

**Buffalo Urban Development Corporation**

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**Buffalo Urban Development Corporation  
Audit & Finance Committee Meeting  
Wednesday - October 14th, 2020 - Noon**

**Via Video Conference Call & Live Stream Audio**

**Agenda**

1. Approval of Minutes from the September 21, 2020 Meeting *(Action) (Enclosure)*
2. 683 Northland Line of Credit Update *(Information)*
3. Cash Flow Analysis Update *(Information) (Enclosure)*
4. 2021 BUDC Draft Budget & Three Year Forecast *(Recommendation) (Enclosure)*
5. 2021 683 Northland Master Tenant Budget *(Information) (Enclosure)*
6. EDA Grant Application – 631 Northland *(Recommendation)*
7. Funding Updates (Northland) *(Information)*
8. Adjournment *(Action)*

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

**Via Video Conference Call & Live Stream Audio**

**September 21, 2020  
12:00 p.m.**

**Call to Order:**

Committee Members Present:

Trina Burruss  
James Comerford  
Janique S. Curry  
David J. Nasca  
Dennis M. Penman (Committee Chair)

Committee Members Absent:

*[None]*

Officers Present:

Peter M. Cammarata, President  
Brandye Merriweather, Vice President, Downtown Development  
Rebecca Gandour, Vice President, Finance & Development  
Mollie M. Profic, Treasurer  
Kevin J. Zanner, Secretary  
Atiqa Abidi, Assistant Treasurer

Others Present: Dawn Boudreau, ECIDA; and Arthur Hall, BUDC.

**Roll Call: Order of Business** – The Secretary called the roll of the members of the Audit & Finance Committee at 12:01 p.m. A quorum of the Committee was present.

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202.1, issued by Governor Andrew Cuomo on March 12, 2020, as amended. The meeting was also live-streamed to the general public and recorded. A transcript of the meeting will be made available at a later date.

- 1.0 Approval of Minutes of the July 13, 2020 Meeting** – The minutes of the July 13, 2020 meeting of the Audit & Finance Committee were presented. Ms. Burruss made a motion to approve the meeting minutes. The motion was seconded by Mr. Comerford and unanimously carried.
- 2.0 Cash Flow Analysis Process Update** – Ms. Profic reported that Freed Maxick submitted to BUDC a draft report analyzing actual to projected sources and uses for the 683 Northland project. The final report will be reviewed at a future Committee meeting. Ms. Profic then presented via Zoom share a two-page graphic outlining the projected vs. actual receipt of historic and brownfield tax credits. She explained the impact of the delays on cash flow, the earlier than anticipated utilization of KeyBank construction loan proceeds and the KeyBank lines of credit. The Committee discussed the analysis, with Mr. Penman requesting additional detail in future financial reports regarding line of credit utilization and interest expenses.

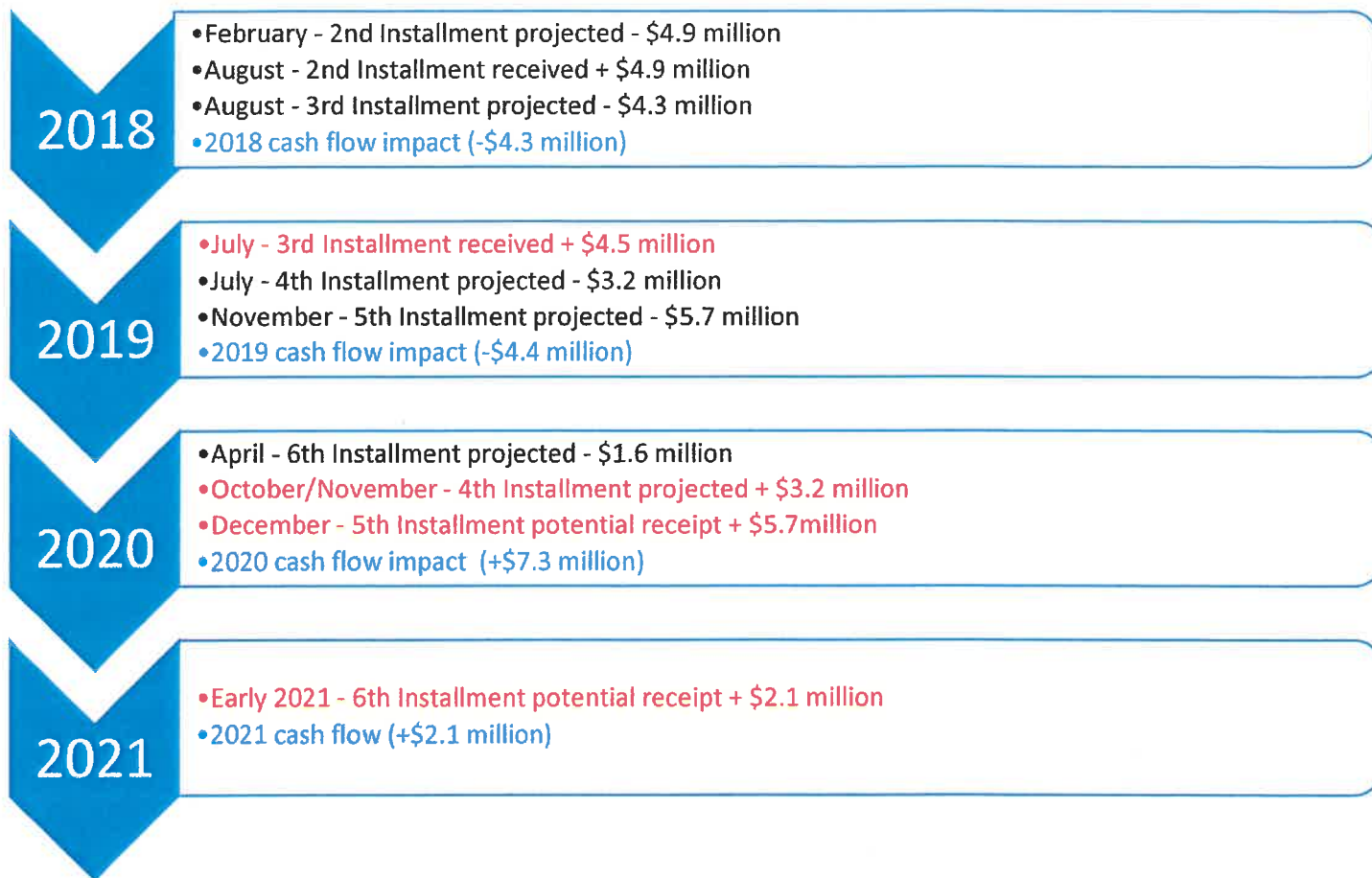
- 3.0 2021 BUDC Draft Budget & Three Year Forecast** – Ms. Profic reviewed with the Committee the proposed 2021 budget and 2022-2024 forecast. Ms. Profic began the presentation with overview of the proposed BUDC budget, which projects a net loss of approximately 1.5 million dollars. She then reviewed the proposed project budgets for Buffalo Lakeside Commerce Park, the Buffalo Building Reuse Project, Downtown Waterfront, 308 Crowley and general corporate operations. Ms. Profic then 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 Committee discussed the proposed budget. Mr. Nasca commented that the proposed budget projects a deficit and asked about balancing the budget. Mr. Cammarata responded that balancing the budget would be difficult given the structure of BUDC finances in 2021. Mr. Penman suggested that the deficit budget be viewed in the context of the 2022-2024 projections, which project substantial net income in each year. Ms. Profic then reviewed the three-year projections with the Committee, noting that the projections are preliminary and will be tweaked prior to the next Committee meeting. Ms. Profic indicated that a Committee meeting will be scheduled in October to recommend Board approval of the proposed budget, and asked that any additional comments regarding the proposed budget be provided to her in advance of the meeting.
- 4.0 2021 683 Northland Master Tenant Budget** – Ms. Profic reviewed the proposed 2021 budget for 683 Northland Master Tenant, LLC. The budget projects a net loss on a GAAP basis in the amount of approximately \$533,000. Mr. Cammarata noted that two new tenants (Rodriguez Construction Group and Retech) will begin paying base rent in the next few months.
- 5.0 BBRF Update and Draw (UBIT Payment Schedule)** – Ms. Profic presented her September 21, 2020 memorandum regarding a proposal to utilize Buffalo Brownfield Redevelopment Fund (BBRF) funds to reimburse BUDC for the payment of \$98,436 in unrelated business income taxes for the 683 Northland project. Ms. Curry made a motion to recommend that the Board of Directors approve the requested reimbursement. The motion was seconded by Ms. Burruss and unanimously carried (5-0-0).
- 6.0 Historic Tax Credit Certification Update** – Ms. Profic reported that the Phase 2 cost certification submission is nearly complete. One final document from NTCIC is needed to complete the documentation.
- 7.0 Amended and Restated Leasing Policy for Northland Corridor Properties** – Mr. Cammarata circulated the final version of the Leasing Policy for Northland Corridor Properties, which was approved at the August meeting of the Board of Directors.
- 8.0 Funding Updates (Northland)** – Mr. Cammarata presented the funding update for Northland, including reports on the Restore NY IV grant, the Restore NY V grant and the ESD equipment grant.
- 9.0 Funding Updates (Waterfront)** – Mr. Cammarata noted that the funding update for the waterfront was covered as part of the budget presentation.
- 10.0 Adjournment** – There being no further business to come before the Committee, upon motion made by Ms. Curry, seconded by Mr. Comerford and unanimously carried, the September 21, 2020 meeting of the Audit & Finance Committee was adjourned at 12:55 p.m.

Respectfully submitted,

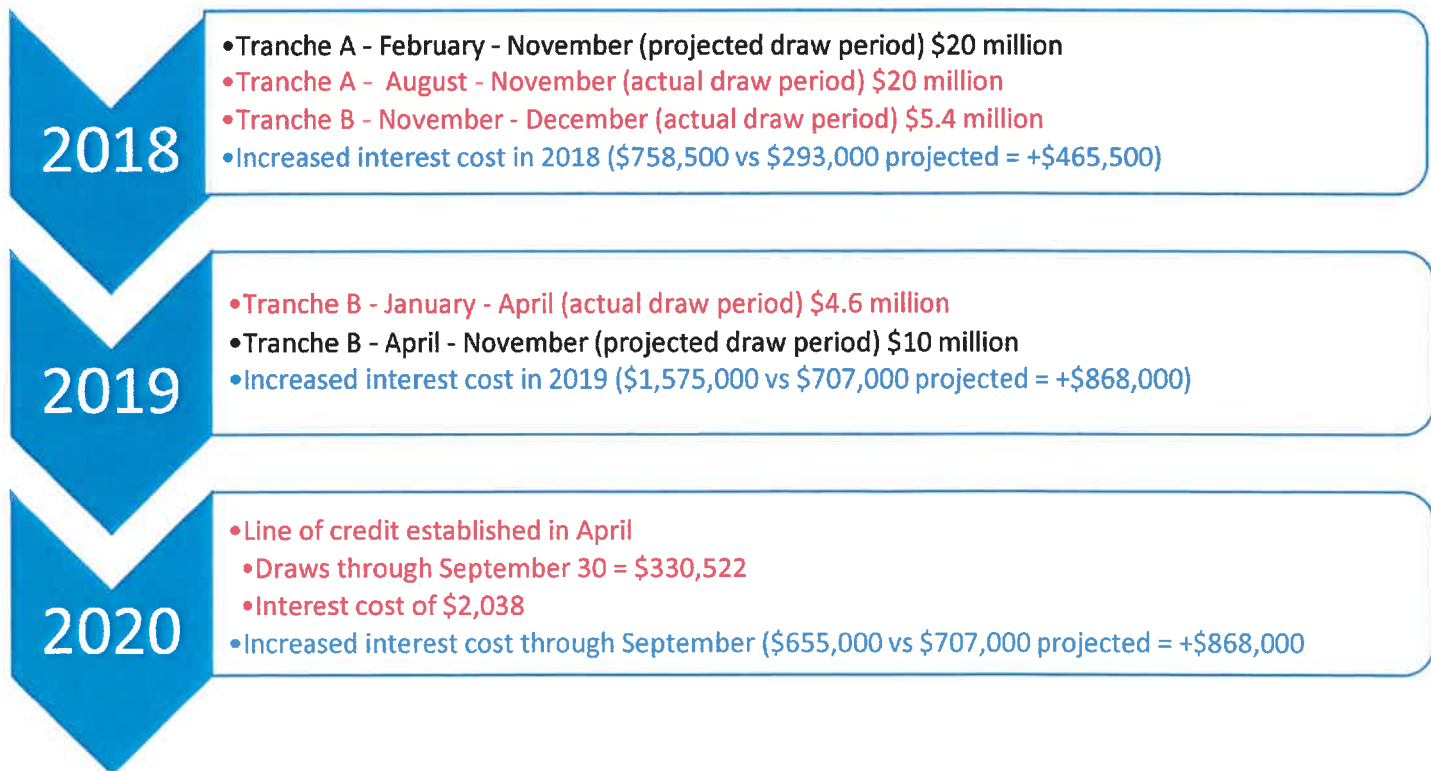


Kevin J. Zanner  
Secretary

### Historic Tax Credit Draws



### Key Bank Construction Loan



## Brownfield Tax Credit Refund

2019

- 2018 Return Filed

2020

- 2018 Refund Projected (pending audit)
- 2019 Return Filed - Credit was \$500,000 less due to construction timing

2021

- 2020 Return Filed - Credit will include \$500,000 that was anticipated in 2019
- 2019 Refund Projected

2022

- 2020 Refund Projected

**Buffalo Urban Development Corporation**  
**Proposed 2021 Budget**

REVENUE	Budget 2021	Projected 2020	YTD	
			Aug 2020	Actual 2019
Grant Revenue				
Empire State Development	\$ 2,000,000	\$ 1,175,725	\$ 1,047,340	\$ 15,046,849
Restore NY	1,500,000	1,685,444	1,356,965	1,758,395
Ralph C. Wilson, Jr. Foundation	4,776,667	6,235,604	2,911,235	1,907,200
National Grid (various)	675,000	250,000	-	550,000
NYPA (carryover)	-	1,200,236	1,200,236	1,310,783
ECIDA	100,000	100,000	66,667	100,000
Other	-	49,250	27,157	126,408
Gross Proceeds from Land Sales	732,500	31,609	31,609	-
Less: Cost of Land Sales	(790,386)	(24,232)	(24,232)	-
Buffalo Brownfield Fund Revenue (net)	83,000	146,773	121,642	298,920
Developer Fee	-	-	-	11,886,746
Rental Income	2,002,845	2,020,708	1,346,942	2,946,446
BLCF Property Owners' Association	5,200	5,200	-	5,200
Interest Income & Fees - Loans	96,664	133,535	101,313	149,707
Investment Interest Income/Miscellaneous	1,000	1,453	1,147	19,278
Other Income	-	1,000	1,000	4,229
<b>Total</b>	<b>11,182,490</b>	<b>13,012,304</b>	<b>8,189,020</b>	<b>36,110,161</b>
<b>OPERATING EXPENSES</b>				
Property Operations & Maintenance	167,316	194,759	140,599	180,968
Legal	125,000	135,964	100,479	192,276
Insurance	187,000	254,308	169,988	351,803
Marketing	35,000	43,739	26,986	42,989
Utilities	22,398	19,803	13,202	2,560
Misc.	11,000	9,888	6,566	32,447
Consultants	4,452,500	5,483,461	2,936,543	2,325,883
General Development Expenses	481,667	136,950	1,691,300	1,482,781
Personnel Costs	533,659	538,327	373,809	481,747
Interest	728,675	997,305	627,104	1,172,004
Rent	25,000	25,000	16,667	23,226
ECIDA Management Fee	103,000	95,000	63,333	78,855
Audit & Tax	101,550	111,264	105,943	65,533
Operating Expenses	11,000	1,000	639	-
Grant Expense	912,768	1,602,846	1,053,835	1,569,848
General & Administrative	181,045	109,364	75,519	62,096
Depreciation	4,600,000	4,021,665	2,681,110	3,224,019
Amortization	43,676	74,872	49,915	74,872
<b>Total</b>	<b>12,722,254</b>	<b>13,855,513</b>	<b>10,133,536</b>	<b>11,363,905</b>
<b>Net Income / (Loss)</b>	<b>\$ (1,539,764)</b>	<b>\$ (843,209)</b>	<b>\$ (1,944,516)</b>	<b>\$ 24,746,256</b>
<b>CAPITAL/LOAN FUND BUDGET</b>				
Capital expenditures/equipment	(3,925,000)	(2,000,000)	(1,600,000)	(45,915,225)
Proceeds from loans/line of credit	510,000	1,485,773	1,135,773	5,065,740
Prepaid rent - Master Lease Agreement	1,500,092	8,695,312	-	4,121,175
Capital contributions	12,051,364	2,746,198	446,198	500,000
Repayment of debt	(13,551,456)	(11,789,022)	-	-
	(3,415,000)	(861,739)	(18,029)	(36,228,310)
<b>CASH FLOW ADJUSTMENTS</b>				
Cost of Land Sales	746,386	24,232	24,232	-
Prepaid rental income	(1,393,058)	(1,844,742)	(1,076,100)	(1,844,742)
Deferred lease liability	511,932	511,932	298,627	511,932
Use of reserves	97,182	96,286	73,786	85,909
Construction loan interest (prefunded)	-	361,690	361,690	1,243,950
Depreciation/amortization	4,643,676	4,096,537	2,731,025	3,298,891
<b>Net Cash Increase/(Decrease)</b>	<b>\$ (348,646)</b>	<b>\$ 1,540,987</b>	<b>\$ 450,715</b>	<b>\$ (8,186,114)</b>

**Buffalo Urban Development Corporation**  
**Proposed 2021 Budget - Project Detail**

	<b>BLCP*</b>	<b>BBRP**</b>	<b>Downtown Waterfront</b>	<b>Northland Corridor</b>	<b>308 Crowley</b>	<b>Corporate Operations</b>	<b>Total</b>
<b>REVENUE</b>							
Grant Revenue							
Restore NY 5	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
Ralph C. Wilson, Jr. Foundation	-	-	4,776,667	-	-	-	4,776,667
National Grid	-	250,000	-	425,000	-	-	675,000
ESD - Solar Microgrid	-	-	-	2,000,000	-	-	2,000,000
ECIDA	-	100,000	-	-	-	-	100,000
Gross Proceeds from Land Sales	682,500	-	-	-	50,000	-	732,500
Less: Cost of Land Sales + closing costs	(765,386)	-	-	-	(25,000)	-	(790,386)
Buffalo Brownfield Fund Revenue (net)	-	-	-	-	-	83,000	83,000
Rental Income	-	-	-	2,002,845	-	-	2,002,845
BLCP Property Maintenance	5,200	-	-	-	-	-	5,200
Interest Income & Fees - Loans	-	-	-	96,664	-	-	96,664
Investment Interest Income/Miscellaneous	-	-	-	-	-	1,000	1,000
Total	(77,686)	350,000	4,776,667	6,024,509	25,000	84,000	11,182,490
<b>OPERATING EXPENSES</b>							
Property Operations & Maintenance	66,611	-	-	95,705	5,000	-	167,316
Legal	10,000	5,000	10,000	45,000	5,000	50,000	125,000
Insurance	18,000	-	-	105,000	22,000	42,000	187,000
Marketing	1,000	14,000	-	-	-	20,000	35,000
Utilities	2,398	-	-	20,000	-	-	22,398
Misc.	2,500	-	-	-	1,000	7,500	11,000
Consultants	-	-	4,400,000	25,000	25,000	2,500	4,452,500
General Development Expenses	-	250,000	216,667	15,000	-	-	481,667
Personnel Costs	-	122,853	130,000	-	-	280,806	533,659
Interest	-	-	-	718,675	-	10,000	728,675
Operating Expenses	-	-	-	10,000	1,000	-	11,000
Rent	-	-	-	-	-	25,000	25,000
ECIDA Management Fee	-	-	7,500	5,000	-	90,500	103,000
Audit & Tax	-	-	5,000	45,000	-	51,550	101,550
General & Administrative	-	5,000	7,500	1,061,313	-	20,000	1,093,813
Depreciation	-	-	-	4,600,000	-	-	4,600,000
Amortization	-	-	-	43,676	-	-	43,676
Total	100,509	396,853	4,776,667	6,789,369	59,000	599,856	12,722,254
<b>Net Income / (Loss)</b>	<b>(178,195)</b>	<b>(46,853)</b>	<b>-</b>	<b>(764,860)</b>	<b>(34,000)</b>	<b>(515,856)</b>	<b>(1,539,764)</b>
<b>CAPITAL BUDGET</b>							
Capital expenditures/equipment	-	-	-	(3,925,000)	-	-	(3,925,000)
Prepaid rent - Master Lease Agreement	-	-	-	1,500,092	-	-	1,500,092
Capital contributions (BTCs)	-	-	-	12,051,364	-	-	12,051,364
Repayment of debt	-	-	-	(13,551,456)	-	-	(13,551,456)
Total	-	-	-	(3,925,000)	-	-	(3,925,000)
<b>CASH FLOW ADJUSTMENTS</b>							
Cost of Land Sales	721,386	-	-	-	25,000	-	746,386
Prepaid Rental Income	-	-	-	(1,393,058)	-	-	(1,393,058)
Deferred lease liability	-	-	-	511,932	-	-	511,932
Line of credit usage	-	-	-	510,000	-	-	510,000
Use of reserves	-	-	-	97,182	-	-	97,182
Depreciation	-	-	-	4,600,000	-	-	4,600,000
Amortization	-	-	-	43,676	-	-	43,676
Net Cash Increase/(Decrease)	\$ 543,191	\$ (46,853)	\$ -	\$ (320,128)	\$ (9,000)	\$ (515,856)	\$ (348,646)

\* Buffalo Lakeside Commerce Park

\*\* Buffalo Building Reuse Project

**Buffalo Urban Development Corporation**  
**Proposed 2021 Budget - Northland Corridor Project Breakout**

	BUDC	683 WTC, LLC	683 Northland LLC	Eliminations <sup>1</sup>	Northland Corridor Total
<b>REVENUE</b>					
Grant Revenue					
Restore NY 5	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
National Grid	425,000	-	-	-	425,000
ESD - Solar Microgrid	2,000,000	-	-	-	2,000,000
Loan interest	446,664	-	-	(350,000)	96,664
Rental Income	123,103	-	1,879,742	-	2,002,845
Total	4,494,767	-	1,879,742	(350,000)	6,024,509
<b>OPERATING EXPENSES</b>					
Property Operations & Maintenance	95,705	-	-	-	95,705
Legal	40,000	-	5,000	-	45,000
Insurance	105,000	-	-	-	105,000
Utilities	20,000	-	-	-	20,000
Operating expenses	-	-	10,000	-	10,000
Administrative	912,768	-	77,290	-	990,058
Consultants	20,000	-	5,000	-	25,000
General Development Expenses	15,000	-	-	-	15,000
Interest	15,000	350,000	703,675	(350,000)	718,675
Asset Management Fee	-	-	55,000	-	55,000
Audit & Tax	-	5,000	40,000	-	45,000
Loan servicing fees	-	-	21,255	-	21,255
Depreciation	100,000	-	4,500,000	-	4,600,000
Amortization	-	-	43,676	-	43,676
Total	1,323,473	355,000	5,460,896	(350,000)	6,789,369
<b>Net Income/(Loss)</b>	<b>3,171,294</b>	<b>(355,000)</b>	<b>(3,581,154)</b>	<b>-</b>	<b>(764,860)</b>
<b>CAPITAL BUDGET</b>					
Capital expenditures/equipment	(3,925,000)	-	-	-	(3,925,000)
Prepaid rent - Master Lease Agreement	-	-	1,500,092	-	1,500,092
Capital contributions (BTCs)	-	-	12,051,364	-	12,051,364
Repayment of debt	-	-	(13,551,456)	-	(13,551,456)
	(3,925,000)	-	-	-	(3,925,000)
<b>CASH FLOW ADJUSTMENTS</b>					
Payment of deferred developer fee	4,505,000	-	(4,505,000)	-	-
Prepaid rent	-	-	(1,393,058)	-	(1,393,058)
Deferred lease liability	511,932	-	-	-	511,932
Line of credit usage	-	-	510,000	-	510,000
Deferred interest payments	(350,000)	350,000	-	-	-
Use of/(additions to) reserves	-	-	97,182	-	97,182
Depreciation/amortization	100,000	-	4,543,676	-	4,643,676
<b>Net Cash (Increase)/Decrease</b>	<b>\$ 4,013,226</b>	<b>\$ (5,000)</b>	<b>\$ (4,328,354)</b>	<b>\$ -</b>	<b>\$ (320,128)</b>

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



## Buffalo Urban Development Corporation Proposed 2021 Budget and 3 Year Forecast

REVENUE	Budget 2021	Projected 2022	Projected 2023	Projected 2024
Grant Revenue	\$ 9,051,667	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Gross Proceeds from Land Sales	732,500	-	-	-
Less: Cost of Land Sales	(790,386)	-	-	-
Buffalo Brownfield Fund Revenue (net)	83,000	33,000	15,000	-
Rental Income	2,002,845	1,922,727	1,879,742	1,879,742
BLCP Property Owners' Association	5,200	10,200	10,200	10,200
Interest Income & Fees - Loans	96,664	96,664	96,664	96,664
Investment Interest Income	1,000	1,000	1,000	1,000
Other Income	-	1,000	1,000	1,000
Total	11,182,490	4,064,591	4,003,606	3,988,606
<b>OPERATING EXPENSES</b>				
Property Operations & Maintenance	167,316	172,010	177,170	177,170
Legal	125,000	100,000	100,000	100,000
Insurance	187,000	135,000	135,000	135,000
Marketing	35,000	35,000	35,000	35,000
Utilities	22,398	23,070	23,762	24,475
Misc.	11,000	10,000	10,000	10,000
Consultants	4,452,500	1,000,000	1,000,000	1,000,000
General Development Expenses	481,667	750,000	750,000	750,000
Personnel Costs	533,659	489,929	504,626	519,765
Interest	728,675	584,000	204,000	204,000
Operating Expenses	11,000	11,000	11,330	11,670
Rent	25,000	25,750	26,523	26,523
ECIDA Management Fee	103,000	100,000	100,000	100,000
Audit & Tax	101,550	105,612	109,836	114,230
General & Administrative	1,093,813	949,792	962,176	974,938
Depreciation	4,600,000	4,600,000	4,600,000	4,600,000
Amortization	43,676	-	-	-
Total	12,722,254	9,091,162	8,749,424	8,782,771
<b>Net Income / (Loss)</b>	<b>\$ (1,539,764)</b>	<b>\$ (5,026,571)</b>	<b>\$ (4,745,818)</b>	<b>\$ (4,794,165)</b>
<b>CAPITAL BUDGET</b>				
Capital expenditures/equipment	(3,925,000)	-	-	-
Prepaid rent - Master Lease Agreement	1,500,092	-	-	-
Capital contributions (BTCs/HTCs)	12,051,364	9,452,803	500,000	-
Repayment of debt	(13,551,456)	(9,000,000)	-	-
Total	(3,925,000)	452,803	500,000	-
<b>CASH FLOW ADJUSTMENTS</b>				
Cost of Land Sales	746,386	-	-	-
Prepaid rental income	(1,393,058)	(1,395,256)	(1,387,319)	(1,351,696)
Deferred lease liability	511,932	511,932	511,932	511,932
Line of credit usage	510,000	-	-	-
Use of reserves	97,182	97,847	98,533	99,238
Depreciation/amortization	4,643,676	4,600,000	4,600,000	4,600,000
<b>Net Cash Increase/(Decrease)</b>	<b>\$ (348,646)</b>	<b>\$ (759,245)</b>	<b>\$ (422,671)</b>	<b>\$ (934,691)</b>

**683 Northland Master Tenant, LLC**  
**2021 Proposed Budget**

	<b>2021 Budget</b>	<b>2020 Projected</b>	<b>2019 Actual</b>
<b>Revenues:</b>			
Rental revenue	\$ 1,414,000	\$ 1,076,842	\$ 754,631
Additional rental revenue	523,000	400,427	167,996
Interest and other revenue	500	692	4,565
Total	<u>1,937,500</u>	<u>1,477,960</u>	<u>927,192</u>
<b>Expenses:</b>			
Rent expense	1,879,742	1,879,743	1,879,742
Payroll	148,800	146,147	129,470
Utilities	23,000	34,304	111,798
Insurance	123,000	89,153	120,670
Professional fees	52,000	265,072	46,936
Property management fee	71,000	49,635	41,493
Real estate taxes	50,000	19,132	22,473
Repairs and maintenance	113,000	146,035	18,400
Asset management fee	10,000	10,000	10,000
Depreciation	2,430	2,340	1,870
Miscellaneous	5,000	2,049	8,851
Total	<u>2,477,972</u>	<u>2,643,608</u>	<u>2,391,703</u>
<b>Net Income / (Loss)</b>	<u>(540,472)</u>	<u>(1,165,648)</u>	<u>(1,464,511)</u>
<b>Members' Equity</b>			
Members' equity - beginning of period	15,081,039	7,494,530	4,533,262
Members' capital contributions	2,090,803	8,857,183	4,536,758
Distributions	(289,000)	(105,026)	(110,979)
Members' equity - end of period	<u>16,342,370</u>	<u>15,081,039</u>	<u>7,494,530</u>
<b>Cash Flow Adjustments</b>			
Net Income / (Loss)	(540,472)	(1,165,648)	(1,464,511)
Members' capital contributions	2,090,803	8,857,183	4,536,758
Distributions	(289,000)	(105,026)	(110,979)
Prepaid rent - rent expense	1,393,058	1,445,129	1,844,742
Prepaid rent - Master Lease Agreement	(1,443,247)	(8,752,157)	(4,121,175)
Deferred lease liability	(553,074)	(553,074)	(223,931)
Usage of/(additions to) reserves	(39,440)	(38,000)	(435,000)
Depreciation	2,430	2,340	1,870
<b>Net Cash Increase/(Decrease)</b>	<u>\$ 621,058</u>	<u>\$ (309,253)</u>	<u>\$ 27,774</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**  
**2021 Proposed Budget + 3 Year Projection**

	<u>2021</u> <u>Budget</u>	<u>2022</u> <u>Projected</u>	<u>2023</u> <u>Projected</u>	<u>2024</u> <u>Projected</u>
<b>Revenues:</b>				
Rental revenue	\$ 1,414,000	\$ 1,414,000	\$ 1,416,000	\$ 1,413,000
Additional rental revenue	523,000	523,000	528,230	528,230
Interest and other revenue	500	500	500	500
Total	<u>1,937,500</u>	<u>1,937,500</u>	<u>1,944,730</u>	<u>1,941,730</u>
<b>Expenses:</b>				
Rent expense	1,879,742	1,879,742	1,879,742	1,879,742
Payroll	148,800	153,264	157,862	162,598
Utilities	23,000	23,690	24,401	25,133
Insurance	123,000	126,690	130,491	134,405
Professional fees	52,000	53,560	55,167	56,822
Property management fee	71,000	71,000	71,000	71,000
Real estate taxes	50,000	51,500	53,045	54,636
Repairs and maintenance	113,000	116,390	119,882	123,478
Asset management fee	10,000	10,000	10,000	10,000
Depreciation	2,430	2,430	2,430	2,430
Miscellaneous	5,000	5,150	5,305	5,464
Total	<u>2,477,972</u>	<u>2,493,416</u>	<u>2,509,324</u>	<u>2,525,708</u>
<b>Net Income / (Loss)</b>	<u>(540,472)</u>	<u>(555,916)</u>	<u>(564,594)</u>	<u>(583,978)</u>
<b>Members' Equity</b>				
Members' equity - beginning of period	15,081,039	16,342,370	15,536,454	14,721,860
Members' capital contributions	2,090,803	-	-	-
Distributions	(289,000)	(250,000)	(250,000)	(250,000)
Members' equity - end of period	<u>16,342,370</u>	<u>15,536,454</u>	<u>14,721,860</u>	<u>13,887,882</u>
<b>Cash Flow Adjustments</b>				
Net Income / (Loss)	(540,472)	(555,916)	(564,594)	(583,978)
Members' capital contributions	2,090,803	-	-	-
Distributions	(289,000)	(250,000)	(250,000)	(250,000)
Prepaid rent - rent expense	1,393,058	1,395,256	1,387,319	1,351,696
Prepaid rent - Master Lease Agreement	(1,443,247)	-	-	-
Deferred lease liability	(553,074)	(553,074)	(553,074)	(553,074)
Usage of/(additions to) reserves	(39,440)	34,100	32,550	211,000
Depreciation	2,430	2,430	2,430	2,430
Net Cash Increase/(Decrease)	<u>\$ 621,058</u>	<u>\$ 72,796</u>	<u>\$ 54,632</u>	<u>\$ 178,074</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.