

SUMMARY MODEL - RELAC WATER COOLING FINANCIAL SCENARIOS

SCENARIOS DEFINED

Projection Scenarios			
1: No Defection to Personal AC	2: Lose Almost Half of Cluster Homes to AC Units	3: Break Even	4: Lose Only LARCA

LARCA Properties Continuing w/ RELAC:	125	125	125	0
Vantage Hill Properties Continuing w/ RELAC:	154	154	154	154
Cluster Properties Continuing w/ RELAC:	353	180	70	353
Number of Properties:	632	459	349	507

ADEQUACY OF RATES (based on combined P&L)

	Historical		Projection Scenarios			
	2022	2023	1	2	3	4
Rate Increase			0%	0%	0%	0%
Total Net Income	\$7,022	(\$25,850)	\$211,769	\$81,978	\$64	\$141,898

COOP CAPITAL REQUIREMENTS

New Chiller & Installation*	\$520,000	\$520,000	\$520,000	\$520,000
Start-up Maintenance and Initial Cost	\$296,000	\$296,000	\$296,000	\$296,000
Emergency Fund	\$100,000	\$100,000	\$100,000	\$100,000
Total One-Time Costs	\$916,000	\$916,000	\$916,000	\$916,000
# of Properties	632	459	349	507
COOP Capital Subscription (per property)	\$1,449	\$1,998	\$2,625	\$1,807

*New chiller estimated to save \$60,000 per year in electricity.

SUMMARY OF PAYROLL

	2022	2023	Under New Management
Management Payroll	\$180,000	\$180,000	\$0
Management Taxes	\$21,797	\$22,594	\$0
Third Party Administrator (Engineering)	N/A	N/A	\$108,000
Third Party Administrator (Admin/Property Mgmt)	N/A	N/A	\$60,000
External Contractors	\$58,143	\$82,737	\$0
Salaries	\$60,288	\$60,288	\$0
Total	\$320,227	\$345,619	\$168,000