please attach applicable backup data.

40 - 1 BR units @ \$400/unit	
40 x 400 x 12 =	\$192,000
2 - 1 BR units @ \$390/unit	
2 x 390 x 12 =	\$9,360
46 - 2 BR units @ \$475/unit	
46 x 475 x 12 =	\$262,200
12 - 3 BR units @ \$550/unit	
12 x 550 x 12 =	<u>\$79,200</u>
	\$542,760

Proposed Increase Effective 3/1/04 (Annual Adjustment)

Subsidized Units

40 - 1 BR(E)	400 x 1% x 40 =	\$160
8 - 2 BR	475 x 1% x 8 =	\$38
12 - 3 BR	550 x 1% x 12 =	<u>\$66</u>
	10 mos. x	\$264 = \$2,640

Market Rate Units

\$10/unit effective 7/1/04	
\$10 x 40 units =	400 x 6 mos. <u>\$2,400</u>

Gross Potential Rent	<u>\$547,800</u>
5% vacancy factor	(27,390)

Net Rental Income **\$520,410**

Commercial Rent (rent other than apartment or garage rent)

Other Income

Garages 30 x \$20 = \$600	x 12 = \$7,200	
10% vacancy factor	\$720	
		\$6,480
Laundry at \$4/unit		
\$4 x 100 units x 12	=	\$4,800
		<u>\$11,280</u>
Total Revenue		\$531,690

Forfeited Security Deposits Include anticipated deposits retained for damage to the unit.

Interest Income Project interest earned on operating funds deposited to savings accounts.

Draws From Reserves Include any anticipated draws from the reserve escrow accounts.

Advertising and Marketing

As vacancy occurs in market rate units, some expense is projected. **\$1,000**

Management Fee

Fee based on \$30/month/occupied unit.

\$30 x 100 x 12 x 95% occupancy = \$34,200

5.0% of other income

laundry = \$4,800

garages = \$6,480

\$11,280 x .05 = \$564

\$34,764

Legal

\$1,500

Auditing

\$2,700

Telephone

Elevator phone \$25/month = \$300

Office phone \$100/month = \$1,200

\$1,500

On-Site Management Payroll

One resident manager

\$1,500/month x 12 months = \$18,000

Payroll taxes, 16% = \$2,880

\$20,880

Elevator

Contract with G.E. \$99/month = \$1,188

Unscheduled repairs = \$300

\$1,488

Exterminating

\$40/month

\$480

Rubbish Removal

\$990/month (Jan - June) = \$5,940

10% increase effective 7/1/04

\$990 x 6 mos. x 110% = \$6,534

\$12,474

Other Contract Services (those services which do not fit in another category)

Janitor supplies

\$1,000

Maintenance supplies

\$4,500

Grounds maintenance

\$1,500

Snow removal

\$125/time x 20 snowfalls/year

\$2,500

Heating & A/C Repair Services

\$900

General Repair Services

\$3,500

Painting & Decorating Materials

Anticipate 30% turnover

30 units x \$200 unit = \$6,000

Entry rugs \$50/mo (unscheduled) = \$600 **\$6,600**

Maintenance & Janitorial Payroll

One maintenance person

\$1,200/month x 12 months = \$14,400

Two caretakers

\$685 month x 12 months. = \$8,220

Payroll taxes, 16% = \$3,619 **\$26,239**

Other Maintenance & Operating (those items which do not fit in another category)

Electricity

Consumption for first 10 months is 399,274 KWH.

Anticipate another 40,000 KWH for each month remaining.

Total KWH anticipated for 2004 is 479,274 KWH.

Estimated consumption for 2003 = 480,000 KWH

Estimated average cost per KWH \$.066; this includes utility company's projected 10% increase.

480,000 KWH x \$.066 = **\$31,680**

Water & Sewer

Estimated cost of \$3,000 quarterly which includes the 10% increase projected by the city.

\$12,000

Gas & Oil (Fuel)

Hot water heater is fuel oil fired. Used approximately 12,000 gallons in 2003.

10,000 gallons x \$.90 = **\$9,000**

Capital Expenditures

1 riding lawn tractor **\$3,800**

Insurance

2003 premium = \$8,256

Estimated increase 20%= 1,651

Estimated 2004 premium **\$9,907**

Real Estate Taxes

Estimated market value 2,500,000
x the current tax rate

Total taxes estimate = **\$31,250**