



K A L L I
MANAGEMENT
LIMITED

SAMPLE DOCUMENT

Copyright 2014

#

NORTHEAST PLAZA
2014 OPERATING BUDGET

COMPARATIVE COSTS PER SQUARE FOOT

	<u>BUDGET</u> <u>2014</u>	<u>% INC.</u>	<u>PROJECTED</u> <u>2013</u>	<u>% INC.</u>	<u>BUDGET</u> <u>2013</u>
OPERATING COSTS	\$ 7.06	9.46%	\$ 6.45	-6.25%	\$ 6.88
REALTY TAXES	\$ 9.51	3.71%	\$ 9.17	-1.71%	\$ 9.33
TOTAL COST PER SQUARE FOOT	\$ 16.57	6.08%	\$ 15.62	-3.64%	\$ 16.21

**NORTHEAST PLAZA
2014 OPERATING BUDGET**

OPERATING SUMMARY

COMMERCIAL RENTS - RETAIL	208,837
TOTAL REVENUE	<u>\$ 208,837</u>
COST RECOVERIES	
OPERATING COST RECOVERY	\$ 62,630
MANAGEMENT FEE RECOVERY	\$ 15,273
REALTY TAX RECOVERY	94,261
TOTAL COST RECOVERIES	<u>\$ 172,164</u>
INTEREST INCOME	0
TOTAL MISC. INCOME	<u>0</u>
TOTAL INCOME	\$ 381,001
OPERATING EXPENSES	
CLEANING	\$ 28,041
HVAC REPAIR/MAINTENANCE	0
ELECTRICAL	800
ADMINISTRATION	740
GENERAL BUILDING	6,920
INSURANCE	3,185
LANDSCAPING	12,233
MANAGEMENT FEES	12,000
PARKING	1,450
PLUMBING	660
SECURITY	50
UTILITIES	22,571
REALTY TAXES	119,496
TOTAL OPERATING EXPENSES	<u>\$ 208,146</u>
GROSS PROFIT/(LOSS)	\$ 172,855
NON-OPERATING EXPENSES	127,504
NET PROFIT/(LOSS)	<u>\$ 45,352</u>

**NORTHEAST PLAZA
COMPARATIVE BUDGET ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	(A)	(B)	(C)	(A-B)	
	2014 BUDGET	2013	2013		PERCENT
	YEAR	FORECASTED	BUDGET	VARIANCE	VARIANCE
	YEAR	YEAR	YEAR		
ACTIVITIES FROM OPERATIONS					
REVENUE					
RENTAL INCOME	208,837	206,653	206,685	2,184	1.06%
PROPERTY OPERATIONS EXP. RECOVERIES (1)	77,633	73,913	75,906	3,720	5.03%
REALTY TAX EXPENSE RECOVERIES (2)	94,261	88,995	92,463	5,266	5.92%
MISCELLANEOUS INCOME	900	1,000	1,000	(100)	-10.00%
TOTAL REVENUE	381,631	370,561	376,054	11,070	2.99%
EXPENSES					
PROPERTY OPERATIONS EXPENSES (3)	86,649	81,057	86,389	5,592	6.90%
REALTY TAX EXPENSE (4)	119,496	115,196	117,216	4,300	3.73%
NON-RECOVERABLE EXPENSES	63,258	62,665	51,387	593	0.95%
TOTAL EXPENSES	269,403	258,918	254,992	10,485	4.05%
PROPERTY OPERATING INCOME	111,328	111,643	120,062	(315)	-0.28%
DEBT SERVICE	64,246	65,977	65,978	(1,731)	-2.62%
NET OPERATING INCOME	47,082	45,665	54,084	1,417	3.10%
DEPRECIATION	54,438	56,513	53,727	(2,075)	-3.67%
BAD DEBTS		1,500		(1,500)	
MORTGAGE PRINCIPAL	(34,121)	(32,397)	(32,397)	(1,724)	5.32%
NET PROPERTY CASH FLOW	67,399	71,282	75,414	(3,883)	-5.45%

**NORTHEAST PLAZA
2014 OPERATING BUDGET**

INCOME AND EXPENSE NARRATIVE

ACCOUNT DESCRIPTION	DETAILS	ACCOUNT SUBTOTAL	ACCOUNT TOTAL	SERIES TOTAL
REVENUE				
3000	As per Schedule of Retail Rent			
Base Retail Rent				
#REF!				
#REF!	As per SLR Schedule			
#REF!				
#REF!	As per Schedule of Retail Rent			
#REF!				
3500	CAM Recovery as per Recovery Income Schedule			
Pre-Billed Operating Cost				
3520	Recovery as per Recovery Income Schedule.			
Management Fee Recovery				
3510	As per			
Pre-Billed Property Tax	New tax calculation			
3630				
Interest From Deposits				
TOTAL REVENUE				0
EXPENSES				
Cleaning Expenses				
4000	Contract - A Building Maintenance			
Night Cleaning Contract	7 x per week - daily cleaning - no increase in 2014			
	\$810 x 12	9,720		
	Disposal of appliances, tires, etc.	<u>500</u>		
			10,220	
4030	Contract - Pro			
Pest Control Contract	Monthly pest control			
	\$135/mo x 12		1,620	
4060	Contract: Waste Remove			
Garbage Removal General	\$1,300 X 12months	15,600		
	Extra pick-ups	<u>600</u>		
			16,200	
TOTAL CLEANING EXPENSE & SALARIES				28,040
Electrical Expenses				
4240	Canopy lights		100	
Electrical - Lamps,Bulbs				

**NORTHEAST PLAZA
2014 OPERATING BUDGET**

INCOME AND EXPENSE NARRATIVE

ACCOUNT DESCRIPTION	DETAILS	ACCOUNT SUBTOTAL	ACCOUNT TOTAL	SERIES TOTAL
4250	Electrical - General R & M Provision for repairs to common area electrical		<u>700</u>	
TOTAL ELECTRICAL EXPENSES				800
General Building Expenses				
4300	Building Wages Provision for building staff to perform work in plaza such as painting, small repairs, tenant issues \$35/hour x 12 hours		420	
4335	Bldg - Roof R & M Amortization of Roof Replacement		5,500	
4355	Exterior Repairs Provision for repairs to sidewalk		<u>1,000</u>	
TOTAL GENERAL BUILDING EXPENSES				6,920
Plumbing Expenses				
4370	Plumbing - General R & M Parking Lot: Catch Basins - annual clean-out Plumbing repairs (drainage)	160		
		<u>500</u>		
			<u>660</u>	
TOTAL PLUMBING EXPENSES				660
Utility Expenses				
4400	Electricity Public Utilities 2013 actual of \$2,235.00 - projected 9% increase in 2014		2,436	
4420	Water and Sewage Public Utilities 2013 actual of \$16,000 - projected 9% increase in 2014		<u>17,440</u>	
TOTAL UTILITIES EXPENSE				19,876
Landscaping Expenses				
4510	Landscaping - Contract Exterior Contract - Tendering in 2014 April to October Grass cutting, weed spray, fertilizer @\$319 x 7 mos.		2,233	
4520	Landscaping - Snow Removal Contract - Snow Parking Lot March @ \$700/month No increase in 2014 Nov - Feb. @ \$700/month x 4 65 applications of salt @ \$100/application	700	2,800	
		<u>6,500</u>		
			<u>10,000</u>	
TOTAL LANDSCAPING EXPENSES				12,233
Security Expenses				
4600	Life Safety Fire Protec Contract: Fire Protection Annual inspection - extinguisher (electrical room)		50	

**NORTHEAST PLAZA
2014 OPERATING BUDGET**

INCOME AND EXPENSE NARRATIVE

ACCOUNT DESCRIPTION	DETAILS	ACCOUNT SUBTOTAL	ACCOUNT TOTAL	SERIES TOTAL
TOTAL SECURITY & LIFE SAFETY				50
Parking				
4630	Repair pot holes	800		
Parking - General R & M	Power Sweep Lot	<u>650</u>	1,450	
TOTAL PARKING EXPENSE				1,450
Administration				
4710	Property tax appeals and consulting		200	
Admin-Consultant				
#REF!	Messages \$20/month x 12months		240	
#REF!				
#REF!	Bank Service Charge \$25/month x 12months		<u>300</u>	
#REF!				
TOTAL ADMINISTRATION EXPENSE				740
Management Fee Expense				
4740	Contract - T Net			
Management Fee	Flat Fee @\$1,000 per month		<u>12,000</u>	
TOTAL MANAGEMENT FEE EXPENSE				12,000
Insurance				
4800	Liability, property, boiler & machinery			
Insurance	Mar-Apr14 Actual	531		
	May, 2014-Feb. 2015 Estimate (no increase estimated)	<u>2,654</u>	3,185	
TOTAL INSURANCE				3,185
Property Taxes				
4900	City			
Property Taxes	2014 Estimate:		<u>50,000</u>	
TOTAL PROPERTY TAXES				50,000
COST PER SQUARE FOOT (PROPERTY TAX/TOTAL SQ.FT 12,563)				3.98

**NORTHEAST PLAZA
2014 OPERATING BUDGET**

INCOME AND EXPENSE NARRATIVE

ACCOUNT DESCRIPTION	DETAILS	ACCOUNT SUBTOTAL	ACCOUNT TOTAL	SERIES TOTAL
Other Non-recoverable Expense				
#REF!	Hydro, gas and other maintenance for vacant units			
#REF!				
5120	Contract: LLP			
NRC Audit Fees	Annual audit		2,000	
#REF!				
#REF!	Admin. Postage & Courier		660	
5123	tax consulting			
Consulting			500	
8010	As per Fixed Assets Depreciation			
8050	As per Fixed Assets Depreciation			
9050	As per Amortization Schedule			
Mortgage Interest				
1st Mortgage	Principal Payment		_____	
TOTAL NON-RECOVERABLE EXPENSES				3,160