

Buffalo Urban Development Corporation

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**Audit & Finance Committee Meeting
Thursday, October 12, 2023 – 12:00 p.m.
95 Perry Street
4th Floor Vista Room**

Agenda

1. Minutes of September 7, 2023 Meeting (*Approval*) (*Enclosure*)
2. 2024 683 Northland Master Tenant Budget (*Enclosure*)
3. 2024 BUDC Draft Budget & Three-Year Forecast (*Enclosure*)
4. 683 Northland Construction Loan and LOC Update (*Information*)
5. Miscellaneous Funding Source Updates (*Information*)
6. Adjournment (*Approval*)

**Minutes of the Meeting
of the
Audit & Finance Committee
of
Buffalo Urban Development Corporation**

**95 Perry Street
Buffalo, New York
September 7, 2023
12:00 p.m.**

Call to Order:

Committee Members Present:

Catherine Amdur
Trina Burruss
David J. Nasca
Dennis M. Penman (Committee Chair)

Committee Members Absent:

Janique S. Curry (attended via Zoom)

Officers Present:

Brandye Merriweather, President
Rebecca Gandour, Executive Vice President
Mollie M. Profic, Treasurer
Kevin J. Zanner, Secretary
Atiqa Abidi, Assistant Treasurer

Others Present: Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Officer; and Antonio Parker, BUDC Project Manager.

Roll Call – The meeting was called to order at 12:07 p.m. and a quorum was determined to be present. Ms. Burruss joined the meeting during the presentation of item 2. Mr. Nasca left the meeting during the presentation of item 3.

- 1.0 Approval of Minutes of the May 11, 2023 Meeting** – The minutes of the May 11, 2023 meeting of the Audit & Finance Committee were presented. Mr. Nasca made a motion to approve the meeting minutes. The motion was seconded by Ms. Amdur and unanimously carried (3-0-0).
- 2.0 2024 683 Northland Master Tenant Budget** – Ms. Profic reviewed the draft 2024 budget for 683 Northland Master Tenant, LLC. A net loss on a GAAP basis is projected in the amount of \$537,372. Factoring in cash flow adjustments, there is a projected net cash increase of \$440,688. The Committee discussed the proposed budget, including the financial impact of increased building repair and maintenance costs over time and efforts to seek funding to help pay for these costs.
- 3.0 2024 BUDC Draft Budget** – Ms. Profic presented the 2024 draft budget. She began the presentation by reviewing the proposed 2024 project budgets for Buffalo Lakeside Commerce Park, Buffalo Building Reuse Project/Race for Place, Ralph Wilson Park, Northland Corridor, and general corporate operations. Ms. Profic also reviewed a separate budget sheet that breaks out the budgeted revenue, operating expenses, capital budget and cash flow adjustments for the Northland Corridor project. The overall draft budget projects a net income of approximately \$3,294,852. Ms.

Profic noted that some figures in the proposed budget are expected to change as updated numbers are received. Another Committee meeting will be scheduled in October to review and recommend approval of the proposed budget.

- 4.0 Adjournment** – There being no further business to come before the Committee, upon motion made by Ms. Amdur, seconded by Ms. Burruss and unanimously carried, the September 7, 2023 meeting of the Audit & Finance Committee was adjourned at 1:18 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary

683 Northland Master Tenant, LLC
2024 Proposed Budget

DRAFT - For Discussion Purposes Only

683 Northland Master Tenant, LLC Proposed 2024 Budget

	2024 Budget	2023 Projected	2022 Actual
Revenues:			
Lease revenue	\$ 1,472,000	\$ 1,446,739	\$ 1,466,335
Additional lease revenue	780,000	752,070	753,037
Other income	250	6,423	1,372
Total	<u>2,252,250</u>	<u>2,205,232</u>	<u>2,220,744</u>
Expenses:			
Lease expense	1,896,444	1,921,500	1,879,742
Payroll	173,760	156,972	143,808
Utilities	50,000	11,949	188,227
Insurance	138,000	128,000	122,769
Professional fees	75,000	77,556	67,053
Property management fee	74,000	69,966	70,520
Real estate taxes	33,000	24,226	20,398
Repairs and maintenance	295,634	226,038	193,758
Asset management fee	10,000	10,000	10,000
Depreciation	3,186	5,056	5,056
Miscellaneous	5,000	5,000	316
Total	<u>2,754,024</u>	<u>2,636,263</u>	<u>2,701,647</u>
Net Income / (Loss)	<u>(501,774)</u>	<u>(431,031)</u>	<u>(480,903)</u>
Members' Equity			
Members' equity - beginning of period	\$ 15,303,343	\$ 15,992,374	\$ 14,578,450
Members' capital contributions	-	-	2,091,098
Distributions	(258,000)	(258,000)	(196,271)
Members' equity - end of period	<u>\$ 14,543,569</u>	<u>\$ 15,303,343</u>	<u>\$ 15,992,374</u>
Cash Flow Adjustments			
Net Income / (Loss)	\$ (501,774)	\$ (431,031)	\$ (480,903)
Right of use asset - Master Lease Agreement	1,749,230	1,741,841	1,395,256
Prepaid rent - Master Lease Agreement	-	-	(1,869,206)
Deferred operating lease liability - sublessee	(553,074)	(553,074)	(513,406)
Prepaid leasing commission	26,718	26,718	29,322
Use of reserves	10,000	10,000	10,000
Equipment purchases	-	-	(18,390)
Depreciation	3,186	5,056	5,056
Changes in assets/liabilities (net)	-	-	(57,485)
Cash Increase/(Decrease) before Equity Items	<u>734,286</u>	<u>799,510</u>	<u>(1,499,756)</u>
Members' capital contributions	-	-	2,091,098
Distributions	(258,000)	(258,000)	(221,892)
Net Cash Increase	<u>\$ 476,286</u>	<u>\$ 541,510</u>	<u>\$ 369,450</u>

683 Northland Master Tenant, LLC's 1% owner and Managing Member is 683 WTC, LLC.
An investor-owned fund owns 99% of the entity.

683 Northland Master Tenant, LLC
Proposed 2024 Budget + 3 Year Projection

	2024 Budget	2025 Projected	2027 Projected
Revenues:			
Rental revenue	\$ 1,472,000	\$ 1,454,000	\$ 1,344,000
Additional rental revenue	780,000	765,000	705,000
Interest and other revenue	250	250	250
Total	2,252,250	2,219,250	2,049,250
Expenses:			
Rent expense	1,896,444	1,896,444	1,896,444
Payroll	173,760	178,973	189,872
Utilities	50,000	51,500	54,636
Insurance	138,000	142,140	150,796
Professional fees	75,000	77,250	81,955
Property management fee	74,000	73,000	68,000
Real estate taxes	33,000	33,990	36,060
Repairs and maintenance	295,634	304,503	323,047
Asset management fee	10,000	-	-
Depreciation	3,186	3,200	3,200
Miscellaneous	5,000	5,150	5,464
Total	2,754,024	2,766,150	2,809,474
Net Income / (Loss)	\$ (501,774)	\$ (546,900)	\$ (760,224)
Members' Equity			
Members' equity - beginning of period	\$ 15,303,343	\$ 14,543,569	\$ 13,039,964
Members' capital contributions	-	-	-
Distributions	(258,000)	(258,000)	-
Members' equity - end of period	\$ 14,543,569	\$ 13,738,669	\$ 12,279,739
Cash Flow Adjustments			
Net Income / (Loss)	\$ (501,774)	\$ (546,900)	\$ (760,224)
Prepaid rent - rent expense	1,749,230	1,757,446	1,775,381
Deferred lease liability	(553,074)	(553,074)	(553,074)
Prepaid leasing commission	26,718	26,700	21,695
Usage of/(additions to) reserves	10,000	-	-
Depreciation	3,186	3,200	3,200
Cash Increase/(Decrease) before Equity Items	734,286	687,372	486,978
Members' capital contributions	-	-	-
Distributions	(258,000)	(258,000)	-
Net Cash Increase/(Decrease)	\$ 476,286	# \$ 429,372	# \$ 486,978

683 Northland Master Tenant, LLC's 1% owner and Managing Member is 683 WTC, LLC.
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Buffalo Urban Development Corporation

Proposed 2024 Budget



Buffalo Urban Development Corporation

Proposed 2024 Budget

A. Overview:

Buffalo Urban Development Corporation (“BUDC”) continues to make significant progress in all of its initiatives by advancing projects related to the Northland Corridor Redevelopment on Buffalo’s East Side, the Buffalo’s Race for Place initiative in Downtown Buffalo, transformation of Ralph C. Wilson Jr. Centennial Park (“Ralph Wilson Park”) as well as other strategic planning efforts and small business support.

In late 2022, BUDC received confirmation of a \$14.4 million funding award through the U.S. Economic Development Administration’s Build Back Better Challenge for the rehabilitation of additional properties and clean energy upgrades within the Northland Corridor. The grant funding will be used to complete the following project components: renovation of the approximately 44,000 s.f. industrial building at 541 E. Delavan Avenue, including extensive environmental remediation, site work, and the installation of new green infrastructure for storm water management; renovation of the approximately 10,000 s.f. “B” building at 612 Northland; implementation of a Clean Energy Microgrid to advance NYS and federal clean energy goals, and construction of approximately 120 new parking spaces at 714 Northland and the south lot adjoining 683 Northland. These components are collectively budgeted to cost \$18 million to complete. BUDC continues to engage with Northland Campus businesses and anchors such as the Northland Workforce Training Center – that will be expanding and leasing additional space within the Northland Central Building; Manna Culinary; Buffalo Manufacturing Works; Rodriguez Construction; Bank On Buffalo and others as well as the surrounding community on collaborations, public art and other opportunities that will add to the vitality of the corridor. BUDC is also working in collaboration with Empire State Development on an additional funding award in the amount of \$55 million for the continued redevelopment of vacant properties and innovations within the corridor. This funding will assist with the design, construction and sustainability of the Northland Corridor.

In 2018, Mayor Byron W. Brown and the Ralph C. Wilson Jr. Foundation announced a \$50 million funding commitment to transform around 100 acres of the current Lasalle Park into Ralph Wilson Park. This reimagined park is intended to provide access to world-class park amenities and Lake Erie to the underserved local community and the entire region. The creation of the Ralph Wilson Park aligns with some of Mayor Byron W. Brown’s continuous goals by increasing employment opportunities for City of Buffalo residents, promote general diversity, community project involvement and increase the utilization of Minority and Women Business Owned Enterprises in major development projects. The overall project area is about 100 acres and includes a new pedestrian bridge crossing the I-190; multiple playgrounds including a 2.5-acre destination playground with custom equipment and features; softball, soccer, and football fields with furnishings and sports lighting; new comfort stations, offices; new underground utilities for the overall park; fully redesigned pedestrian, bike, and vehicular circulation (paths and roadways); complete redevelopment of the shoreline. Construction of the park is currently underway. BUDC and partners are coordinating with the Ralph Wilson Park Conservancy on outreach and relevant updates to the public while park construction progresses.

In 2020, BUDC introduced the Buffalo’s Race for Place initiative that looks to take downtown to the next level, by closing the gaps within our public realm and by creating a vibrant sense of place. Through continued improvement and maintenance of public infrastructure with a focus on place-making, innovation, and integration of “smart city” technology, Race for Place looks to boost Buffalo as an attractive home for businesses, entrepreneurs, new talent and residents alike BUDC, in conjunction with the City of Buffalo,

Buffalo Urban Development Corporation Proposed 2024 Budget

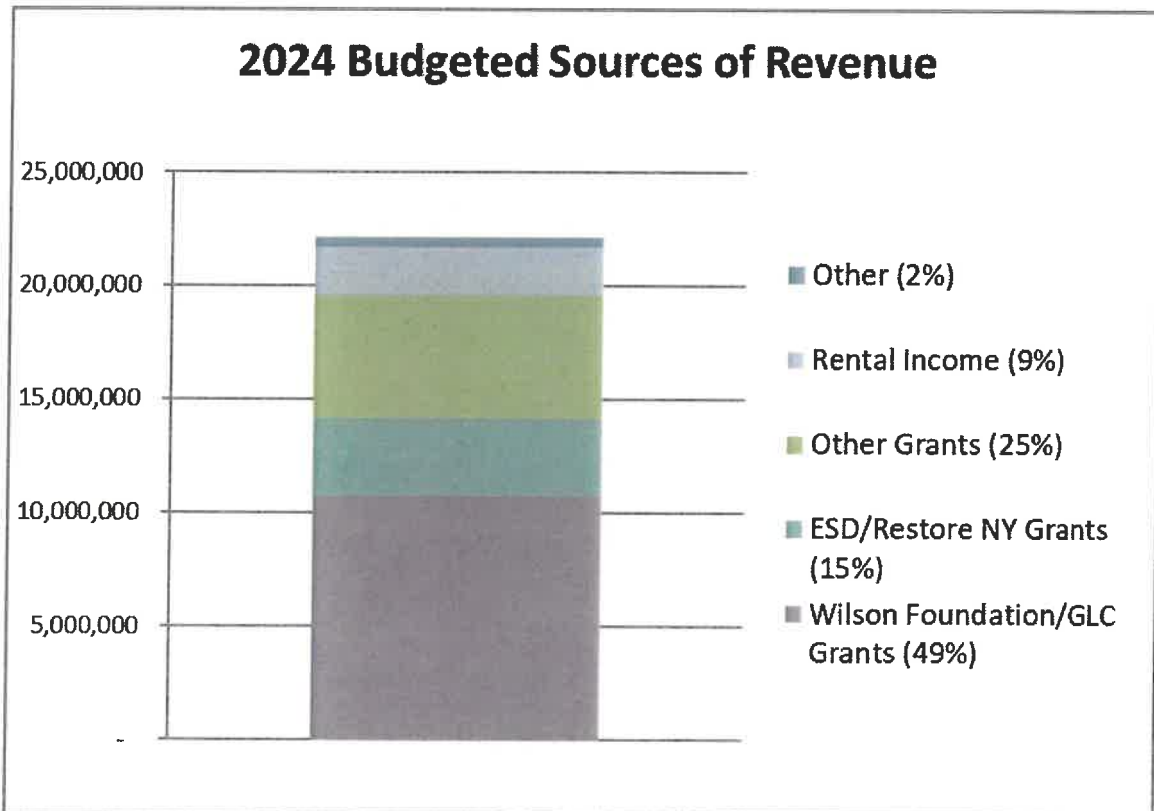
is working to implement recommendations outlined in the Ellicott Street Placemaking Strategy to improve the public setting to attract and encourage continued investment, real estate development, talent attraction and add to down Buffalo’s quality of life for employees, residents and visitors. BUDC, in coordination with the City of Buffalo’s Office of Strategic Planning, Department of Public Works and support from Empire State Development, is developing the Downtown Waterfront Improvement Plan. The plan outlines key recommendations to improve connections, infrastructure and accessibility between the inner harbor, Ralph Wilson Park and surrounding neighborhoods, as well as many other efforts related to furthering the Race for Place initiative.

BUDC is also coordinating with the City of Buffalo on the redevelopment of the Mohawk Ramp into a mixed-use development and revamping the Queen City Pop Up Program following a brief pause during the pandemic.

BUDC will continue to operate and market remaining parcels at Buffalo Lakeside Commerce Park (“BLCP”) in 2024. A Property Owners Association has been created for the long-term maintenance and operation as more companies locate within BLCP.

B. Sources of BUDC Funds:

The following chart summarizes the significant sources of the \$22.0 million in revenue that has been budgeted for BUDC projects in 2024:



Buffalo Urban Development Corporation

Proposed 2024 Budget

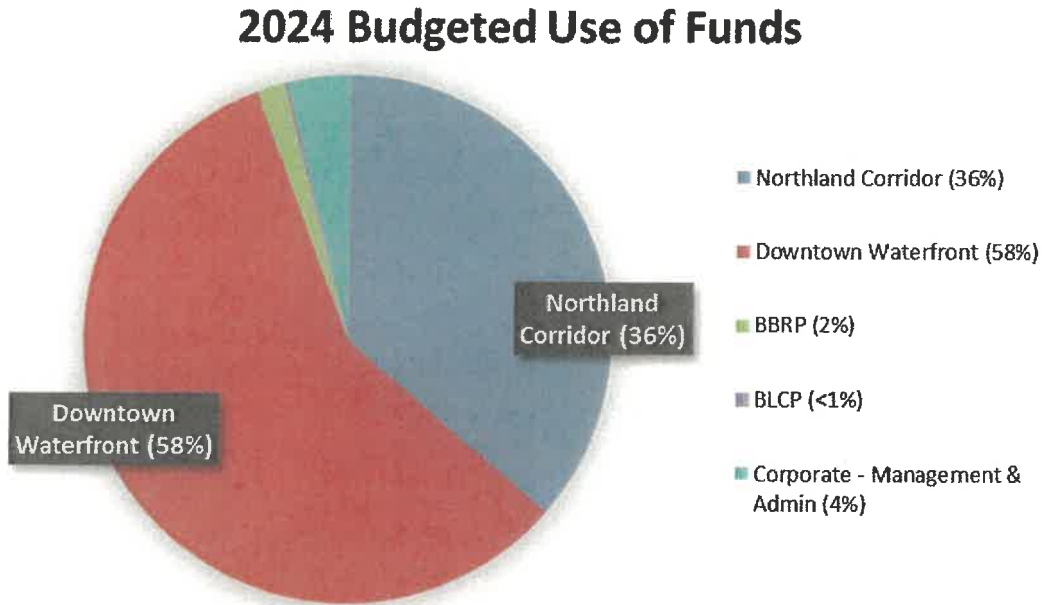
- (1) Ralph C. Wilson, Jr. Foundation and Great Lakes Commission Grants** – In 2024 BUDC expects to recognize \$10,755,000 in grant revenue from the Wilson Foundation and Great Lakes Commission associated with multiple grant agreements supporting the redevelopment of LaSalle Park into Ralph Wilson Park along the city’s shoreline.
- (2) Empire State Development/EDA Build Back Better** – In 2024 BUDC expects to recognize \$3,400,000 in grant revenue from Empire State Development for projects along the Northland Corridor, specifically a solar microgrid project and core and shell renovations at 541 East Delavan Avenue.
- (3) Other Grants** – In 2024 BUDC expects to recognize \$5,447,000 in grants from other various sources including (but not limited to): \$3,847,000 from the Economic Development Administration under the \$14.4 million Build Back Better Regional Challenge award; \$1,000,000 from the MLB-MLBPA Youth Development Foundation for youth baseball field construction and lighting at Ralph Wilson Park, and \$600,000 passed through the City of Buffalo under the American Rescue Plan.
- (4) Rental Income** – In 2024 BUDC expects to realize rental income of approximately \$2,081,000 for leased space in the Northland Corridor from tenants, the majority under the terms of a Master Lease Agreement between 683 Northland Master Tenant, LLC and 683 Northland LLC. It is of note that rent payments for leased space within the Northland Central (683 Northland) complex are paid to 683 Northland Master Tenant, LLC, a separate entity for financial reporting purposes.
- (5) Other Income** – Other income totaling approximately \$464,000 on a consolidated basis reflects the following:

 - a. \$250,000 from National Grid grants for certain projects.
 - b. BUDC anticipates the sale of property at BLCP, accounting for gross proceeds of \$270,000 less related costs, netting to a loss of approximately \$70,500.
 - c. \$100,000 grant from the Erie County Industrial Development Agency.
 - d. \$97,000 net loan fee and interest revenue.
 - e. \$46,000 net revenue to the Buffalo Brownfields Redevelopment Fund.
 - f. \$37,000 miscellaneous income.
 - g. \$5,200 collected from property owners for public infrastructure maintenance at BLCP.

Buffalo Urban Development Corporation Proposed 2024 Budget

C. Uses of BUDC Funds:

BUDC expects to spend \$20.3 million in 2024 as outlined in the following chart:



- (1) Downtown Waterfront** – BUDC anticipates spending \$11.75 million in 2024 to support the development of Ralph Wilson Park, as construction continues in 2024. Much of the funding will be passed through to the City of Buffalo.
- (2) Northland Corridor** – As part of the continuing Northland Corridor project, BUDC anticipates spending \$7.3 million on capital and development costs, in addition to operating costs at Northland Corridor properties. The majority of 2024 spending will focus on core and shell renovations at 537 East Delavan Avenue and the solar microgrid.
- (3) BBRP** – The Buffalo Building Reuse Project anticipates spending \$350,000 in 2024. \$100,000 is anticipated to be spent for personnel, marketing, and legal costs and \$250,000 is expected to be spent on urban corridor development.
- (4) BLCP** – In 2024 BUDC has budgeted \$19,000 for operations and maintenance costs of Ship Canal Commons, its share of costs under the Property Owners’ Association agreement. Other ongoing costs, including legal, insurance, and other administrative costs are estimated at an additional \$13,000.
- (5) Corporate – Management & Administrative** – In 2024, BUDC expects to spend \$779,000 on management and administrative costs. This includes salary and benefit costs of BUDC staff, totaling \$279,000. In addition, \$106,500 in other administrative, financial and property management services provided by ECIDA staff are budgeted to be reimbursed based on the number of hours ECIDA employees devote to these activities. Other management and administrative costs total \$393,500 and include legal, audit and tax, insurance, marketing, rent and other general and administrative costs.

Buffalo Urban Development Corporation Proposed 2024 Budget - Summary

REVENUE	YTD			
	Budget 2024	Projected 2023	August 2023	Actual 2022
Grant Revenue				
Empire State Development/Restore NY	\$ 3,400,000	\$ 169,787	\$ 158,062	\$ 130,939
EDA - Build Back Better	3,847,000	1,101,097	12,541	19,477
Ralph C. Wilson, Jr. Foundation/GLC	10,755,000	25,670,557	16,980,371	7,564,030
National Grid (various)	250,000	131,250	-	17,450
ECIDA	100,000	200,000	5,147	-
Other	1,600,000	50,000	25,000	325,000
Gross Proceeds from Land Sales	270,000	-	-	2,177,500
Less: Cost of Land Sales	(340,500)	-	-	(2,618,104)
Buffalo Brownfield Fund Revenue (net)	46,000	35,823	33,502	36,183
Rental Income	2,081,158	2,037,918	1,353,043	2,026,102
BLCP Maintenance Contribution	5,200	5,200	5,200	5,200
Interest Income & Fees - Loans	96,664	96,664	64,443	96,664
Investment Interest Income/Miscellaneous	37,000	126,738	101,888	18,967
Other Income	-	924,841	914,841	7,011,207
Total	<u>22,147,522</u>	<u>30,549,874</u>	<u>19,654,038</u>	<u>16,810,615</u>
OPERATING EXPENSES				
Property Operations & Maintenance	76,626	85,652	69,898	119,920
Legal	142,500	104,601	75,504	177,414
Insurance	203,000	180,777	120,518	153,077
Marketing	50,000	23,424	21,668	16,870
Utilities	12,250	17,710	11,807	3,287
Misc.	15,700	14,309	9,537	10,027
Consultants	998,500	1,430,856	953,904	4,064,445
General Development Expenses	11,085,000	24,638,617	15,919,525	3,915,511
Personnel Costs	509,361	453,080	284,005	384,460
Interest	211,474	190,474	115,294	260,911
Rent	27,000	23,760	16,469	23,153
ECIDA Management Fee	114,000	107,916	57,516	83,967
Audit & Tax	247,525	330,472	330,472	368,623
Operating Expenses	15,000	12,572	10,288	51,098
Grant Expense	949,938	935,390	623,593	924,792
General & Administrative	114,800	172,177	130,362	168,777
Depreciation	4,081,000	4,138,005	2,705,538	4,152,123
Total	<u>18,853,675</u>	<u>32,859,792</u>	<u>21,455,898</u>	<u>14,878,455</u>
Net Income / (Loss)	<u>\$ 3,293,847</u>	<u>\$ (2,309,918)</u>	<u>\$ (1,801,861)</u>	<u>\$ 1,932,160</u>
CAPITAL/LOAN FUND BUDGET				
Capital expenditures/equipment	(4,547,000)	-	-	(134,944)
Proceeds from loans/line of credit	1,000,000	-	-	-
Prepaid rent - Master Lease Agreement	-	-	-	1,869,206
Capital contributions	-	42,311	42,311	348,325
Repayment of debt	(946,908)	(1,131,167)	(1,031,167)	(9,437,024)
	<u>(4,493,908)</u>	<u>(1,088,856)</u>	<u>(988,856)</u>	<u>(7,354,437)</u>
CASH FLOW ADJUSTMENTS				
Cost of Land Sales	310,500	-	-	2,618,104
Prepaid rental income	(1,418,510)	(1,454,135)	(943,857)	(1,395,256)
Deferred lease liability	511,932	511,932	341,288	511,932
Use of reserves	97,300	98,534	61,034	86,593

Buffalo Urban Development Corporation
Proposed 2024 Budget - Project Detail

	BLCP	BBRP / Race for Place	Ralph Wilson Park	Northland Corridor	Corporate Operations	Total
REVENUE						
Grant Revenue						
Restore NY 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ralph C. Wilson, Jr. Foundation/GLC	-	-	10,755,000	-	-	10,755,000
National Grid	-	250,000	-	-	-	250,000
EDA - Build Back Better	-	-	-	3,847,000	-	3,847,000
ESD - Northland	-	-	-	3,400,000	-	3,400,000
ECIDA	-	100,000	-	-	-	100,000
Other	-	-	1,000,000	-	600,000	1,600,000
Gross Proceeds from Land Sales	270,000	-	-	-	-	270,000
Less: Cost of Land Sales + closing costs	(340,500)	-	-	-	-	(340,500)
Buffalo Brownfield Fund Revenue (net)	-	-	-	-	46,000	46,000
Rental Income	-	-	-	2,081,158	-	2,081,158
BLCP Property Maintenance	5,200	-	-	-	-	5,200
Interest Income & Fees - Loans	-	-	-	96,664	-	96,664
Investment Interest Income/Miscellaneous	2,000	-	-	-	35,000	37,000
Total	(63,300)	350,000	11,755,000	9,424,822	681,000	22,147,522
OPERATING EXPENSES						
Property Operations & Maintenance	19,026	-	-	57,600	-	76,626
Legal	10,000	-	10,000	77,500	45,000	142,500
Insurance	2,500	-	-	126,500	74,000	203,000
Marketing	-	25,000	-	-	25,000	50,000
Utilities	250	-	-	12,000	-	12,250
Misc.	700	-	-	-	15,000	15,700
Consultants	-	25,000	720,000	228,500	25,000	998,500
General Development Expenses	-	250,000	10,830,000	5,000	-	11,085,000
Personnel Costs	-	50,000	180,000	-	279,361	509,361
Interest	-	-	-	211,474	-	211,474
Operating Expenses	-	-	-	5,000	10,000	15,000
Rent	-	-	-	-	27,000	27,000
ECIDA Management Fee	-	-	7,500	-	106,500	114,000
Audit & Tax	-	-	5,000	85,000	157,525	247,525
General & Administrative	-	-	2,500	1,047,238	15,000	1,064,738
Depreciation	-	-	-	4,075,000	6,000	4,081,000
Total	32,477	350,000	11,755,000	5,930,812	785,386	18,853,675
Net Income / (Loss)	(95,777)	-	-	3,494,010	(104,386)	3,293,847
CAPITAL BUDGET						
Capital expenditures/equipment	-	-	-	(4,547,000)	-	(4,547,000)
Proceeds from loans/line of credit	-	-	-	1,000,000	-	1,000,000
Repayment of debt	-	-	-	(946,908)	-	(946,908)
Total	-	-	-	(4,493,908)	-	(4,493,908)
Cost of Land Sales	310,500	-	-	-	-	310,500
Prepaid Rental Income	-	-	-	(1,418,510)	-	(1,418,510)
Deferred lease liability	-	-	-	511,932	-	511,932
Use of reserves	-	-	-	97,300	-	97,300
Depreciation	-	-	-	4,075,000	6,000	4,081,000
Net Cash Increase/(Decrease)	\$ 214,723	\$ -	\$ -	\$ 2,265,824	\$ (98,386)	\$ 2,382,161

**Buffalo Urban Development Corporation
Proposed 2024 Budget - Northland Corridor Project Breakout**

	BUDC	683 WTC, LLC	683 Northland LLC	Eliminations ¹	Northland Corridor Total
REVENUE					
Grant Revenue					
Restore NY 5	\$ -	\$ -	\$ -	\$ -	\$ -
EDA - Build Back Better	3,847,000	-	-	-	3,847,000
ESD	3,400,000	-	-	-	3,400,000
Loan interest	618,664	-	-	(522,000)	96,664
Rental Income	134,600	-	1,946,558	-	2,081,158
Other Income	-	-	-	-	-
Total	8,000,264	-	1,946,558	(522,000)	9,424,822
OPERATING EXPENSES					
Property Operations & Maintenance	57,600	-	-	-	57,600
Legal	75,000	-	2,500	-	77,500
Insurance	126,500	-	-	-	126,500
Marketing	-	-	-	-	-
Utilities	12,000	-	-	-	12,000
Operating expenses	-	-	5,000	-	5,000
Administrative	949,938	-	-	-	949,938
Consultants	228,500	-	-	-	228,500
General Development Expenses	5,000	-	-	-	5,000
Interest	67,800	522,000	143,674	(522,000)	211,474
ECIDA Management Fee	-	-	-	-	-
Asset Management Fee	-	-	75,000	-	75,000
Audit & Tax	-	37,000	48,000	-	85,000
Loan servicing fees	-	-	22,300	-	22,300
Depreciation	75,000	-	4,000,000	-	4,075,000
Total	1,597,338	559,000	4,296,474	(522,000)	5,930,812
Net Income/(Loss)	6,402,926	(559,000)	(2,349,916)	-	3,494,010
CAPITAL BUDGET					
Capital expenditures/equipment	(4,547,000)	-	-	-	(4,547,000)
Repayment of debt	-	-	(946,908)	-	(946,908)
Proceeds from loans/line of credit	1,000,000	-	-	-	1,000,000
	(3,547,000)	-	(946,908)	-	(4,493,908)
CASH FLOW ADJUSTMENTS					
Prepaid rent (rental income)	-	-	(1,418,510)	-	(1,418,510)
Deferred lease liability	511,932	-	-	-	511,932
Deferred interest payments	(522,000)	522,000	-	-	-
Use of/(additions to) reserves	-	-	97,300	-	97,300
Depreciation/amortization	75,000	-	4,000,000	-	4,075,000
Net Cash Increase/(Decrease)	\$ 2,920,858	\$ (37,000)	\$ (618,034)	\$ -	\$ 2,265,824

¹ Eliminations consist of interest revenue/expense between BUDC and 683 WTC, LLC.