



The Frontier West Lawrence

2021 BUSINESS PLAN

**PRESENTED
DECEMBER 2020**



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**THE FRONTIER WEST LAWRENCE
2021 BUSINESS PLAN**

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THE FRONTIER WEST LAWRENCE 2021 BUSINESS PLAN

EXECUTIVE SUMMARY

The Frontier West Lawrence is an all-inclusive luxury living apartment community that continues to be an attraction to the residents of Lawrence and the surrounding areas. It is a quiet and beautifully maintained property encompassing 10 buildings that host 192 units, with 8 different floor plans, and the choice of a spacious 1-bedroom 1.5 bath or 2-bedroom 2.5 bath. With its location in the heart of West Lawrence, close to shopping, K10 Highway, Kansas Turnpike, and an excellent rated school district, it continues to be an interest for prospective tenants.

The Frontier West Lawrence highlights itself in the market with an appealing offer of one bill a month that includes all utilities plus cable and internet in the rent. Amenities offering elevators in every building, 24/7 Fitness center, saltwater pool, new granite throughout, sunrooms and studies, ceiling fans in every room, in-unit laundry, tile flooring and walk-in showers. The Frontier West Lawrence is also a pet friendly community.

On the leasing front, the team at The Frontier West Lawrence had a great rebuilding year with current and new residents. Occupancy at the beginning of the year was less than approximately 67%. Units that were vacant at the beginning of the year were filled quickly along with keeping up with the unknown move-outs by counterbalancing with new leases. To date we have had 63 move-outs and achieved 66 move-ins. While focusing on leasing vacant units, and retaining current residents, we found success in both. Vacancies continued to be filled, while renewals for the year hit its highest mark at 101 in December. At year end we project 80% occupancy.

We now shift our focus to 2021. The majority of the unknowns that were presented in 2020 from previous management data have been undertaken and subjugated. Management's primary focus will be building on occupancy while continuing our proven successes on lease renewals. Through marketing strategies, top-notch resident service and staying 60-90 days ahead of lease expirations, we project our occupancy at 90% or greater by the end of 2021.

The following Key Financial Information table summarizes the financial position.

2020 KEY FINANCIAL INFORMATION			
THE FRONTIER WEST LAWRENCE	2021 Original	2020 Reforecast	Variance
Net Operating Income	832,486	703,377	129,109
Debt Service (Principal and Interest)	903,836	953,643	(49,807)
Net Cash Provided (Used) by Operating Activities	302,450	253,726	48,724
Tenant Improvements and Commissions	0	0	0
Other Capital and Deferred Commissions	0	(7,630)	7,630
Net Cash Provided (Used) by Investing Activities	0	(7,630)	7,630
Net Cash Provided (Used) by Financing Activities	(364,681)	(359,909)	(4,772)
Cash Flow (Deficit) Generated For Period	(62,231)	(113,813)	51,582
Contributions (Distributions)	0	117,408	(117,408)
		(125,000)	125,000
Projected Unrestricted Cash at Year End	62,924	140,935	(78,011)

FINANCIAL SUMMARY

When comparing the 2021 Original Budget to the 2020 Reforecast, Net Operating Income (NOI) is increased by \$129,109.

There were \$125,000 of owner distributions in 2020 along with \$117,408 of owner contributions.

There are no owner contributions or distributions budgeted for 2021.

The 2020 real estate taxes reflect an increase of 27% over 2019. The 2019 value was reduced based on vacancy, so we believe we can make that appeal again. We will Pay Under Protest and feel confident we can get this reduced to a 5% increase, which would produce a \$62,657 favorable variance.

MARKETING SUMMARY

The Frontier West Lawrence utilized several marketing platforms for exposure in 2020. The onsite team is continuously thinking “outside-the-box” to showcase our all-inclusive luxury living community. Our current marketing platforms include:

- Facebook
- Marketplace and Facebook Ad Center *
- Twitter *
- Instagram *
- ApartmentList.Com *
- Apartments.Com
- Zillow *
- Trulia *
- Hotpads *
- Zumper *
- Local Radio Station 105.9FM *
- Our Website: Thefrontierwestlawrence.com *
- Craigslist
- Rentals.com *
- Apartment Finder *
- ForRent.com *

****Marketing platforms not utilized by previous management company***

We have also partnered with Lease Procurement agencies, such as Kansas City Rental Solutions and CORT as well as Real Estate Brokers on a pay-per-lease program.

While advertising on many platforms, our most successful lead source to-date is Facebook Marketplace/Ad Center in combination with our Facebook page for The Frontier West Lawrence. This platform allows us to target demographically to individuals based on their search. We also have the ability to monitor the back-end metrics to strategically time our campaigns to reach a larger audience. We tactically switch our ads up with posts about local activities, recipes, and fun facts to create more followers.

As we approach 2021, we are enthusiastic to offer creative resident activities we were not able to in 2020 due to the pandemic. Some example of these are:

- Breakfast on the Go
- Taco Bar
- Summer Kick Off Pool Party with Cook Out and Ice Cream Truck
- Cookies, Coffee, and Chat

- Wine down Wednesdays
- Holiday gatherings
- Clubhouse Game Night

In addition to our activities, we will also continue to host multiple contests through our Facebook page which offers prizes. This will not only encourage more fun engagement with our residents, it demonstrates our sincere resident appreciation. A few examples are:

- Cutest Pet Contest
- Nominate your Valentine/Lucky Charm and why they deserve a prize package
- A “Caption This” photo
- Tell us why you love living here/Resident Testimonials

Our 2021 goal is to continue proven marketing strategies while focusing on resident retention. This combination of efforts will assist us in reaching our occupancy goal of 90% by the end of the year.

MARKET SURVEY

Property	Units	Avg. Unit Size	1 bed	2 bed	3 bed	Rent/SF
Proxi Lawrence	120	894	\$1,299	\$1,509	\$2,250	\$1.94
The Nest	270	1294	\$1,191	\$1,564	\$2,082	\$1.59
Frontier West Lawrence	192	1002	\$1,150	\$1,350		\$1.25
Eagle Ridge	148	495	\$559	\$710		\$1.19
Apt on 6th	332	590	\$675			\$1.14
Bauer Farms	100	944	\$856	\$1,079	\$1,414	\$1.11
Tuckaway	144	862	\$750	\$885	\$975	\$1.04
Pinnacle Woods	208	910	\$825	\$931	\$1,050	\$1.00
Aberdeen Apts.	296	855	\$791	\$902		\$0.99
The Links at Kansas	888	870	\$766	\$940		\$0.98
Parkway Commons	124	1004	\$855	\$1,010	\$1,105	\$0.97
Alvadora Apts.	108	907	\$823	\$933		\$0.96
Canyon Court	71	935	\$791	\$913	\$1,125	\$0.95
Hunter's Ridge	300	1033	\$867	\$1,017		\$0.93
Ironwood Court	108	907	\$808	\$925		\$0.92
Hutton Farms	299	1446	\$960	\$1,202	\$1,578	\$0.91
Village One Apts.	144	902	\$775	\$713	\$1,050	\$0.83
West Hills	115	840	\$615	\$720		\$0.79

All utilities included

***\$1.09 per sq ft after utility allocation**

LEASING SUMMARY

The Frontier West Lawrence is projected to end 2020 at 80% leased. We've successfully achieved maintaining occupancy with our renewals, and have focused on filling our vacancies with new prospects.

We are currently offering 1-bedroom units at a rate of \$999.00, and 2-bedroom units at a rate of \$1199.00.

The budgeted rise in occupancy reflects our current 101 lease renewals, 66 new move-ins, and 6 pending move-ins before the end of the 2020 year. With these numbers, we project achieving 90% or greater by Q4 2021.

The Frontier West Lawrence continues to be an attraction in the heart of West Lawrence. It is a residence of choice on the 6th Street corridor among families, business professionals, and college students.

2021 CAPITAL AND MAJOR PROJECTS – ANTICIPATED SUMMARY	
2021 TOTAL ANTICIPATED CAPITAL/MAJOR PROJECTS	OWNER/ CAPITAL
2021 ANTICIPATED	
Exterior Paint	35K
Roof	16K
Concrete/Asphalt Repairs	5K
Pool furniture	8k
Phase 1 Wash Machines	14k
HVAC Replacements	15k
Elevators 5 Year Safety Load and Brake Adjustment	25K
2021 TOTAL ANTICIPATED	\$118,000

2021 Anticipated Capital and Major Projects Detail and Photo Summary included – see attachments.

2020 CAPITAL AND MAJOR PROJECTS	
2020 TOTAL CAPITAL/MAJOR PROJECTS	OWNER/ CAPITAL
2020 Completed Projects	
Tree Removal	5k
Phase I Wash Machines	25k
Concrete Repairs	3k
Office Furniture and Computer Hardware	4k
Elevator Repairs	13k
2020 Total Completed	\$50,000
2020 TOTAL	\$50,000

The following is a summary of major operating items that may be required over the next few years:

2022 Budget:

- 2 Treadmills and 2 Ellipticals In Fitness Center
- Roof Repairs

2023 Budget:

- Flooring Replacement Phase II
- Roof Repairs

BUDGET SCHEDULES AND SUPPORTING DOCUMENTS

The attached budget includes the following reports:

- Annual Budget Income Statement - Summary
- Original Budget Statement of Changes in Cash Balance
- Debt Summary
- Annual Budget Income Statement - Detail
- 2021 Capital and Major Projects Detail and Photo Summary
- Life Cycle Chart

2020		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
501-00	Gross Potential Rent	235,156	235,033	233,928	234,083	233,083	233,559	233,469	231,363	231,660	230,503	240,000	240,000	2,811,836
502-00	Vacancy	47,562	50,475	56,860	58,170	58,201	60,273	59,972	64,787	65,708	56,218	55,123	55,123	688,471
502-02	Down	0	1,150	0	0	0	0	0	0	0	0	1,150	1,150	3,450
503-99	Rents Realized	187,594	183,408	177,068	175,913	174,882	173,286	173,498	166,577	165,952	174,285	183,727	183,727	2,119,915

504-00	MTM Fee	0	200	200	0	0	600	800	400	400	200	200	200	3,200
542-99	Garage Rent	3,800	3,725	3,725	3,545	3,618	3,495	3,214	3,446	3,525	3,501	3,695	3,695	42,983
543-00	Pet Fees	600	600	750	300	1,200	625	1,225	2,300	25	25	400	0	8,050
544-00	Pet Rent	840	847	785	851	842	890	915	923	1,005	1,075	2,045	2,045	13,063
549-00	Concessions	-1,168	-6,465	-2,145	-945	-6,503	-5,335	-4,481	-22,161	-5,562	-9,932	-8,685	-8,685	-82,066
549-01	Administration Fee	0	0	0	0	0	35	35	0	105	0	0	0	175
549-02	Application Fees	315	0	210	245	210	315	840	455	315	-105	35	70	2,905
549-03	Move-Out Charges	125	1,588	1,157	1,718	1,950	215	2,672	7,128	70	670	500	0	17,794
561-00	Interest Income	490	138	170	160	155	171	38	37	17	12	12	12	1,410
562-00	Lease Break Fee	0	0	0	0	2,500	8,425	2,500	2,500	0	0	0	0	15,925
564-00	Late Fees/NSF	100	550	550	-150	0	-15	270	250	325	-65	35	35	1,885
	Total Other Income	5,102	1,184	5,402	5,724	3,971	9,421	8,028	-4,722	225	-4,620	-1,763	-2,628	25,324

	Total Income	192,696	184,591	182,469	181,637	178,853	182,707	181,526	161,855	166,177	169,665	181,964	181,099	2,145,240
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Payroll

660-00	Payroll Wages	12,431	15,476	7,471	7,384	30,997	26,845	9,683	25,583	17,559	17,084	17,051	17,051	204,616
660-01	Payroll Benefits	490	2,757	1,410	1,354	5,444	3,228	1,250	3,569	3,024	3,001	2,553	2,553	30,633
660-02	Payroll Benefits	1,072	1,274	596	572	2,358	1,271	723	1,905	1,297	1,261	1,233	1,233	14,796
660-04	Bonus	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Payroll Expense	13,993	19,507	9,478	9,310	38,799	31,344	11,656	31,057	21,881	21,346	20,837	20,837	250,045

Utilities

664-00	Cable/Internet Tenant	6,256	6,256	1,113	0	5,592	6,256	9,463	6,463	6,256	0	4,766	4,766	57,186
664-01	Phones-Common	922	783	-922	0	0	192	0	0	1,077	0	0	0	2,051
664-02	Phones - Elevator	0	0	0	0	0	0	0	0	944	0	0	0	944
664-03	Phones - Fire & Life Safety	0	0	0	0	0	0	0	4,480	472	0	0	0	4,951
664-04	Electric -Tenant	26,688	27,000	-27,000	33,167	18,994	20,934	19,433	19,600	17,703	18,038	17,456	17,456	209,468
664-06	Electric-Common	0	0	4,474	0	0	0	0	0	0	0	0	0	4,474
664-10	Water/Sewer	14,711	15,000	937	1,524	33,008	15,227	17,904	17,055	18,715	23,167	19,000	19,000	195,247
	Total Utility Expense	48,576	49,038	-21,397	34,691	57,594	42,609	46,799	47,597	45,165	41,205	41,221	41,221	474,321

Repairs and Maintenance

663-02	Fitness Room	0	0	1,177	0	0	0	0	0	137	0	0	0	1,313
663-03	Fitness Room Supplies	137	134	0	0	0	0	0	0	0	0	0	0	271
663-04	Pool Maint & Repair	0	0	0	0	0	250	39	172	0	0	0	0	461
663-05	Pool Supplies	0	0	0	0	0	278	38	0	0	688	0	0	1,003
663-06	Pest Control	253	0	355	178	177	355	178	0	178	355	0	0	2,028
663-07	Pest Control Supplies	0	0	0	5	0	0	0	0	0	0	0	0	5
663-08	Lawn Care/Grounds	0	0	0	286	1,946	5,537	2,608	2,542	1,080	2,064	2,713	0	18,776
663-09	Grounds Supplies	113	246	0	0	60	0	0	130	40	0	160	0	749

663-10	Irrigation	0	0	0	0	134	0	0	0	0	0	315	0	449
663-11	Snow Removal	3,326	0	0	0	-176	0	0	0	0	0	0	0	3,150
663-14	Fire & Life Safety	734	0	100	734	153	0	734	0	0	734	3,413	0	6,601
663-16	HVAC Repair	0	0	0	0	0	1,444	2,426	0	444	250	150	150	4,863
663-17	HVAC Repair Supplies	192	176	0	40	0	33	242	491	180	169	150	150	1,823
663-18	Electrical Repair	0	0	0	0	0	0	0	0	983	327	0	0	1,310
663-19	Electrical Supplies	240	403	256	0	-259	336	225	264	210	1,596	200	200	3,672
663-20	Plumbing Repair	0	0	0	0	0	0	0	0	0	0	0	0	0
663-21	Plumbing Repair Supplies	638	484	604	38	-119	85	60	113	728	1,902	450	450	5,432
663-23	Building Supplies	8	0	0	0	0	0	0	0	0	0	0	0	8
663-24	Roof Repair	0	0	0	0	0	0	0	410	3,334	0	0	0	3,744
663-26	Asphalt & Concrete	0	0	0	0	0	0	0	0	0	0	2,623	0	2,623
663-27	Elevator-Contract	1,682	1,682	1,468	0	5,884	1,682	9,741	3,856	3,407	1,732	2,142	2,000	35,275
663-28	Elevator Repairs	0	0	0	0	0	0	0	0	0	0	0	0	0
663-29	Janitorial Common	372	782	1,812	0	412	109	950	35	3,685	1,731	950	950	11,788
663-30	Janitorial Common Supplies	160	0	0	19	-160	0	75	138	225	444	145	100	1,145
663-31	Keys & Locks	870	11	0	0	273	20	1,065	21	0	101	100	100	2,559
663-33	Appliance Repair	859	0	789	177	0	36	0	0	0	0	10	50	1,922
	Total Repair & Maintenance Expense	9,583	3,918	6,560	1,477	8,324	10,164	18,379	8,170	14,629	12,093	13,521	4,150	110,970

Administration

665-01	Dues and Subscriptions	1,623	0	0	0	0	53	0	0	0	0	0	0	1,676
665-02	Office Supplies	1,323	0	170	194	0	582	170	109	0	0	0	0	2,548
665-03	Postage & Delivery	14	54	0	0	0	0	0	0	0	0	0	0	69
665-05	Computer Software	788	749	1,367	0	264	1,813	793	749	749	749	749	749	9,521
665-07	Bank Service Charges	136	162	-80	0	0	0	2	1	1	1	1	1	225
665-10	Property Insurance	2,918	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	47,296
665-12	Employee Telephone	65	724	0	0	132	0	0	0	0	0	45	45	1,011
665-13	Employee Travel	259	61	0	0	0	0	0	0	0	0	0	0	320
665-14	Meals & Entertainment	0	0	100	0	0	0	0	80	0	0	0	0	180
665-16	Employee Screening	0	229	0	0	0	0	0	0	0	0	0	0	229
665-18	Accounting	0	0	9,850	0	0	0	0	0	0	0	0	0	9,850
665-20	Legal	0	0	0	0	0	4,974	0	0	0	0	0	0	4,974
665-22	Professional Fees	6,534	0	0	0	1,366	0	0	0	2,880	-2,865	0	0	7,914
665-30	Management Fees	5,289	5,570	0	5,672	0	15,930	5,309	4,693	5,028	5,354	5,289	5,263	63,396
670-00	Flooring Replacement	0	558	0	0	0	0	0	5,636	1,023	125	0	0	7,342
671-00	Window/Door Replacement	0	0	0	0	0	0	0	0	0	261	0	0	261
673-00	Appliance Replacement	383	0	0	0	0	863	13,998	1,183	638	7,477	1,000	1,000	24,541
674-00	HVAC Replacement	0	0	0	0	0	2,380	0	0	0	0	0	0	2,380
	Total Administration Expense	19,333	12,142	15,441	9,900	5,796	30,629	24,307	16,486	14,353	15,136	11,118	11,092	183,734

Marketing

662-00	Referral Fees	0	0	0	0	0	0	945	2,695	0	0	0	0	3,640
662-02	Resident Events/Gifts	0	0	0	0	0	0	0	0	210	0	0	0	210
663-00	Clubhouse	623	0	1,153	0	66	120	0	230	560	0	0	0	2,752
663-01	Clubhouse Supplies	202	0	247	439	0	0	497	205	68	755	250	250	2,914
665-00	Advertising	0	0	1,184	0	636	636	1,272	1,236	1,836	696	1,924	1,700	11,120

Total Marketing Expense	825	0	2,584	439	702	756	2,714	4,366	2,674	1,451	2,174	1,950	20,636
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Unit Turnover													
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661-00	Make Ready Repair	0	0	85	0	675	0	0	0	0	0	0	760
661-01	Make Ready Repair - Supplies	0	0	123	0	285	628	102	697	89	484	104	2,613
661-02	Painting-Contractor (Full)	0	0	0	0	0	0	0	1,408	0	0	0	1,408
661-03	Painting Supplies	0	0	261	0	71	47	211	583	109	415	436	2,337
661-04	Make Ready Clean	0	180	954	0	748	390	100	755	190	560	2,111	6,488
661-06	Carpet Cleaning/Repair	0	0	0	0	0	0	0	0	0	0	0	0
	Total Unit Turnover Expense	0	180	1,423	0	1,779	1,065	413	3,444	388	1,459	2,650	13,606

Mortgage Taxes and Insurance													
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783-00	Property Taxes	24,617	24,617	24,617	24,617	24,617	24,617	24,617	24,617	24,617	24,617	58,814	58,814	363,803
	Total	24,617	24,617	24,617	24,617	24,617	24,617	24,617	24,617	24,617	24,617	58,814	58,814	363,803

690-99	Total CAM Expenses	92,311	84,785	14,089	55,817	112,995	116,568	104,269	111,120	99,090	92,692	91,522	80,055	1,055,311
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790-80	Total Operating Expenses	116,928	109,402	38,706	80,435	137,612	141,185	128,886	135,738	123,708	117,309	150,336	138,869	1,419,114
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975-00	Contributions	0	0	0	0	50	50	50	50	50	50	50	0	350
977-00	Bad Debt Expense	12,416	0	-478	0	0	0	0	0	0	10,073	0	0	22,010
989-00	Office Supplies	0	0	0	0	0	0	210	0	0	179	0	0	389
990-01	G&A	12,416	0	-478	0	50	50	260	50	50	10,302	50	0	22,749

	NET OPERATING INCOME	63,353	75,189	144,241	101,202	41,191	41,472	52,380	26,067	42,419	42,054	31,578	42,230	703,377
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993-00	Mortgage Interest	47,942	41,878	44,161	44,777	91,507	31,882	62,933	42,890	44,279	47,161	47,161	47,161	593,734
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	NET INCOME	15,411	33,311	100,081	56,425	-50,316	9,590	-10,554	-16,823	-1,860	-5,108	-15,583	-4,931	109,643
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The Frontier West Lawrence
12 Month Budget Cash Flow Statement - 2020

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Budget	
Cash Flows from Operating Activities														
Net Income (Loss)	15,411	33,311	100,081	56,425	(50,316)	9,590	(10,554)	(16,823)	(1,860)	(5,108)	(15,583)	(4,931)	109,643	
Adjustments to reconcile net income to net cash														
AR Trade	13,765	2,610	(18,175)	(41,682)	(27,711)	78,051	7,334	417	(6,431)	(8,790)	281	(5,000)	(5,000)	(24,097)
Other Receivables		0	0	0	0	0	0	0	0	0	0	0	0	0
Advances to Affiliates		0	0	0	0	0	0	0	0	0	0	0	0	0
Other Assets		(5,012)	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	4,034	39,366
Accounts Payable, Trade		(2,536)	19,332	(65,248)	(12,889)	63,067	18,953	(752)	17,645	(12,844)	28,132	2,500	2,500	57,860
Accrued Expenses		101,255	26,198	(29,440)	(118,785)	72,982	(26,398)	35,244	40,709	7,789	29,379	58,814	(123,088)	74,659
Deferred Revenue		(18,826)	14,853	44,197	3,523	(70,507)	1,385	30,127	(12,852)	5,539	12,007	0	0	9,445
Tenant/Customer Deposits		(2,400)	(1,200)	0	(200)	1,450	(5,475)	750	(10,125)	3,200	850	0	0	(13,150)
Total Adjustments to reconcile net income to net cash	75,092	45,041	(88,139)	(152,028)	149,077	(167)	69,822	32,980	(1,072)	74,683	60,348	(121,554)	144,083	
Total Cash Flow from Operating Activities	90,503	78,352	11,942	(95,603)	98,761	9,423	59,268	16,157	(2,933)	69,575	44,765	(126,485)	253,726	
Cash Flows from Investing Activities														
Tenant Improvements		0	0	0	0	0	0	0	0	0	0	0	0	
Other Capital		(7,630)	0	0	0	0	0	0	0	0	0	0	(7,630)	
Loan Costs		0	0	0	0	0	0	0	0	0	0	0	0	
Total Cash Flows from Investing Activities	(7,630)	0	0	0	0	0	0	0	0	0	0	0	(7,630)	
Cash Flows from Financing Activities														
Increase (Decrease) in Mortgage Notes Payable		(28,773)	(27,357)	(33,420)	(30,521)	(30,606)	(29,203)	(30,771)	(26,412)	(32,408)	(31,019)	(29,661)	(29,757)	(359,909)
Total Cash Flows from Financing Activities	(28,773)	(27,357)	(33,420)	(30,521)	(30,606)	(29,203)	(30,771)	(26,412)	(32,408)	(31,019)	(29,661)	(29,757)	(359,909)	
CASH FLOW (DEFICIT) GENERATED FOR THE PERIOD	54,100	50,995	(21,478)	(126,124)	68,155	(19,780)	28,497	(10,255)	(35,341)	38,557	15,104	(156,242)	(113,813)	
Partner Contributions		100,000	0	0	17,408	0	0	0	0	0	0	0	117,408	
Distributions		(125,000)	0	0	0	0	0	0	0	0	0	0	(125,000)	
NET INCREASE (DECREASE) IN CASH	29,100	50,995	(21,478)	(108,716)	68,155	(19,780)	28,497	(10,255)	(35,341)	38,557	15,104	(156,242)	(121,405)	
Cash Accounts														
Unrestricted Cash	Beg Bal	245,037	108,648	159,555	137,906	123,030	146,464	122,012	101,236	81,946	21,971	35,899	(7,811)	140,935
Restricted Cash:														
Security Deposits		113,341	110,810	110,898	111,068	111,228	111,383	111,554	111,591	96,010	96,027	96,038	96,038	96,038
Reserve for Real Estate Taxes		0	168,020	168,020	168,020	74,020	123,087	123,087	172,322	196,940	221,557	246,174	304,988	0
TOTAL Cash Accounts	358,378	387,478	438,473	416,994	308,278	376,433	356,653	385,150	374,895	339,554	378,111	393,215	236,973	236,973

2021		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
501-00	Gross Potential Rent	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	2,880,000
502-00	Vacancy	45,000	45,000	45,000	40,000	40,000	40,000	35,000	35,000	25,000	20,000	20,000	20,000	410,000
502-02	Down	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	13,800
503-99	Rents Realized	193,850	193,850	193,850	198,850	198,850	198,850	203,850	203,850	213,850	218,850	218,850	218,850	2,456,200

504-00	MTM Fee	200	200	200	200	200	200	200	200	200	200	200	200	2,400
542-99	Garage Rent	3,700	3,700	3,700	3,700	3,700	3,700	4,400	4,400	4,400	4,400	4,400	4,400	48,600
543-00	Pet Fees	600	600	600	600	600	600	1,500	1,500	600	600	600	600	9,000
544-00	Pet Rent	800	800	800	800	800	800	1,000	1,200	1,200	1,200	1,200	1,200	11,800
549-00	Concessions	-13,000	-5,000	-5,000	-5,000	-8,000	-8,000	-8,000	-10,000	-10,000	-10,000	-10,000	-10,000	-102,000
549-01	Administration Fee	0	0	0	0	0	0	0	0	0	0	0	0	0
549-02	Application Fees	140	140	280	280	350	350	600	600	350	280	140	140	3,650
549-03	Move-Out Charges	500	500	1,000	1,000	2,000	2,000	2,000	2,000	1,500	1,000	500	500	14,500
561-00	Interest Income	150	150	150	150	150	150	150	150	150	150	150	150	1,800
562-00	Lease Break Fee	0	2,500	0	0	0	2,500	0	0	0	2,500	0	0	7,500
564-00	Late Fees/NSF	300	300	300	300	300	300	300	300	300	300	300	300	3,600
	Total Other Income	-6,610	3,890	2,030	2,030	100	2,600	2,150	350	-1,300	630	-2,510	-2,510	850

	Total Income	187,240	197,740	195,880	200,880	198,950	201,450	206,000	204,200	212,550	219,480	216,340	216,340	2,457,050
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Payroll

660-00	Payroll Wages	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	216,000
660-02	Payroll Taxes	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
660-01	Payroll Benefits	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
660-04	Bonus												10,000	
	Total Payroll Expense	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	31,700	260,400

Utilities

664-00	Cable/Internet Tenant	6,275	6,275	6,275	6,275	6,275	6,275	6,275	6,275	6,275	6,275	6,275	6,275	75,300
664-01	Phones-Common	225	225	225	225	225	225	225	225	225	225	225	225	2,700
664-02	Phones - Elevator	400	400	400	400	400	400	400	400	400	400	400	400	4,800
664-03	Phones - Fire & Life Safety	150	150	150	150	150	150	150	150	150	150	150	150	1,800
664-04	Electric -Tenant	19,500	19,500	19,500	19,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	250,000
664-06	Electric-Common	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	54,000
664-10	Water/Sewer	13,000	13,000	13,000	13,000	13,000	13,000	15,000	15,000	15,000	15,000	15,000	15,000	168,000
	Total Utility Expense	44,050	44,050	44,050	44,050	46,050	46,050	48,050	48,050	48,050	48,050	48,050	48,050	556,600

Repairs and Maintenance

663-02	Fitness Room	750	0	0	0	0	750	0	0	0	750	0	0	2,250
663-03	Fitness Room Supplies	50	50	50	50	50	50	50	50	50	50	50	50	600
663-04	Pool Maint & Repair	0	0	0	0	500	500	500	500	500	0	0	0	2,500
663-05	Pool Supplies	0	0	0	0	300	300	300	300	300	0	0	0	1,500
663-06	Pest Control	175	175	175	175	175	175	175	175	175	175	175	175	2,100
663-07	Pest Control Supplies	0	0	0	50	50	50	50	50	50	0	0	0	300
663-08	Lawn Care/Grounds	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	18,240
663-09	Grounds Supplies	300	50	50	50	50	50	50	50	50	50	300	300	1,350

Total Marketing Expense	2,245	2,245	1,086	1,086	1,886	2,386	2,886	2,086	1,586	1,086	1,386	2,486	22,450
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Unit Turnover													
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661-02	Painting-Contractor (Full)	450	450	450	450	450	450	900	900	900	450	450	450	6,750
661-03	Painting Supplies	200	200	200	200	200	200	400	400	400	200	200	200	3,000
661-04	Make Ready Clean	300	300	300	300	300	500	600	800	500	500	300	300	5,000
661-06	Carpet Cleaning/Repair	200	200	300	300	300	500	600	800	500	500	200	200	4,600
	Total Unit Turnover Expense	1,150	1,150	1,250	1,250	1,250	1,650	2,500	2,900	2,300	1,650	1,150	1,150	19,350

Mortgage Taxes and Insurance													
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783-00	Property Taxes	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	381,996
	Total	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	31,833	381,996

690-99	Total CAM Expenses	107,753	92,939	116,299	91,978	98,240	107,465	108,026	106,234	105,210	97,323	97,070	113,435	1,241,968
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790-80	Total Operating Expenses	139,586	124,772	148,132	123,811	130,073	139,298	139,859	138,067	137,043	129,156	128,903	145,268	1,623,964
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975-00	Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
977-00	Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
989-00	Office Supplies	150	0	0	150	0	0	150	0	0	150	0	0	600
990-01	G&A	150	0	0	150	0	0	150	0	0	150	0	0	600

	NET OPERATING INCOME	47,504	72,968	47,748	76,919	68,877	62,152	65,991	66,134	75,508	90,174	87,437	71,072	832,486
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993-00	Mortgage Interest	45,466	45,370	45,273	45,176	45,078	44,981	44,882	44,784	44,685	44,586	44,487	44,387	539,156
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	NET INCOME	2,038	27,598	2,475	31,743	23,799	17,172	21,109	21,350	30,822	45,588	42,951	26,685	293,330
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The Frontier West Lawrence
12 Month Budget Cash Flow Statement - 2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Budget
Cash Flows from Operating Activities													
Net Income (Loss)	2,038	27,598	2,475	31,743	23,799	17,172	21,109	21,350	30,822	45,588	42,951	26,685	293,330
Adjustments to reconcile net income to net cash													
AR Trade	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(18,000)
Other Receivables	0	0	0	0	0	0	0	0	0	0	0	0	0
Advances to Affiliates	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Assets - Prepaid Insurance	(45,265)	4,115	4,115	4,115	4,115	4,115	4,115	4,115	4,115	4,115	4,115	4,115	0
Accounts Payable, Trade	57,860	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses	36,380	36,380	36,380	36,380	(145,522)	27,285	27,285	27,285	27,285	27,285	27,285	(163,712)	(1)
Deferred Revenue	945	945	945	945	945	945	945	945	945	945	945	945	11,340
Tenant/Customer Deposits	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	15,780
Total Adjustments to reconcile net income to net cash	(8,125)	41,255	41,255	41,255	(140,647)	32,160	32,160	32,160	32,160	32,160	32,160	(158,837)	9,119
Total Cash Flow from Operating Activities	(6,087)	68,854	43,730	72,999	(116,848)	49,332	53,269	53,510	62,983	77,748	75,111	(132,152)	302,450
Cash Flows from Investing Activities													
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Flows from Investing Activities	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flows from Financing Activities													
Increase (Decrease) in Mortgage Notes Payable	(29,853)	(29,950)	(30,047)	(30,144)	(30,241)	(30,339)	(30,437)	(30,536)	(30,634)	(30,734)	(30,833)	(30,933)	(364,681)
Total Cash Flows from Financing Activities	(29,853)	(29,950)	(30,047)	(30,144)	(30,241)	(30,339)	(30,437)	(30,536)	(30,634)	(30,734)	(30,833)	(30,933)	(364,681)
CASH FLOW (DEFICIT) GENERATED FOR THE PERIOD	(35,940)	38,904	13,684	42,855	(147,089)	18,993	22,832	22,974	32,348	47,015	44,278	(163,084)	(62,231)
Partner Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCREASE (DECREASE) IN CASH	(35,940)	38,904	13,684	42,855	(147,089)	18,993	22,832	22,974	32,348	47,015	44,278	(163,084)	(62,231)
Cash Accounts													
	Beg Bal												
Unrestricted Cash	140,935	67,300	68,508	44,497	49,656	46,774	37,166	31,398	25,772	29,520	47,934	63,612	62,924
Restricted Cash:	0												
Security Deposits	96,038	97,353	98,668	101,298	102,613	103,928	105,243	106,558	107,873	109,188	110,503	111,818	111,818
Reserve for Real Estate Taxes	0	36,380	72,761	109,141	145,521	(0)	27,285	54,570	81,856	109,141	136,426	163,711	0
0	0												
TOTAL Cash Accounts	236,973	201,033	239,937	253,621	296,476	149,387	168,380	191,212	214,186	246,534	293,549	174,742	174,742

Debt Summary – Frontier West Lawrence

I. First Mortgage (Loan #381504)

Lender:	BOKF, N.A. dba Bank of Kansas City 7500 College Blvd., Suite 1450 Overland Park, KS 66210
Commencement Date:	07/29/2019
Term:	14.5 years
Amortization Period:	Interest only until 8/1/2016; payment of P&I thereafter based on 26.08 years
Principal Balance (12/31/20):	\$15,912,760.79
Principal and Interest:	\$903,836.28 per annum; \$75,319.69 monthly Including \$15,228.19 interest swap amount
Effective Constant:	8.06%
Interest Rate:	2.256750%
Interest Calc Method:	30/360
Maturity Date:	08/01/2023
Security:	First Mortgage on Frontier West Lawrence
Balloon Payment at Maturity:	\$14,307,886.18 (due on 02/01/2026)
Prepayment Penalty:	None
Escrows:	
Real Estate Taxes	No
Insurance	No
Tenant Improvements	No
Other	No
Total Monthly Payment:	\$75,298.35

PHOTOGRAPHIC DOCUMENTATION



1. PROJECT DESIGNATION-THE FRONTIER WEST LAWRENCE, LAWRENCE, KANSAS

PHOTOGRAPHIC DOCUMENTATION



Tuckaway at Frontier

PHOTOGRAPHIC DOCUMENTATION



3. AERIAL OVERVIEW OF PROJECT SITE

PHOTOGRAPHIC DOCUMENTATION



4. AERIAL OVERVIEW OF PROJECT SITE

PHOTOGRAPHIC DOCUMENTATION



5. EXTERIOR OVERVIEW- BUILDING A

PHOTOGRAPHIC DOCUMENTATION



6. ROOF AREA OVERVIEW-BUILDING A

PHOTOGRAPHIC DOCUMENTATION



7. LOOSE/MISSING SHINGLE



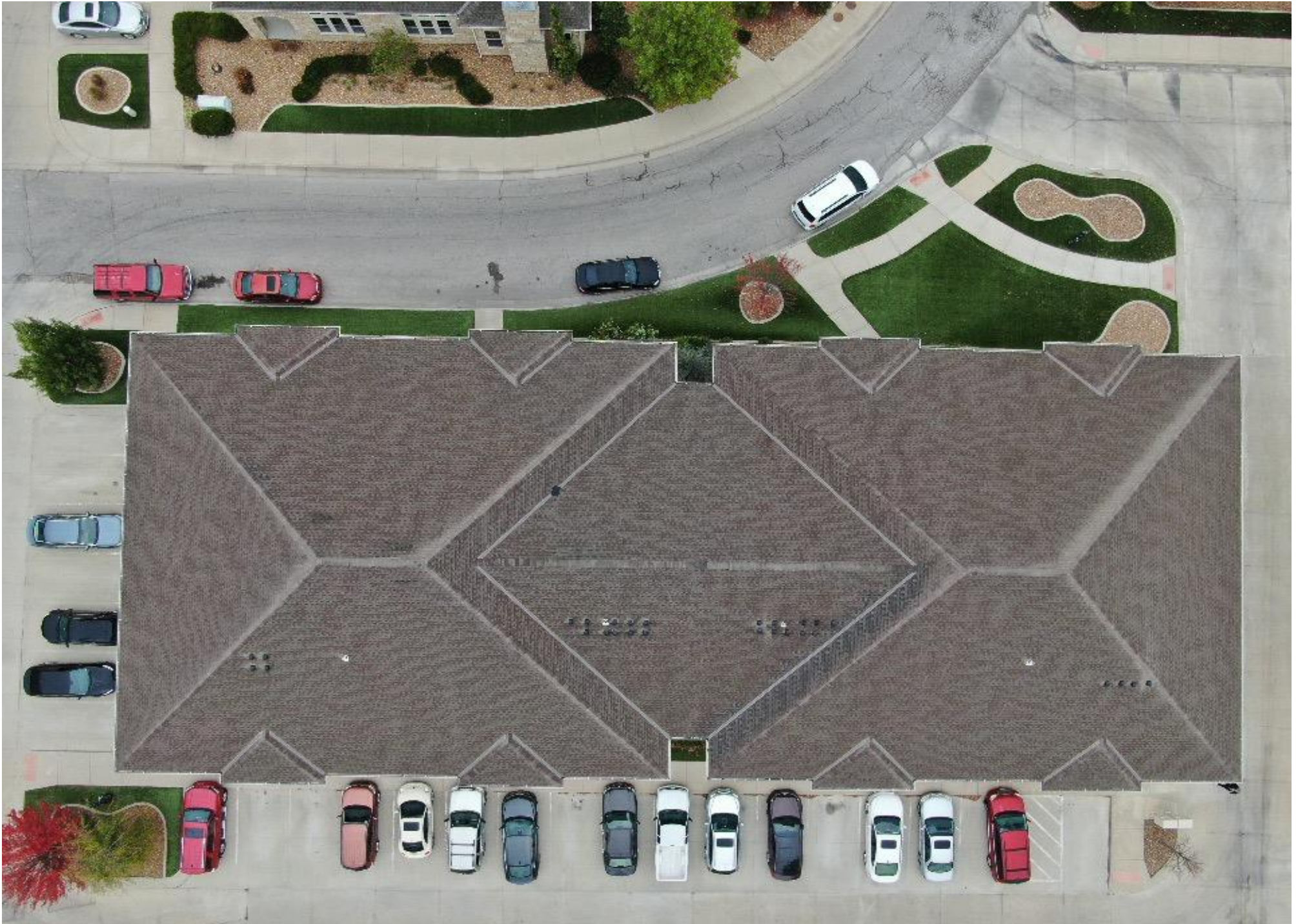
8. MISSING SHINGLE

PHOTOGRAPHIC DOCUMENTATION



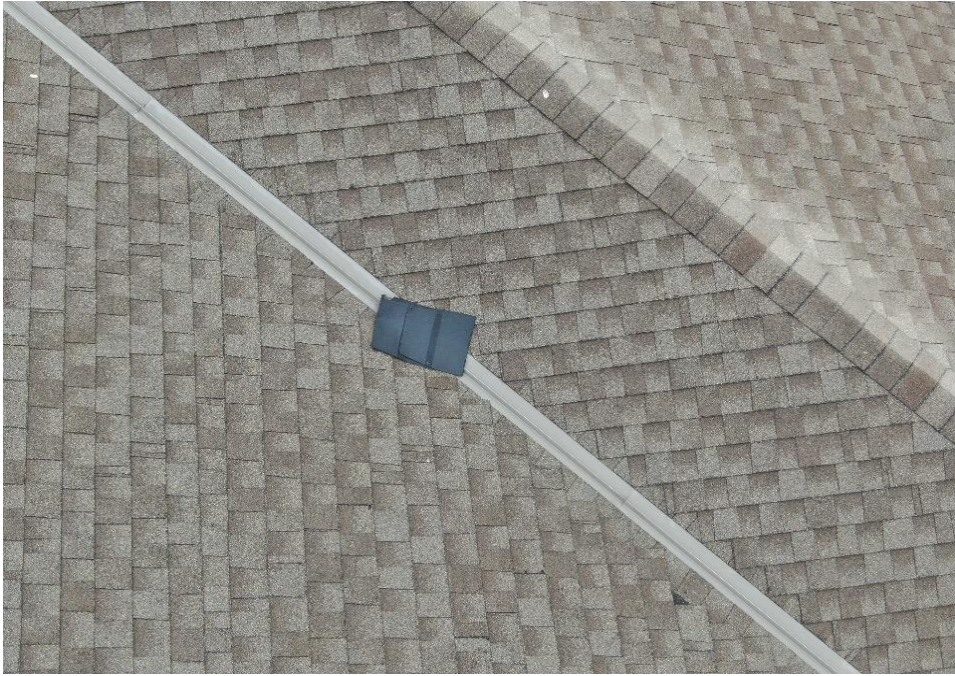
9. EXTERIOR OVERVIEW- BUILDING B

PHOTOGRAPHIC DOCUMENTATION



10. ROOF AREA OVERVIEW-BUILDING B

PHOTOGRAPHIC DOCUMENTATION



11. ROOF TOP DEBRIS FROM SUSPECTED PAST REPAIR



12. OVERVIEW OF PAST VALLEY SHINGLE REPLACEMENT



13. OVERVIEW OF CRACKED RIDGE SHINGLE

PHOTOGRAPHIC DOCUMENTATION



14. EXTERIOR OVERVIEW- BUILDING C

PHOTOGRAPHIC DOCUMENTATION



15. ROOF AREA OVERVIEW-BUILDING C

PHOTOGRAPHIC DOCUMENTATION



16. EXTERIOR OVERVIEW- BUILDING D

PHOTOGRAPHIC DOCUMENTATION



17. EXTERIOR OVERVIEW- BUILDING D

PHOTOGRAPHIC DOCUMENTATION



18. MISSING RIDGE SHINGLES



19. MISSING SHINGLES



20. SHINGLE DEBRIS ON ROOF SURFACE



21. SHINGLE DEBRIS ON ROOF SURFACE

PHOTOGRAPHIC DOCUMENTATION



22. EXTERIOR OVERVIEW- BUILDING E

PHOTOGRAPHIC DOCUMENTATION

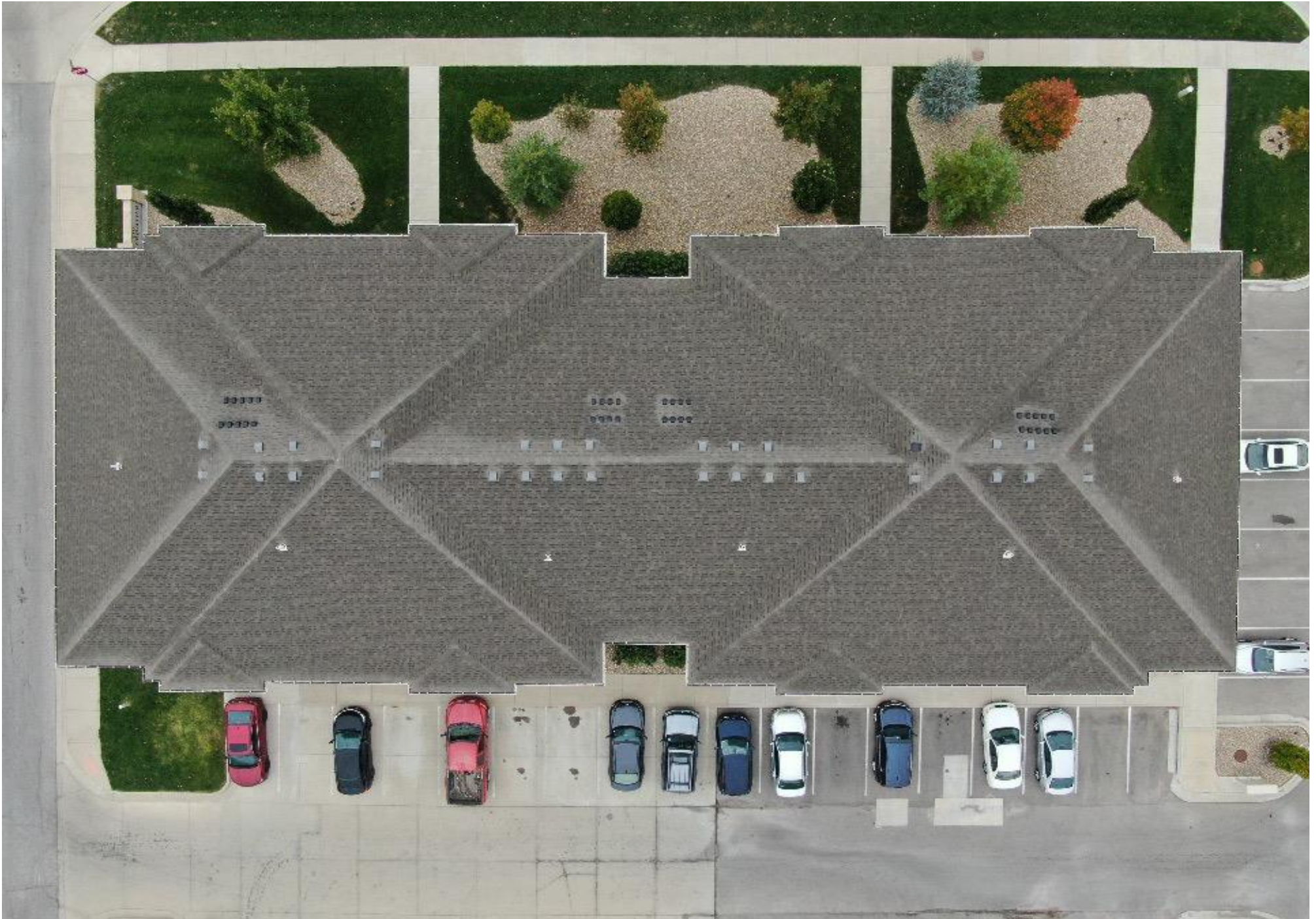


23. ROOF AREA OVERVIEW-BUILDING E



24. EXTERIOR OVERVIEW-BUILDING F

PHOTOGRAPHIC DOCUMENTATION



25. ROOF AREA OVERVIEW-BUILDING F

PHOTOGRAPHIC DOCUMENTATION



26. LOOSE SHINGLE

PHOTOGRAPHIC DOCUMENTATION



27. EXTERIOR OVERVIEW- BUILDING G

PHOTOGRAPHIC DOCUMENTATION



28. ROOF AREA OVERVIEW- BUILDING G

PHOTOGRAPHIC DOCUMENTATION



29. EXTERIOR OVERVIEW- BUILDING H

PHOTOGRAPHIC DOCUMENTATION



30. ROOF AREA OVERVIEW-BUILDING H

PHOTOGRAPHIC DOCUMENTATION



31. TREE LIMBS OVERHANGING ROOF/DEBRIS IN GUTTER

PHOTOGRAPHIC DOCUMENTATION



32. EXTERIOR OVERVIEW- CLUBHOUSE BUILDING

PHOTOGRAPHIC DOCUMENTATION



33. ROOF AREA OVERVIEW-CLUBHOUSE BUILDING

PHOTOGRAPHIC DOCUMENTATION



34. DEBRIS IN EXTERIOR GUTTERING



35. OPEN VOID IN RIDGE SHINGLE

PHOTOGRAPHIC DOCUMENTATION



36. EXTERIOR OVERVIEW- BUILDING J

PHOTOGRAPHIC DOCUMENTATION



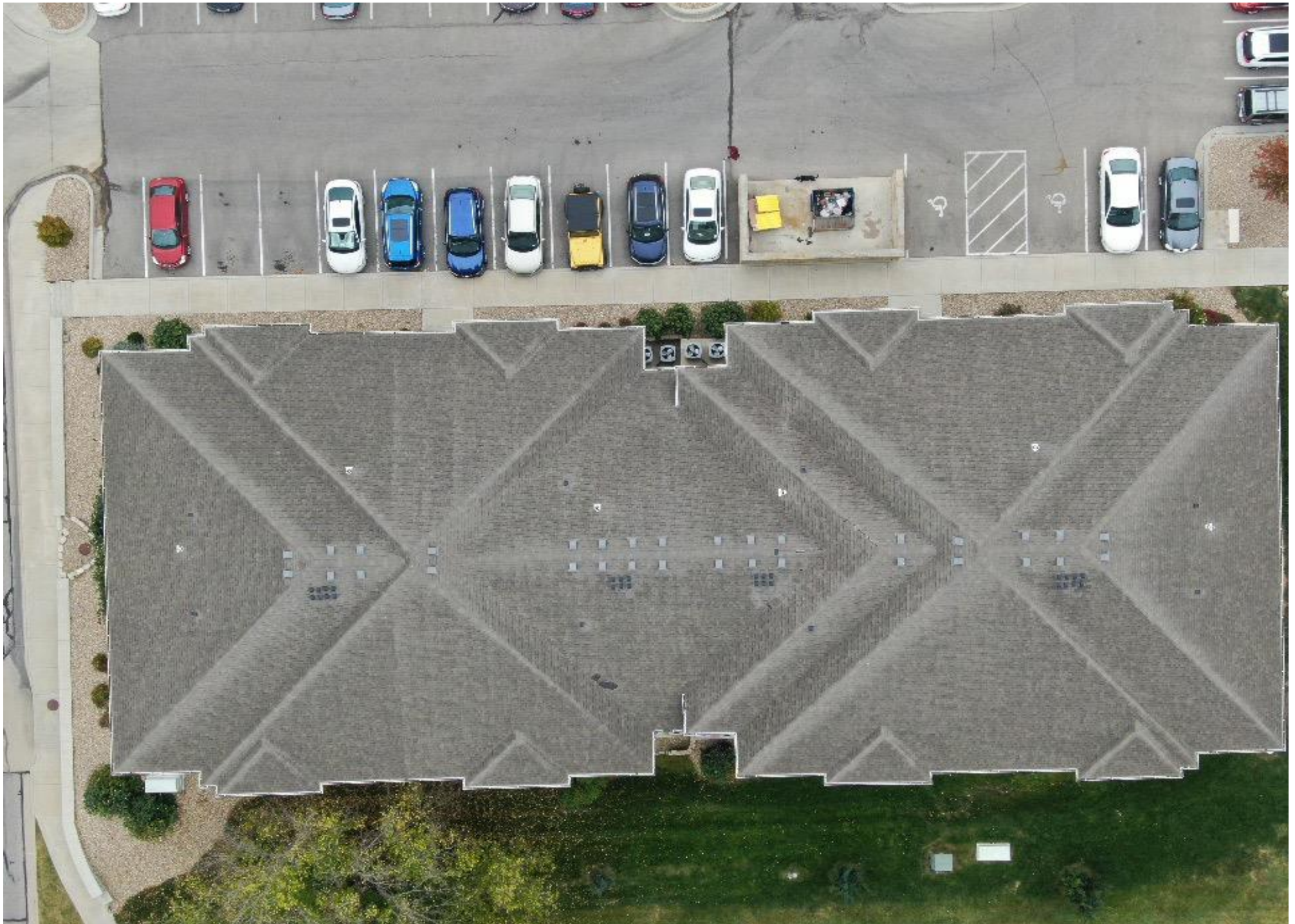
37. ROOF AREA OVERVIEW-BUILDING J

PHOTOGRAPHIC DOCUMENTATION



38. EXTERIOR OVERVIEW- BUILDING K

PHOTOGRAPHIC DOCUMENTATION



39. ROOF AREA OVERVIEW-BUILDING K

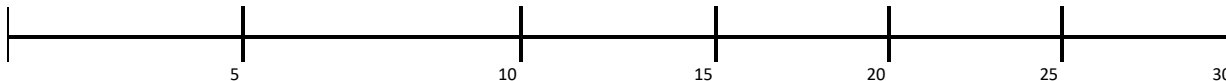
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40. SHINGLE DEBRIS ON ROOF SURFACE

**LIFE CYCLE CHART
THE FRONTIER WEST LAWRENCE
DECEMBER 2020**

Years Old



EQUIPMENT

ROOF



In 2020, Roof Asset Management Services completed a conditional assessment of the roof. Their recommendations were based on visual observation of the roof areas. The roofs are in fair overall condition with an anticipated roof replacement in the year 2028. Roofs are suffering from deficiencies such as loose/missing shingles at random at random locations. Missing shingles will need to be replaced 2021 to prevent water from entering building interior.

<u>Cost to Replace</u>	<u>Budgeted Year</u>
\$485,000.00	2028

FITNESS CENTER

Current equipment is owned, not rented and includes:

- 2 Treadmills
- 2 Elipiticals
- 1 Bike
- 8 Weight Machines

Average LE of treadmill, elipitical and bikes is approximately 6 years and estimated replacement cost per piece of equipment is \$5,000

<u>Cost to Replace</u>	<u>Budgeted Year</u>
\$10,000	2022
\$10,000	2022
\$5,000	2022

FIRE/LIFE SAFETY SYSTEMS

Fire Alarm System



Installed in 2011, the system is a Gamewell E3 Series and consists of a main panel in the storage room of the clubhouse, 10 manual alarm stations. No known current issues with system. Quarterly Inspected by Select One Fire and Security

<u>Cost to Replace</u>	<u>Budgeted Year</u>
TBD	2026

Fire Sprinkler System

No problems or concerns at this time. Tested each year

Elevators



Installed in 2011, Phase I are Kone Elevators, Phase II are Otis Elevators. Currently under service contract with MEI. Units will be re-evaluated in 2026 for remaining useful life.

<u>Cost to Replace</u>	<u>Budgeted Year</u>
TBD	2036