KERRA Highland LP - Novenber/2020

FINANCIAL RESULTS - OCTOBER/2020

Rent Income

Rent collection for the month of October was Relatively low due to a few factors:

- We have 2 tenants who did not pay their rents for a few months.
- We have 2 vacant units (one of them had had the fire).
- Two tenants paid their October rent at the beginning of November.

Expenses

Expenses for October were higher than usual as we paid the last amounts related to the fire damage.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Income	**29,641**	**30,953**	**29,187**	**21,208**	**26,470**	**34,628**	**56,437**	**29,486**	**26,481**	**38,389**	**0**	**0**	**322,880**
Repairs & Maintenance	2,597	4,364	3,892	3,738	4,830	9,221	15,094	5,181	15,182	20,161	0	0	**84,259**
Utilities	4,793	4,412	4,153	1,799	0	7,157	1,653	9,144	3,358	3,569	0	0	**40,038**
MNG Fee & Leasing Fee	1,873	5,004	2,215	1,748	1,693	1,474	1,476	4,487	1,708	1,483	0	0	**23,160**
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	17,618	0	0	0	0	0	**18,883**
Miscellaneous Expenses	150	0	165	0	725	30	16	27	100	15	0	0	**1,227**
Total Expenses	**23,260**	**13,850**	**11,619**	**7,285**	**7,247**	**17,882**	**35,857**	**18,839**	**20,348**	**25,229**	**0**	**0**	**181,416**
NOI	**6,381**	**17,103**	**17,568**	**13,923**	**19,223**	**16,747**	**20,579**	**10,647**	**6,133**	**13,160**	**0**	**0**	**141,464**
Mortgage *	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,565	15,565	0	0	**152,663**
Net Cash	**(8,810)**	**1,912**	**2,376**	**(1,268)**	**4,031**	**1,555**	**5,388**	**(4,545)**	**(9,432)**	**(2,405)**	**0**	**0**	**(11,199)**
KERRA - 4% Fee from Collected Income	1,186	1,238	1,167	848	1,059	1,079	1,169	1,155	1,059	956	0	0	**10,916**
Net After KERRA Fee	**(9,996)**	**673**	**1,208**	**(2,117)**	**2,972**	**476**	**4,219**	**(5,700)**	**(10,491)**	**(3,360)**	**0**	**0**	**(22,114)**
Eliav & Revital Kling 19%	(1,899)	128	230	(402)	565	90	802	(1,083)	(1,993)	(638)	0	0	(4,202)
LZIC LTD 10%	(1,000)	67	121	(212)	297	48	422	(570)	(1,049)	(336)	0	0	(2,211)
Meital Steinberg 19%	(1,899)	128	230	(402)	565	90	802	(1,083)	(1,993)	(638)	0	0	(4,202)
L&E Kling Holdings 19%	(1,899)	128	230	(402)	565	90	802	(1,083)	(1,993)	(638)	0	0	(4,202)
Mitchell J Howard LLC 14%	(1,399)	94	169	(296)	416	67	591	(798)	(1,469)	(470)	0	0	(3,096)
LHCO INC 9%	(900)	61	109	(191)	268	43	380	(513)	(944)	(302)	0	0	(1,990)
Eitan Abu 10%	(1,000)	67	121	(212)	297	48	422	(570)	(1,049)	(336)	0	0	(2,211)
Major Rehab & Appliances **	2,185	0	2,025	0	2,883	0	3,606	0	0	1,412	0	0	**12,111**

* 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%	38	2,640	(2,602)
LZIC LTD 10%	20	1,389	(1,369)
Meital Steinberg 19%	38	2,640	(2,602)
L&E Kling Holdings 19%	38	2,640	(2,602)
Mitchell J Howard LLC 14%	28	1,945	(1,917)
LHCO INC 9%	18	1,250	(1,232)
Eitan Abu 10%	20	1,389	(1,369)

OTHER UPDATES

Occupancy Status

During the month of October, we had 2 vacant units, both have been rented and tenants will move in November.

COVID-19 Update

In general, our property manager informed us that they see a reduction in rent collection, starting in September. Specifically, in Highland our collection so far was not so good. We have 2 tenants who are missing a few months of rent and 2 units that are vacant. The majority of financial help people got from the government for Covid-19 is over and there is uncertainty in regards to the collection of rent in the coming months. We will be monitoring this closely in the coming months and work with our property managers to have everything possible done to maximize our rent collection