PROJECT PLAN

TAX INCREMENTAL DISTRICT NO. ____

CITY OF MILWAUKEE

(Chase Commerce Center Project)

Public Hearing Held: September 13, 2005

Redevelopment Authority Adopted:

Common Council Adopted:

Joint Review Board Approval:

I. DESCRIPTION OF PROJECT

A. Introduction

Section 66.1105(4)(d), Wis. Stats. Requires the "preparation and adoption of a project plan for each tax incremental district." This Project Plan is submitted in accordance with this statutory requirement.

B. District Boundaries & Compliance with Statutory Eligibility Criteria

Tax Incremental District No., City of Milwaukee (the "District") consists of a single 22.9 acre site located at 3073 S. Chase Ave.. (Tax Key No. 506-0012-115). The District is shown on Map 1, "Boundary and Existing Land Use," and described in Exhibit 4, "Boundary Description."

The District is presently zoned IH (Industrial Heavy). The 513,000 s.f. manufacturing building on the property was previously operated by Nordberg, Inc. and then by its parent company, Metso Minerals. With the exception of a small testing center, Metso ceased operations at this location in mid-2004. The property was then put up for bid, and subsequently acquired by Industrial Properties, LLC in early 2005. Approximately 85,000 s.f. of the building is leased to Bucyrus International, Inc. for the fabrication and welding of mining equipment; and, 20,000 s.f. is leased to Metso for its testing facility. The balance of the building is vacant and consists of high-bay manufacturing space that is largely vanishing from the Milwaukee area.

In addition to its high vacancy rate, the facility requires significant renovations and, accordingly, the District satisfies the requirements of Wis. Stats. Sec 66.1105(4)(gm)(4)(a) as being a "blighted area."

Over the last seven years, the assessment of improvements in the District has always exceeded the land assessment. Accordingly, the District is not "vacant" property, as provided in Sec. 66.1105(4)(gm)(1).

C. Project Plan Goals and Objectives

Goals and objectives for the District are:

1. To redevelop the building in the District for manufacturing and office use. For example, as noted above, Bucyrus International is leasing space in the facility. Bucyrus expects to employ 50 welders at this location, plus an additional 30-40 support staff. The average wage for the welding positions is \$22 per hour. The primary goal for the District is to attract similar tenants to the balance of the

facility, making this location a significant concentration of employment in the city, at family-supporting wages.

2. To increase the property tax base of the community.

D. Existing Land Uses and Conditions in the District

As discussed above, the District contains a 513,000 s.f. heavy manufacturing plant, situated on 22 acres. Approximately 453,000 s.f. of this area is leasable, the balance being common areas.

The site is located at the intersection of S. Chase Ave., and W. Oklahoma Ave., and is approximately one-half mile from the Holt Ave. ramps to I-94. As such, the property was sought after by developers proposing to obtain the necessary zoning changes, demolish the current complex, and build big-box retail at this site. One proposal was to construct a major home-improvement store at this location, approximately one-quarter mile from the Home Depot now under construction on Holt Ave., in TID 55. Given the interest of Bucyrus to become the anchor tenant in the existing facility, bringing up to 90 jobs with it, the City strongly resisted the zoning change, and encouraged the site's redevelopment for manufacturing purposes.

The facility, however, is 80% vacant and required significant expenditures to accommodate Bucyrus and future tenants. A preliminary budget for the past and future renovations is shown in Exhibit 2, and consists of roof repair and replacement, parking lot repairing, update and repair of rail access, new loading docks, remodeling of existing offices, and furniture and fixtures. Total estimated renovations are \$2,685,000. Along with the purchase price of the property, total project cost is estimated at \$7,485,000.

I. PROJECT PLAN PROPOSALS

- A. The following is a description of the kind, number, and location of all proposed Public Works or Improvements within the District:
 - 1. Given the strong interest by the City to attract Bucyrus and similar manufacturing tenants, as well as the need for Bucyrus to expeditiously move into the facility, the Developer paid a premium over what the property was worth for continued industrial use. As in incentive to the Developer to proceed, the City proposed

funding, pursuant to a Development and Contribution Agreement, up to \$500,000 for the redevelopment or operating costs of the project. These funds will be advanced by the Developer and repaid, by the City, but only from future tax incremental revenue generated in the District. These payments will terminate when occupancy in the facility reaches 80%, or in ten years, which ever occurs sooner. All expenditures in the District will occur at 3073 S. Chase Ave., Milwaukee, WI.

B. The following is an estimate of the project costs to be implemented as part of this Project Plan.

TASK	ESTIMATED COST
City grant to Redevelopment Authority for Contribution to Developer Costs	\$ 500,000
NET PROJECT CAPITAL COSTS	\$ 500,000
Estimated Interest Costs	0
TOTAL TID PROJECT COSTS	\$ 500,000

The Developer will advance the \$500,000 noted above. These funds, will be repaid, pursuant to a Monetary Obligation with the Developer, but only from incremental taxes generated annually in the District.

The costs included in this subsection, without limitation hereof because of enumeration, are claimed as eligible Project Costs as defined under Wis. Stats. Sec. 66.1105(2)(f) and may be incurred directly by the City, or by the Redevelopment Authority of the City pursuant to a grant or cooperation agreement with the City, pursuant to Wis. Stats. Sec. 66.1105(2)(f)(1)(h).

C. Project financing and timetable for expenditures:

All expenditures are expected to be incurred in 2005-2014; i.e. the term of the Monetary Obligation will be 2014.

As discussed above, the TID funding will be advanced by the Developer and amortized from future tax incremental revenue generated in the District.

D. List of Estimated Non-Project Costs:

Estimated costs of redeveloping the entire project are shown in Exhibit 2.

E. Proposed Method of Relocating any Persons to be Displaced:

No persons or businesses are to be displaced.

F. Statement Indicating How District Creation Promotes Orderly Development:

The Project Plan for the District anticipates the redevelopment of a 513,000 s.f., largely vacant industrial facility. Total investment is estimated at approximately \$7,500,000. Based upon prior experience with the City's Industrial Land Bank program, and the number of employees ultimately expected at Bucyrus, we estimate one job will be located here for every 1500 s.f. of manufacturing space, or a total of 320 employees. To the extent office and service businesses locate in the complex, employment could be markedly greater. The project, therefore, adds employment opportunities to the community as well as tax base.

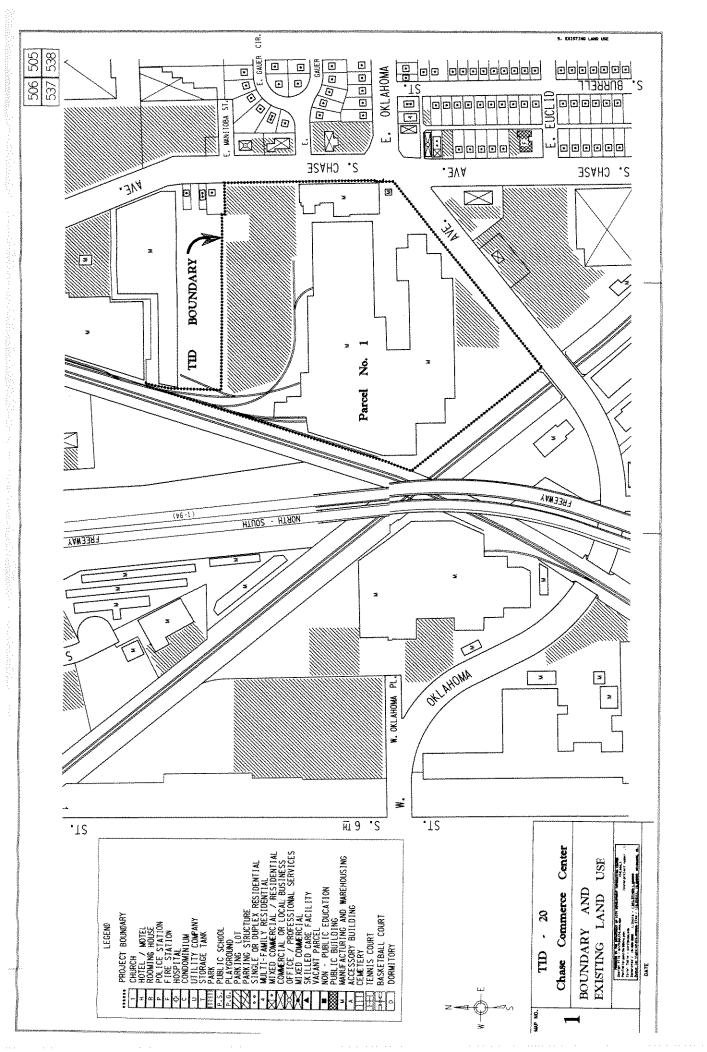
G. Proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances:

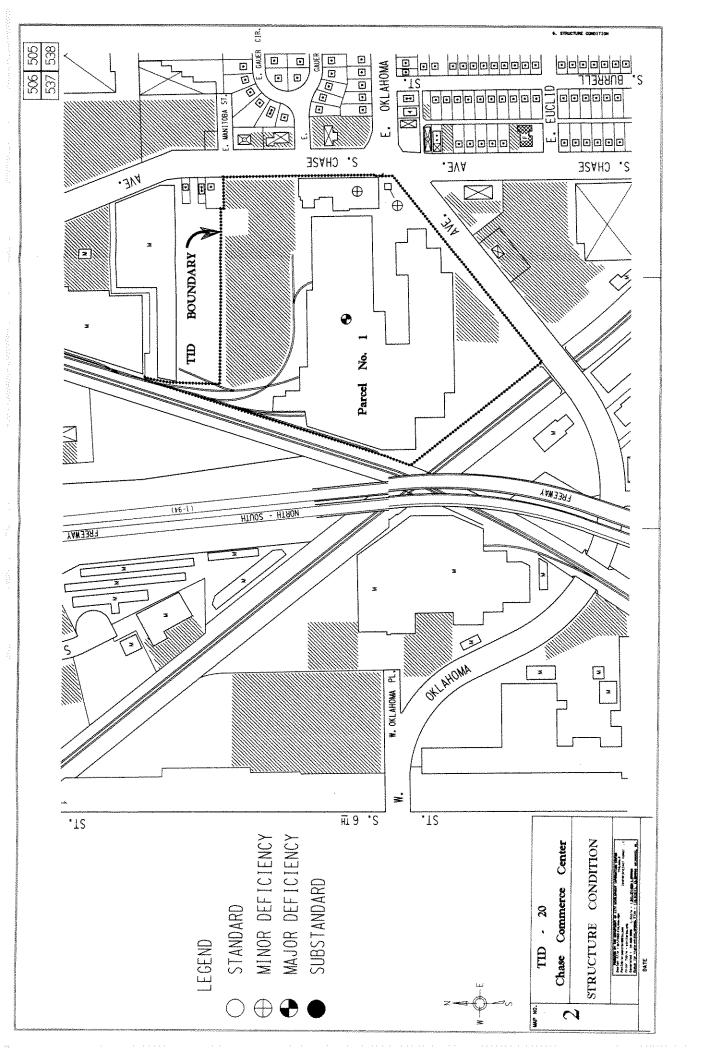
The zoning for the District is currently IH (Industrial Heavy). The zoning is not planned to be changed.

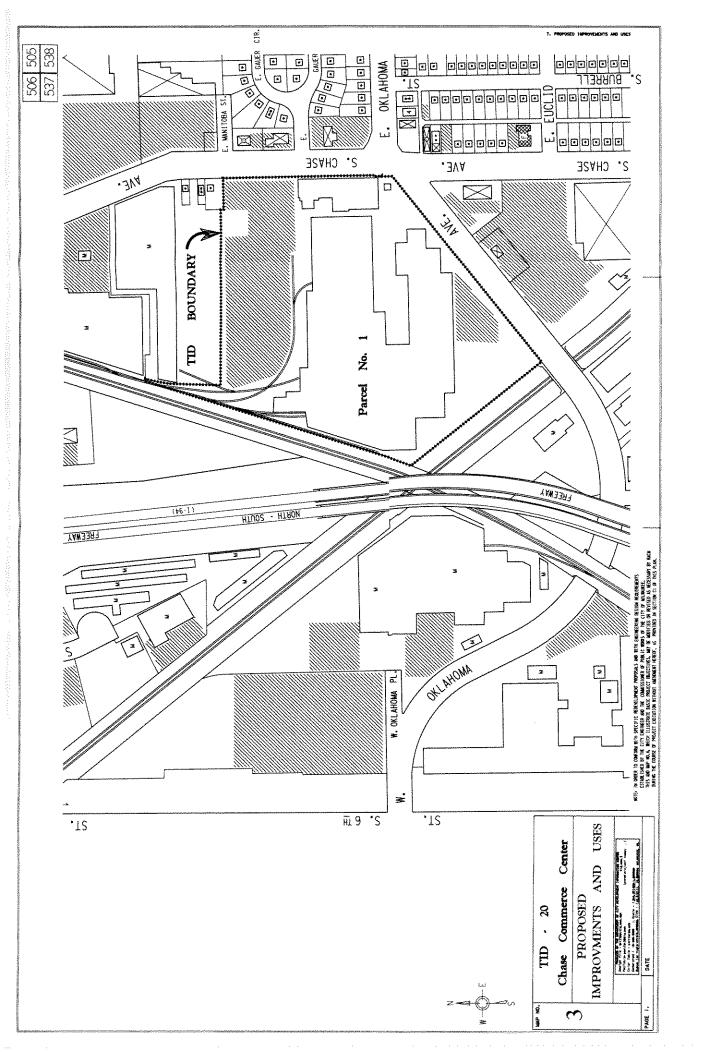
APPENDIX

List of Exhibits

- Map 1: Map of Boundary and Existing Land Use
- Map 2: Map of Site and Structure Condition
- Map 3: Map of proposed improvements
- Exhibit 1: Parcel listing and calculation of percent "blighted" and "vacant."
- Exhibit 2: Project budget
- Exhibit 3: Economic Feasibility Study
- Exhibit 4: Metes and Bounds description of District boundary.
- Exhibit 5: City Attorney's opinion.







:		Exhibit 1: Listing of Properties in the District, and designation of "blighted" and "vacant" properties.	s in the Di	strict,	and design	ation of	n the District, and designation of "blighted" and "vacant" properties.	d "vacant" p	roperties.			
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EXHIBIT 2

PROJECT BUDGET

Industrial Properties, LLC 3073 S Chase Avenue Milwaukee, WI 53207

Project Cost	
Site Acquisition	4,800,000
Site Improvement	
Bucyrus Improvements	215,000
General Repair	185,000
Signs	20,000
Roof repair and replacement	300,000
Parking lot repavement	385,000
Repair/Update Rail Access	300,000
New Construction (Dock Construction)	120,000
Remodeling of Existing (Demising)	300,000
Equipment (Metering, Docks, Security)	
Metering & Security and Fire Alarm	150,000
Docks	60,000
Furniture & Fixtures	0
Working Capital	500,000
Debt Refinancing	0
Other	150,000
Total	7,485,000

EXHIBIT 3

ECONOMIC FEASIBILITY STUDY FOR:

CHASE COMMERCE CENTER PROJECT

Background:

The City of Milwaukee is proposing to assist in the redevelopment of the Chase Commerce Center Project, a 513,000 s.f. manufacturing facility located at 3073 N. Chase Ave. The property was acquired by Industrial Properties, LLC earlier in 2005 in an effort to attract Bucyrus International, Inc. to the site and to preserve manufacturing space in the city - rather than convert it to retail or commercial uses which support lower paying jobs. In order to implement the project, the Developer purchased the property at a significant premium over assessed value, despite the fact that the facility was essentially vacant and had only a lease for 20,000 s.f. from the facilities previous owner, Metso Minerals, Inc. Currently taxes on the facility are \$75,000 annually. Based on the higher purchase price, annual taxes would be \$120,000, a 62% increase.

As an incentive to the Developer to proceed with the acquisition, the City proposed funding, pursuant to a Development and Contribution Agreement, up to \$500,000 for the redevelopment cost of the project. These funds will be advanced by the Developer under a "pay-as-you-go" approach, and be repaid, by the City, but only from future tax incremental revenue generated by the project. These payments will terminate when occupancy in the facility reaches 80%, or in ten years, which ever occurs sooner.

The overall cost of the project is set forth in Exhibit 2 and totals 7,485,000.

Anticipated Cash Flow for the Project:

Table A sets forth the Developer's forecast of revenues and expenses for the project over the next ten years. Leasing up a project such is this is much less predictable than, for example, a residential project but the Developer has turned-around similar facilities – including the 507,000 s.f. former Louis Allis complex on E. Stewart St.- and this is their best judgment on space absorption and operating expenses.

As indicated in the forecast, occupancy grows from the current 30% to nearly 80% over the initial five years of the project. Rents for manufacturing space mirrors the market of \$2.50 to \$4.50 per square foot, and office rents at \$5.00 per square foot, gross.

Operating expenses, before real estate taxes are approximately \$1 / s.f. with utilities, principally heat, making up 60% of that cost. Real estate taxes are \$.15 /s.f. based on the

current assessment, and potentially \$.24 / s.f. based on the purchase price of the property, or an increase of \$45,000 per year.

Through the Monetary Obligation proposed in the Project Plan, this increase in taxes will be paid back to the Developer, until occupancy reaches 80%, or for ten years, which ever is sooner. The Monetary Obligation basically functions as a hedge against increased operating expenses that would significantly drive down the return to the Developer.

A review of Table A, which shows the Monetary Obligation payment as a revenue, indicates the Internal Rate of Return for the development is 12.1%, prior to any net sale proceeds should the project be sold. As shown in Table B, if the Monetary Obligation payment is eliminated, the IRR declines to 7.2% - a return generally unacceptable in the market place and an underlying reason why these types of industrial properties are often demolished for retail space rather than renovated for manufacturing use. The comparison between the IRR's clearly demonstrates the "But For" necessity of the District.

Given the terms of the Monetary Obligation, if taxes do not increase as would be suggested by the recent purchase price, the payment declines accordingly since incremental tax revenue declines accordingly. Likewise, if occupancy increases to over 80%, the payment stops. Finally, combined payments under the Monetary Obligation are limited to \$500,000. Payments on the Monetary Obligation will not bear interest to the city.

Given the above terms, and the fact that all funding for the redevelopment of the project is advanced by the Developer, the District will always generate sufficient increment to pay the Monetary Obligation. As such the District is feasible and will be dissolved on or before 2014.

Industrial Properties, LLC 3073 S Chase Ave TABLE A

Projected Cash Flow/Profit Sq Fr Rate 2005 Bucyrus International, Inc. NNN 21,380 4,80 \$3506,240 Bucyrus International, Inc. NNN 21,380 4,80 \$376,570 Bucyrus International, Inc. NNN 21,380 4,80 \$376,570 Bucyrus International, Inc. Reimbursement 20,000 3.50 \$84,000 Metso Utilities 5004 4,80 \$84,000 Existing Machinery Warehousing 8,000 4,80 \$84,000 Existing Tenant Lead A 10,000 4,50 \$14,850 Existing Tenant Lead B 20,000 3.50 \$14,850 Existing Tenant Lead B 20,000 3.50 \$15,500 New Office Tenants 2005 10,000 5.00 \$10,000 \$10,000 New Mig Tenants 2007 \$5,000 3.00 \$10,000 \$10,000 New Mig Tenants 2008 \$5,000 3.00 \$10,000 \$10,000 New Mig Tenants 2008 \$5,000 3.00 \$10,000 \$10,000 New Mig Tenants 2009 \$10,000 3.00 \$10,000 \$10	2006 \$3317.877 \$44.401 \$146,112 \$86,520 \$24,352 \$72,600 \$70,000 \$50,000 \$50,000 \$50,000 \$125,000 \$125,000 \$125,000	2007 \$329,956 \$46,089 \$166,848 \$89,116 \$26,808 \$87,120 \$46,800 \$72,600 \$72,600 \$52,000 \$52,000 \$51,	2008 5342,495 5163,345 517,840 5163,345 591,789 527,224 5194,544 5194,541 554,080 554,080 552,000 5135,000 5150,000 5150,000 5150,000	2009 \$355,510 \$49,658 \$165,892 \$94,543 \$27,649	2010 \$369,019 \$51,545 \$168,490	\$383,042 \$53,504	\$397,597 \$55,537	\$412,706	\$428,389
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New Mfg Tenants 2007 50,000 3.00 New Office Tenants 2008 5,000 5.00 New Mfg Tenants 2008 5,000 5.00 New Mfg Tenants 2009 50,000 3.00 New Mfg Tenants 2009 50,000 3.00 New Mfg Tenants 5,000 3.00 New Mfg Tenants 50,000 3.00 New Mfg Tenants 50,000 3.00 New Mfg Tenants 50,000 3.00 New Mfg Tenants 453,188 Tot. Rental Rev. Efficiency 88% Tot. Rental Rev. Leased Space Vacancy as % Leasable area 453,188 Tot. Rental Rev. Cash Expense Unleased Space 453,188 Tot. Rental Rev. 5 Unleased Space Unleased Space 453,188 Tot. Rental Rev. 5 Unleased Space Unleased Space 453,188 Tot. Rental Rev. 5 Unleased Space Unleased Space 453,188 Tot. Rental Rev. 5	1,031,862 228,188 284,812	\$125,000 \$45,000 1,313,397	\$150,000 \$25,000 \$150,000 \$45,000	\$54.080	\$56.243	\$58.493	\$60.833	\$63,266	\$65,797
New Office Tenants 2008 New Office Tenants 2008 New Office Tenants 2008 New Office Tenants 2009 New Office Tenants 2009 New Office Tenants 2009 New Mig Tenants 2009 Source 5,000 Source 5,000 Source 5,000 New Mig Tenants 2009 Source 5,000 Source 5,000 Source 6,000 New Mig Tenants 2009 Source 5,000 Source 5,000 Source 6,000 Source	1,031,862 228,188 224,812	\$45,000	\$15,000 \$150,000 \$45,000	6135 200	809 0713	\$146.737	6157.087	5158 165	\$164.491
New Office Tenants 2008 S,000 S,000 S,000 New Office Tenants 2009 S,000	1,031,862 228,188 284,812	\$45,000	\$45,000 \$45,000	0000000	000000000000000000000000000000000000000	2000	340.000	2011001	601 600
New Mig Tenants 2008 50,000 5,00	1,031,862 228,188 284,812	\$45,000 1,313,397	\$150,000	3.26,000	227,040	271,874	272,740	550,410	531,033
New Office Tenants 2009 5,000 5.00 New Mfg Tenants 2009 50,000 5.00 New Mfg Tenants 5,000 5.00 New Mfg Tenants 50,000 3.00 New Mfg Tenants 50,000 3.00 New Mfg Tenants 455,188 Tot. Rental Rev. Efficiency 88% Tos. Rental Rev. Leased Space Unleased Space Vacuncy as % Leasable area Cash Expense Leasable area Leasable area Cash Expense Licenses & Permis -8 Utilities -8 Insurance -8	1,031,862 228,188 284,812	\$45,000 1,313,397	\$45,000	\$156,000	\$162,240	\$168,730	\$175,479	\$182,498	\$189,798
New Mfg Tenants 2009 \$0,000 3.00 New Office Tenants \$0,000 3.00 New Mfg Tenants \$0,000 3.00 Leasable Area 455,188 Tot. Rental Rev. Refficiency 88% Tot. Rental Rev. Unleased Space Vacancy as % Leasable area Cash Expense Licenses & Permis Leasable area Leasable area Cash Expense Licenses & Permis -\$ Unliness Insurance -\$ Security Service -\$ -\$	1,031,862 228,188 284,812	\$45,000 1,313,397	\$45,000	\$25,000	\$26,000	\$27,040	\$28,122	\$29,246	\$30,416
New Office Tenants 5,000 5.00 New Mig Tenants 50,000 3.00 Incremental Taxes 453,188 Tot. Rental Rev. Leased Space 88% Tot. Rental Rev. Unleased Space 88% Tot. Rental Rev. Vacancy as % Leasable area 88% Leasable area Cash Expense Licenses & Permis Louintes Licenses & Permis Louintes -\$ Unitings historice -\$	1,031,862 228,188 284,812	545,000	\$45,000	\$150,000	\$156,000	\$162,240	\$168,730	\$175,479	\$182,498
axes Area 453.188 Tot. Rental Rev. 88% Leasable area e	1,031,862 228,188 284,812	\$45,000 1,313,397	\$45,000		30	08	\$0	0%	80
Area 453,188 Tot. Rental Rev. 88% 1.00 Rental Rev. 1.00 R	1,031,862 228,188 284,812	1,313,397	\$45,000		SO.	80	80	0\$	So
Area 453,188 Tot. Rental Rev. 88% 88% Ee 88% Ee Ee Emily Ee Ermis Ee Emily En Emily Ee Emily En Emily	1,031,862 228,188 284,812	1,313,397		\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
88% 88% c. Leasable area 88% c\$	228,188	130404041	1 546 600	371 075	1 870 111	1 880 755	1 052 486	2 017 503	7 1185 167
ce Leasable area entities continuits continuits continuits	228,188		D/Matoria	C1741114	64647404	2014/2004	COLUMN TO THE	Contract of the	in the section
Leasable area Permis Coc	284,812	288 188	343 188	308 188	398 188	398 188	398 188	398 188	398.188
casable area	1	224.812	169.817	114.837	114.812	114.812	114.812	114.812	114.812
,	26.82	4467	230%	7066	3300	7966	330%	2000	7966
Sign Sign	2670	0/++	92.55	0/14	D/ 777	n/77	8/77	0/77	1 7 7 7 7
sin state of the s	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost
8.	-\$1,530	-\$1,561	-\$1,592	-\$1,624	-\$1,656	-\$1,689	-\$1,723	-\$1,757	-\$1,793
	-\$408,000	-\$416,160	-\$424,483	-\$432,973	-\$441,632	-\$450,465	-8459,474	-\$468,664	-\$478,037
	-\$5,100	-\$5,202	-\$5,306	-\$5,412	-\$5,520	-\$5,631	-55,743	-\$5,858	-\$5,975
	-\$6,120	-\$6,242	-\$6,367	-\$6,495	-\$6,624	-\$6,757	-\$6,892	-\$7,030	-57,171
Legal & Accounting -\$20,000	-\$20,400	-\$20,808	-\$21,224	-\$21,649	-\$22,082	-\$22,523	-\$22,974	-\$23,433	-\$23,902
Repairs & Maintenance -560,000	-\$61,200	-\$62,424	-\$63,672	-\$64,946	-\$66,245	-\$67,570	-\$68,921	-\$70,300	-\$71,706
Office Expense	-55,100	-\$5,202	-\$5,306	-55,412	-\$5,520	-\$5,631	-\$5,743	-\$5,858	-\$5,975
νį	-\$102,000	-\$104,040	-\$106,121	-\$108,243	-\$110.408	-\$112,616	-\$114,869	-\$117,166	-\$119,509
ate Tax	-\$79,039	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000
S	-\$427,000	-\$435,540	-\$444,251	-\$453,136	-\$462,199	-\$471,443	-\$480,871	-\$490,489	-\$500,299
Principal Repayment \$0	0\$	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250
Total Cash Expenses	\$1,115,489	1		1		-\$1,638,575	-\$1,661,461	l i	-\$1,708,616
CASH FLOW\$249,709	l	-\$238,032		\$176,936	\$213,177	\$251,181	\$20,1928	\$332,787	\$376,551
Principal I am II	\$6 100 000	000 387 28	03.2.03.2.60	005 926 800	050 275 330	000 880 53	65 613 750	\$5 239 500	057 348 83
				216	PUC	103	180	168	156
	747	7005 0	077	2020	+0.7 /603 V	761	7002 0	700	202
o Mo	1/5/10 1/4/5/10	631 100	621 100	0.000	631 100	0.000	621 100	621 100	621 100
	784,028	001,100	001,100	231,100	001,100	001,100	001,100	001,100	936,400
•	<i>y</i> ,	\$374,250	53/4,250	\$3/4,250	\$374,250	\$374,250	\$374,250	53/4,250	53/4,250
		\$43,663	\$41,479	\$39,296	\$37,113	\$34,930	\$32,747	\$30,564	\$28,381
Interest Yr. (average) \$427,000	\$427,000	\$523,950	\$497,753	\$471,555	\$445,358	\$419,160	\$392,963	\$366,765	\$340,568

188% \$376,551

46% \$291,025

107% \$213,177

-13% -\$25,882

-119% -\$238,032

-42% -\$83,627

-125%

-\$200,000 -\$249,709

12.1%

ROE (Cash on Cash)

\$332,787 %991

\$251,181 126%

\$176,936 %88

Industrial Properties, LLC 3073 S Chase Ave TABLE B

	513,000		Loan Repay Year	ay Year								
0 Projected Cash Flow/Profit	Sq Ft	Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Bucyrus International, Inc. NNN	63,800	4.80	\$306,240	\$317,877	\$329,956	\$342,495	\$355,510	6306928	\$383,042	\$397,597	\$412,706	\$428,389
Bucyrus International, Inc. NNN	21,388	2.00	\$42,776		\$46,089	\$47,840	\$49,658	\$51,545	\$53,504	\$55,537	\$57,647	\$59,838
Bucyrus International, Inc Reimbursement		30%	\$97,650	u-s	\$160,848	\$163,345	\$165.892	\$168.490	\$173,139	\$173.842	\$176,599	\$179.411
Merso	20,000	3.50	\$84,000		\$89,116	687 168	\$94.543	\$97.379	\$100,300	\$103,309	\$106,409	\$109,601
Merso Utilities		%5	276.31.2		808 903	ACC TC2	527 649	\$28.082	478 473	\$78 974	\$29,433	679 907
Doral Warehousiny	15 000	!	860 500		887 170	\$104 \$44	\$104 544	\$104 \$44	\$104 \$44	\$104 544	\$104 \$44	\$104 544
Existing Machinery Warehousing	8 000	4 80	\$38.400		2		1)	1	
Evicting Tenant [sod A	16,000	4.50	024,020	645 000	646 900	649 673	019 053	663 644	654 740	656 030	650 717	£61 586
Existing Tenant Load R	30,000	3.50	573 100		370,000	210,012	678.387	681 262	\$24,749	667,000	C88 003	\$01,700
New Office Tenante 2005	16.000	5.00	845,100		372,000	657.000	656.243	468 403	\$60.833	26.5.786	265,000	\$68.478
New Office Tenants 2005	000'01	289	WY'N'S		000,258	000,47,0	\$50,245 \$56,343	#50.495	\$60,000	563 366	707,500	868.438
Nave Mile Tenante 2006	990'91	2 50		\$30,000	932,900	374,000	\$140,600	8146,733	\$00,625	307,506	6144 403	5.4.4.00 5.4.4.1.4.3
Naw Office Tenant 2007	00000	00.5		000,016	\$150,000	3153,200	\$140,008	\$140,232	\$132,062	\$120,103	\$104,493	5171,071
Non Mo Towns 2007	00000	3.00			000,000	\$120,000	000,100	0.70.04.0	#36,435 #146,333	000,000	202,200	6164.401
Nam. Office Tenner 2000	6,000	2.00			MW. C. 21 &	900,000	5135,200	577,000	257.04.14 CC1 OC3	250,2516	620,103	5104,471
Now College a challes across	3,000	00.5				\$23,000	000,074	040,124	221,024	047,674	330,410	\$31,033 4100 000
SOOT STREET STREET	000'05	3.00				000,0018	000,0016	3102,240	3108,730	514.016	4182,496	5109,196
New Office Lenants 2009	000,5	00.0					\$25,000	\$76,000	327,040	771,879	377,746	\$50,416
	20,000	3.00					\$150,000	\$156,000	\$162,240	\$168,730	5175,479	\$182,498
U New Uttice Tenants	2,000	5.00						9,	20	0\$	0.0	2
New Mig Tenants	56,000	3.00			S	6	Ş	0\$ \$	9.5	S. S.	<u></u>	o, s
A Anna California Company	001 607		* O F O O E	*20 *00 *	200 000	007 +02 +	96	05	DO	DC	705 650	00
Extendence Area	000,100	O. KEHEZI R			1,60,007,1	0.66,105,1	1,/40,04/5	1,704,013	1,044,(33	1,997,480	1,974,593	7,046,107
Esterose	33%		071 071		001.000	0.00	300 100	900 900	900	300 100	001 006	900
Louise apace			100,100	304 033	001,002	145,150	390,160	334,166	14 613	114 613	114 013	370,100
Vacancy of the same			710,440		210,422	710,501	210,411	710,411	710,411	780.4-11	210;FI	210, 4 11
variation as 70 totasante atta			270		# * * * *	3376	07.77	07.75	07.75	44.78	97.77	67.77
Cash Expense			Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost
Licenses & Pennits			-\$1.500	100	-51 561	695 18-	-51.624	959 13-	-51.689	-51 723	-51.757	-\$1.793
Utilities			-\$400,000	ų,	-\$416 160	-S424.483	-8432.973	-\$441.632	-\$450.465	-\$459.474	-\$468 664	.\$478.037
Insurance			S\$(00)		-85.202	-85.306	-85417	025 53	-\$5.631	-85.743	-85.858	5.5.975
Security Service			\$6,000		-\$6.242	-\$6.367	-56.495	-S6.624	-\$6.757	-86.892	-\$7,030	-57,171
Legal & Accounting			-820,000	,	-820.808	-\$21.224	-821.649	-822,082	-4.22.523	-\$22.974	-\$23.433	-\$23.902
Repairs & Maintenance			000'09\$-		-862,424	-\$63.672	-\$64.946	-\$66.245	-\$67.570	-\$68,921	-\$70,300	-\$71.706
Office Expense			-85.000		-\$5.202	-\$5,306	-\$5.412	-\$5.520	-\$5.631	-55,743	-55.858	-\$5,975
Wages			-\$100.000	ومن ا	-5104.040	-\$106.121	-\$108.243	-\$110.408	-\$112,616	-\$114.869	-\$117.166	-5119.509
Real State Tax			\$74,500		-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000
Interest Expense			-\$427,000	7/	-\$435,540	-\$444,251	-\$453,136	-\$462,199	-\$471,443	-\$480,871	-\$490,489	-\$500,299
Principal Repayment			9\$		-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250	-\$374,250
Total Cash Expenses			-\$950,000	0 -\$1,115,489	-51,551,429				-\$1,638,575	-\$1,661,461		-\$1,708,616
CASH FLOW			-\$249,709	9 -\$83,627	-\$283,032	-\$70,882	\$131,936	\$168,177	\$206,181	\$246,025	\$287,787	\$331,551
Dames a state of the same of the			200		6	E 6	() () () ()	6	6	1 1 2 2 3	() () () () () () () () () ()	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
Transpar Lean w			36,100,000	20,100	\$7,485,000	57,110,750	50,756,500	50,302,250	35,988,000	95,615,750	005,252,58	34,865,250
sound (West)			740		240	877	017	407 5003	761	081	108	130
Principal Report May			0.38%		0.38%	0.38%	0.38%	0,38%	0.38%	0.58%	0.58%	0.38%
Principal Repay/Vr			0.005.005	4305,417	6374 350	4374.100	\$374.166	521,166	4374 250	5374 350	6374750	\$21,100
(merest/Mo. (average)			\$35.583		5.43,663	541.479	39, 20, 30,	837.13	634 930	CP1 CES	\$30.564	878 388
Interest/Yr. (average)			\$427,000	_	\$523,950	\$497,753	\$471,555	\$445,358	\$419,160	\$392,963	\$366,765	\$340,568
** Interest Only for first two years												
ROE (Cash on Cash)			-125%	642%	-142%	-35%	%99	84%	103%	123%	144%	166%
	•											
IRR on initial equity investment of \$200,000		7.2% -\$200,000	,000 -\$249,709	9 -\$83,627	-\$283,032	-\$70,882	\$131,936	\$168,177	\$206,181	\$246,025	\$287,787	\$331,551