

# FINANCIAL MODEL

## LOYAL PLAZA

FINANCIAL MODEL	9/30/23	9/30/24	9/30/25
Potential Base Rent	3,339,355	3,353,634	3,415,658
Absorption & Turnover Vacancy	(252,918)	(38,239)	0
Scheduled Base Rent	3,086,437	3,315,396	3,415,658
+ Expense Reimbursement Revenue	598,721	663,552	722,593
+ Other Revenue	1,580	1,212	1,212
Potential Gross Income	3,686,738	3,980,159	4,139,463
- General Vacancy Loss	(1,062)	(17,232)	(66,703)
Effective Gross Revenue	3,685,676	3,962,927	4,072,760
Operating Expenses			
- CAM	252,504	259,299	266,298
- Insurance	90,286	99,315	109,246
- Property Taxes	409,542	426,093	431,420
- Property Management Fee	133,139	139,931	140,291
Total Operating Expenses	885,470	924,638	947,255
<b>Net Operating Income</b>	<b>2,800,206</b>	<b>3,038,289</b>	<b>3,125,505</b>
Below NOI Costs			
- Tenant Improvements	149,350	247,500	0
- Leasing Commissions	68,282	87,741	5,473
- Lender Required Reserve	57,768	57,768	57,768
- CAPEX	1,100,000	0	0
- Admin Fee	28,884	28,884	28,884
+ Release of Reserves	(1,317,632)	(335,241)	(5,473)
- Asset Management Fee	267,980	268,357	239,692
<b>Total Leasing, Capital &amp; Asset Mgt Costs</b>	<b>354,631</b>	<b>355,008</b>	<b>326,343</b>
Cash Flow Before Debt Service	2,445,574	2,683,280	2,799,162
Debt Service	1,321,450	1,557,575	1,793,700
Net Distributable Cash Flow	1,124,124	1,125,705	1,005,462
Net-Net to the Partner	6.3%	6.3%	5.7%
Average Net-Net to the Partner	6.3%	6.3%	6.1%

# SAMPLE INVESTMENT

## LOYAL PLAZA

### SAMPLE INVESTMENT

	Year 0	Year 1	Year 2	Year 3
Sample Investment Based on a 3-Year Hold	(1,000,000)			
Return of Capital				1,000,000
Annual Cash Distributions		63,286	63,375	56,605
Plus Upside				226,803
<b>Total Cash Flows</b>	<b>(1,000,000)</b>	<b>63,286</b>	<b>63,375</b>	<b>1,283,409</b>

**Annualized Rate of Return**

**12.8%**

**Equity Multiple**

**1.4x**



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## FIRST NATIONAL REALTY PARTNERS

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