KERRA Artesian LP - October/2019

FINANCIAL RESULTS - SEPTEMBER/2019

Rent Income

Rent collection for September was low as we have 3 vacant units.

Expenses

September's operational expenses were relatively low.

Partner's Distribution

During the months of Jul-Sep, we have accumulated negative cash flow, therefore we will not be sending distribution for this period.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Income	**14,887**	**10,936**	**14,810**	**14,137**	**14,415**	**12,227**	**13,411**	**11,699**	**10,447**	**0**	**0**	**0**	**116,969**
Repairs & Maintenance	2,345	2,674	1,616	1,098	793	905	969	4,364	666	0	0	0	**15,431**
Utilities	1,429	2,790	2,210	922	2,408	1,361	2,132	1,330	1,287	0	0	0	**15,868**
MNG Fee & Leasing Fee	2,780	1,840	0	982	1,165	930	950	985	1,130	0	0	0	**10,762**
Insurance	0	0	0	0	0	0	0	6,539	0	0	0	0	**6,539**
Professional Fee (Accounting & Legal)	350	70	70	945	70	750	820	1,364	465	0	0	0	**4,904**
Miscellaneous Expenses	0	161	50	350	102	0	50	650	0	0	0	0	**1,363**
Total Expenses	**6,904**	**7,535**	**3,946**	**4,297**	**4,538**	**3,946**	**4,922**	**15,232**	**3,548**	**0**	**0**	**0**	**54,866**
NOI	**7,983**	**3,401**	**10,865**	**9,840**	**9,877**	**8,281**	**8,489**	**(3,533)**	**6,899**	**0**	**0**	**0**	**62,103**
Mortgage *	6,603	6,603	6,603	6,603	6,603	6,603	6,603	6,603	6,603	0	0	0	**59,428**
Net Cash	**1,379**	**(3,202)**	**4,261**	**3,237**	**3,274**	**1,678**	**1,886**	**(10,136)**	**296**	**0**	**0**	**0**	**2,675**
KERRA - 30% Fee	414	(961)	1,278	971	982	504	566	(3,041)	89	0	0	0	**803**
Net After KERRA Fee	966	(2,242)	2,983	2,266	2,292	1,175	1,321	(7,095)	207	0	0	0	**1,873**
Portion per Partner (20% each) *	**193**	**(448)**	**597**	**453**	**458**	**235**	**264**	**(1,419)**	**41**	**0**	**0**	**0**	**375**
Major Rehab & Appliances **	0	0	1,177	467	0	0	0	3,643	0	0	0	0	**5,286**

* Mortgage payments include: principle, Interest & escrow for property tax

** Major Rehab & Appliances are not expenses they are added to the property value

*** Partners' distribution was paid for Jun/2019 and prior months

Profit Distribution - Balance per Partner	Total Accum. Profit	Total Paid Until Now	Remaining Balance to be Paid
All partners are 20% each	**6,229**	**7,342**	**(1,113)**

OTHER UPDATES

Occupancy Status

We currently have 3 vacant units that are rent ready and listed on the market. We are currently working with our property managers to resolve the high vacancy we are experiencing. Although we have some applications for potential tenants, we have rejected a few due to several reasons like very low income that can't support the rent or very low credit score (in the 400 range). We are currently offering a move-in special for tenants to incentivize good tenants to rent our units.