KERRA Lamon LP - April/2018

FINANCIAL RESULTS - MARCH/2018

Rent Income

We are dealing with some delinquent tenants, some will be evicted and with the others we are working on a payment schedule to catch up with their rents.

We are working closely with our property manager to raise rents to their maximum potential. This process will be stretched over a period of several months.

Expenses

Expenses are not fully into routine, some utility bills are not always mailed to correct address. Our property manager is still working on those details with utilities' vendors.

We are staring to get some of the utility bills, that covers few months of usage.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Income	**8,402**	**10,050**	**9,985**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**28,437**
Repairs & Maintenance	450	2,790	0	0	0	0	0	0	0	0	0	0	**3,240**
Utilities	95	2,671	2,552	0	0	0	0	0	0	0	0	0	**5,318**
MNG Fee & Leasing Fee	0	1,150	0	0	0	0	0	0	0	0	0	0	**1,150**
Insurance & Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Professional Fee (Accounting & Legal)	(125)	150	0	0	0	0	0	0	0	0	0	0	**25**
Miscellaneous Expenses	212	0	3	0	0	0	0	0	0	0	0	0	**215**
Total Expenses	**632**	**6,762**	**2,555**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**9,948**
NOI	**7,770**	**3,289**	**7,430**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**18,489**
Mortgage *	5,898	5,898	5,898	0	0	0	0	0	0	0	0	0	**17,693**
Net Cash before Income Tax	**1,872**	**(2,609)**	**1,533**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**796**
KERRA - 30% Fee	562	(783)	460										**239**
Net After KERRA Fee	1,310	(1,826)	1,073										**557**
Portion per Partner (25% each) ***	**328**	**(457)**	**215**	**0**	**0**					**0**	**0**	**0**	**86**
Major Rehab & Appliances **	15,000	0	0	0	0	0	0	0	0	0	0	0	**15,000**

* 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 December and prior months

OTHER UPDATES

Occupancy Status

We currently have one vacancy.

Tax Season

According to IRS regulations, when having a partnership with foreign partners, the entity needs to withhold tax. Those funds are sent to the IRS as advanced tax payments. We have started to send those checks this year, 2018.

When we will submit our personal tax for 2018, the IRS treats those funds as tax paid in advance and deduct it from the total tax each partner needs to pay. Those tax credit are prorated at the same percent each partner holds in the entity.

Stair Cases

All work is done, including items that were depending on weather, and we have passed city inspection. See below pictures before and after.