

Cash Flow Analysys

Radiance Senior Living

Scenario 1 (Sale of Units)

(in Dollars)

	Y1 <u>2004</u>	Y2 <u>2005</u>	Y3 <u>2006</u>	Y4 <u>2007</u>	Y5 <u>2008</u>	Y6 <u>2009</u>	Y7 <u>2010</u>	Y8 <u>2011</u>	Y9 <u>2012</u>	Y10 <u>2013</u>	<u>Total</u>
Revenue											
Sale Proceeds		500,000	2,000,000	2,000,000	1,560,000						6,060,000
Service Fee				500,000	600,000	700,000	800,000	800,000	800,000	800,000	5,000,000
Total Revenue (A)	-	500,000	2,000,000	2,500,000	2,160,000	700,000	800,000	800,000	800,000	800,000	11,060,000
Operating Costs											
Operating Expenses (1% inc)				140,000	141,400	142,814	144,242	145,685	147,141	148,613	1,009,895
Administrative Expenses				5,000	10,000	10,000	10,000	10,000	10,000	10,000	65,000
Maintenance Expenses				20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
Future Maintenance Exp					20,000	20,000	20,000	20,000	20,000	20,000	120,000
Marketing Costs						15,000	15,000	15,000	15,000	15,000	75,000
Accounting & Legal Fees				3,000	3,000	3,000	3,000	3,000	3,000	3,000	21,000
Salaries			50,000	144,000	146,880	149,818	152,814	155,870	158,988	162,167	1,120,537
Total Operating Costs (B)	-	-	50,000	312,000	341,280	360,632	365,056	369,555	374,129	378,780	2,551,432
Construction Costs											
Purchase of Land		700,000									700,000
Construction		100,000	2,200,000	1,500,000	200,000						4,000,000
Consulting Expense	5,000	50,000	52,222	50,000	25,000						182,222
Permits		15,000									15,000
Legal & Accounting Fees		5,000	5,000	5,000							15,000
Marketing Costs	10,000	10,000	10,000	10,000	10,000						50,000
Administrative Expenses	1,000	2,000	2,000	2,000	2,000	1,000					10,000
Closing Costs		6,000	1,000	1,000	1,000	1,000					10,000
Cash for Unsold Units					10,000	10,000	10,000				30,000
Printing & Bidding Costs	5,000	10,000									15,000
Misc Expenses	15,000	40,000	40,000	24,000	15,000						134,000
Total Construction Costs ©	36,000	938,000	2,310,222	1,592,000	263,000	12,000	10,000	-	-	-	5,161,222
Earning before Interest & Taxes	(36,000)	(438,000)	(360,222)	596,000	1,555,720	327,368	424,944	430,445	425,871	421,220	3,347,346
Interest Expense (7.5%)	2,700	35,550	62,567		-	-	-	-	-	-	100,817
Taxes (30%)	-	-	-	178,800	466,716	98,211	127,483	129,134	127,761	126,366	1,254,470
Net Profit	(38,700)	(473,550)	(422,789)	417,200	1,089,004	229,158	297,461	301,312	298,110	294,854	1,992,059
Cummulative	(38,700)	(512,250)	(935,039)	(517,839)	571,165	800,323	1,097,784	1,399,096	1,697,205	1,992,059	