KERRA Highland LP - May/2020

FINANCIAL RESULTS - APRIL/2020

Rent Income

Rent collection for April was low, we have 2 vacant units, 2 tenants who paid their April rent at the end of March, and 4 tenants who did not pay their April rent yet. There is not much to do about it in the current situation, our property manager keeps calling those tenants for their unpaid rents.

Expenses

Operational expenses for April were low, some bills for this month did not come in yet. We will catch up with those costs next month.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Income	**29,641**	**30,953**	**29,187**	**21,208**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**110,989**
Repairs & Maintenance	2,597	4,364	3,892	3,738	0	0	0	0	0	0	0	0	**14,591**
Utilities	4,793	4,412	4,153	1,799	0	0	0	0	0	0	0	0	**15,157**
MNG Fee & Leasing Fee	1,873	5,004	2,215	1,748	0	0	0	0	0	0	0	0	**10,839**
Insurance	13,847	0	0	0	0	0	0	0	0	0	0	0	**13,847**
Professional Fee (Accounting & Legal)	0	70	1,195	0	0	0	0	0	0	0	0	0	**1,265**
Miscellaneous Expenses	150	0	165	0	0	0	0	0	0	0	0	0	**315**
Total Expenses	**23,260**	**13,850**	**11,619**	**7,285**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**56,014**
NOI	**6,381**	**17,103**	**17,568**	**13,923**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**54,975**
Mortgage *	15,192	15,192	15,192	15,192	0	0	0	0	0	0	0	0	**60,766**
Net Cash	**(8,810)**	**1,912**	**2,376**	**(1,268)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(5,791)**
KERRA - 4% Fee from Collected Income	1,186	1,238	1,167	848	0	0	0	0	0	0	0	0	**4,440**
Net After KERRA Fee	**(9,996)**	**673**	**1,208**	**(2,117)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(10,231)**
Eliav & Revital Kling 19%	(1,899)	128	230	(402)	0	0	0	0	0	0	0	0	(1,944)
LZIC LTD 10%	(1,000)	67	121	(212)	0	0	0	0	0	0	0	0	(1,023)
Meital Steinberg 19%	(1,899)	128	230	(402)	0	0	0	0	0	0	0	0	(1,944)
L&E Kling Holdings 19%	(1,899)	128	230	(402)	0	0	0	0	0	0	0	0	(1,944)
Mitchell J Howard LLC 14%	(1,399)	94	169	(296)	0	0	0	0	0	0	0	0	(1,432)
LHCO INC 9%	(900)	61	109	(191)	0	0	0	0	0	0	0	0	(921)
Eitan Abu 10%	(1,000)	67	121	(212)	0	0	0	0	0	0	0	0	(1,023)
Major Rehab & Appliances **	2,185	0	2,025	0	0	0	0	0	0	0	0	0	**4,210**

* 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 Sep/2019 and prior months

Profit Distribution - Balance per Partner	Total Accum. Profit	Total Paid Until Now	Remaining Balance to be Paid
Eliav & Revital Kling 19%	2,296	2,640	(344)
LZIC LTD 10%	1,208	1,389	(181)
Meital Steinberg 19%	2,296	2,640	(344)
L&E Kling Holdings 19%	2,296	2,640	(344)
Mitchell J Howard LLC 14%	1,692	1,945	(253)
LHCO INC 9%	1,088	1,250	(163)
Eitan Abu 10%	1,208	1,389	(181)

OTHER UPDATES

Occupancy Status

We currently have 2 vacant units, one of them is the one that had the fire. More updates regarding the fire-related insurance claim will be sent in the coming 2 weeks.

New Property Management

The new property management company took over all our properties on April 1st. They started with setup and preparations 2 weeks prior to that date. All tenants were informed, as well as the subsidizes housing authority who is paying a portion of the rent for some of our tenants. All utilities & services were transferred to the new management company. We are talking to them at least once a day to ensure we are on the same page with every topic that comes up during the day. We expect that until the end of June we will be in transition mode.