

**Housing and Hope for Families
Operating Proforma - Phase II
May, 2010**

	Year														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue															
Gross Income	117,055	119,396	121,784	124,220	126,704	129,238	131,823	134,459	137,148	139,891	142,689	145,543	148,454	151,423	154,451
Less Vacancy	(8,194)	(8,358)	(8,525)	(8,695)	(8,869)	(9,047)	(9,228)	(9,412)	(9,600)	(9,792)	(9,988)	(10,188)	(10,392)	(10,600)	(10,812)
Net Income	108,861	111,038	113,259	115,525	117,835	120,191	122,595	125,047	127,548	130,099	132,701	135,355	138,062	140,823	143,639
Expenses															
Audit	2,550	2,601	2,653	2,706	2,760	2,815	2,871	2,928	2,987	3,047	3,108	3,170	3,233	3,298	3,364
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	3,075	3,137	3,200	3,264	3,329	3,396	3,464	3,533	3,604	3,676	3,750	3,825	3,902	3,980	4,060
Maintenance	7,380	7,528	7,679	7,833	7,990	8,150	8,313	8,479	8,649	8,822	8,998	9,178	9,362	9,549	9,740
Utilities	15,000	15,330	15,667	16,012	16,364	16,724	17,092	17,468	17,852	18,245	18,646	19,056	19,475	19,903	20,341
Property Management	5,904	6,022	6,142	6,265	6,390	6,518	6,648	6,781	6,917	7,055	7,196	7,340	7,487	7,637	7,790
Operating Reserve Pmt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Replacement Reserve Pmt	4,000	4,080	4,162	4,245	4,330	4,417	4,505	4,595	4,687	4,781	4,877	4,975	5,075	5,177	5,281
Case Workers	51,250	52,275	53,321	54,387	55,475	56,585	57,717	58,871	60,048	61,249	62,474	63,723	64,997	66,297	67,623
Admin/Marketing	3,116	3,178	3,242	3,307	3,373	3,440	3,509	3,579	3,651	3,724	3,798	3,874	3,951	4,030	4,111
On-site Payroll/Mncte	12,300	12,546	12,797	13,053	13,314	13,580	13,852	14,129	14,412	14,700	14,994	15,294	15,600	15,912	16,230
Total Expenses	104,575	106,697	108,863	111,072	113,325	115,625	117,971	120,363	122,807	125,299	127,841	130,435	133,082	135,783	138,540
NET OPERATING INCOME	4,286	4,341	4,396	4,453	4,510	4,566	4,624	4,684	4,741	4,800	4,860	4,920	4,980	5,040	5,099
Debt Service															
First Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Annual Cash	4,286	4,341	4,396	4,453	4,510	4,566	4,624	4,684	4,741	4,800	4,860	4,920	4,980	5,040	5,099
Debt Service Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow	4,286	4,341	4,396	4,453	4,510	4,566	4,624	4,684	4,741	4,800	4,860	4,920	4,980	5,040	5,099

Assumptions:

Vacancy Rate	7%
Annual Increase	2%

Rental Income In Year 1

Endowment/Capital Fund	58,400
IHN Community Sources and Tenant Rents	<u>58,655</u>
	117,055