

CASH FLOW PROJECTION (20 years)

PALYO TRUST

Years 1 - 10	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Scheduled Gross Income (SGI):	\$ 58,800	\$ 61,740	\$ 64,827	\$ 68,068	\$ 71,472	\$ 75,045	\$ 78,798	\$ 82,738	\$ 86,874	\$ 91,218
- Vacancy & Expenses	\$ (24,999)	\$ (26,392)	\$ (27,876)	\$ (28,773)	\$ (29,703)	\$ (30,668)	\$ (31,668)	\$ (32,705)	\$ (33,781)	\$ (34,897)
= Net Operating Income (NOI):	\$ 33,802	\$ 35,348	\$ 36,951	\$ 39,295	\$ 41,768	\$ 44,377	\$ 47,129	\$ 50,032	\$ 53,093	\$ 56,321
- Annual Loan Payment	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)
= Pre-tax C.F. ("Spendable")	\$ (26,074)	\$ (24,528)	\$ (22,925)	\$ (20,581)	\$ (18,108)	\$ (15,499)	\$ (12,747)	\$ (9,844)	\$ (6,783)	\$ (3,555)
+ Principal Reduction	\$ 8,199	\$ 8,770	\$ 9,380	\$ 10,033	\$ 10,732	\$ 11,479	\$ 12,279	\$ 13,133	\$ 14,048	\$ 15,026
= "Spendable" + debt paydown	\$ (17,876)	\$ (15,759)	\$ (13,544)	\$ (10,547)	\$ (7,376)	\$ (4,019)	\$ (468)	\$ 3,290	\$ 7,265	\$ 11,471

Years 11 - 20	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Scheduled Gross Income (SGI):	\$ 95,779	\$ 100,568	\$ 105,596	\$ 110,876	\$ 116,420	\$ 122,241	\$ 128,353	\$ 134,771	\$ 141,509	\$ 148,585
- Vacancy & Expenses	\$ (36,055)	\$ (37,256)	\$ (38,502)	\$ (39,796)	\$ (41,138)	\$ (42,532)	\$ (43,978)	\$ (45,480)	\$ (47,040)	\$ (48,659)
= Net Operating Income (NOI):	\$ 59,724	\$ 63,312	\$ 67,094	\$ 71,081	\$ 75,282	\$ 79,709	\$ 84,375	\$ 89,291	\$ 94,469	\$ 99,925
- Annual Loan Payment	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)	\$ (59,876)
= Pre-tax C.F. ("Spendable")	\$ (152)	\$ 3,436	\$ 7,218	\$ 11,205	\$ 15,406	\$ 19,833	\$ 24,499	\$ 29,415	\$ 34,594	\$ 40,049
+ Principal Reduction	\$ 16,072	\$ 17,191	\$ 18,388	\$ 19,669	\$ 21,038	\$ 22,503	\$ 24,070	\$ 25,746	\$ 27,538	\$ 29,456
= "Spendable" + debt paydown	\$ 15,921	\$ 20,628	\$ 25,607	\$ 30,873	\$ 36,444	\$ 42,337	\$ 48,569	\$ 55,160	\$ 62,132	\$ 69,505

Note 1	NOTE 1:
Note 2	NOTE 2:
Note 3	NOTE 3:
Note 4	NOTE 4: