KERRA Pulaski LP - July/2020

FINANCIAL RESULTS - JUNE/2020

Rent Income

Rent collection for June was low, but we have 2 tenants who paid their June rent at the beginning of July, so they are caught up.
We have a tenant who is doing our maintenance for this building. After property management change there was a misunderstanding, they thought his rent is offset by his work. We caught that and explained that we would like him to pay his rent in full and we are paying him for his work. This created a situation that one rent is missing for the months of April & June when he had a lot of maintenance work. On the other hand, the maintenance expense is also not there so the profit is correct.

Expenses

Operational expenses for June were high this is a result of multiple reasons:

- We paid the insurance for the year.
- The water bill came very high, we asked this to be checked right away.
- Other utility bills came in now to the new property manager, also for previous months. Usually, when switching management there is a month or two until bills come regularly.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Income	**5,950**	**5,852**	**5,475**	**3,600**	**5,488**	**3,550**	**0**	**0**	**0**	**0**	**0**	**0**	**29,915**
Repairs & Maintenance	277	235	276	0	27	0	0	0	0	0	0	0	**815**
Utilities	686	839	533	517	435	1,888	0	0	0	0	0	0	**4,898**
MNG Fee & Leasing Fee	389	410	619	385	357	275	0	0	0	0	0	0	**2,435**
Insurance	0	0	0	0	0	2,779	0	0	0	0	0	0	**2,779**
Professional Fee (Accounting & Legal)	0	0	950	0	186	0	0	0	0	0	0	0	**1,136**
Miscellaneous Expenses	0	0	28	0	100	0	0	0	0	0	0	0	**128**
Total Expenses	**1,351**	**1,484**	**2,406**	**902**	**1,104**	**4,942**	**0**	**0**	**0**	**0**	**0**	**0**	**12,190**
NOI	**4,599**	**4,368**	**3,069**	**2,698**	**4,384**	**(1,392)**	**0**	**0**	**0**	**0**	**0**	**0**	**17,725**
Mortgage *	2,469	2,469	2,469	2,469	2,469	2,469	0	0	0	0	0	0	**14,811**
Net Cash	**2,130**	**1,899**	**600**	**229**	**1,915**	**(3,861)**	**0**	**0**	**0**	**0**	**0**	**0**	**2,914**
KERRA - 30% Fee	639	570	180	69	575	(1,158)	0	0	0	0	0	0	**874**
Net After KERRA Fee	**1,491**	**1,329**	**420**	**161**	**1,341**	**(2,702)**	**0**	**0**	**0**	**0**	**0**	**0**	**2,040**
Ohad Kaufman 30%	447	399	126	48	402	(811)	0	0	0	0	0	0	**612**
Eliav Kling 35%	522	465	147	56	469	(946)	0	0	0	0	0	0	**714**
Revital Kling 35%	522	465	147	56	469	(946)	0	0	0	0	0	0	714
Major Rehab & Appliances **	1,044	0	0	0	0	0	0	0	0	0	0	0	**1,044**

* 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 Dec/2019 and prior months

OTHER UPDATES

Occupancy Status

The property is 100% rented with a total rent roll of $6,200.

Covid-19 Update

Due to COVID-19, we saw a drop in the collected rent. Our property managers are working with the tenants to set up a payment plan so they can catch up with their payments. Businesses in Chicago have started to open up and most of the tenants are back to work. We will be monitoring the collection closely in the coming months to ensure that tenants are catching up on their rents.

We think that it is responsible now to hold the funds for another quarter and not send the owner distribution at the moment.
