

**THE ARROYOS PRESERVE**  
**Luxury RV/MobileHome Park and Off-Road Recreational Community**  
**5-Year NOI ProForma**

<b>5-YR ProForma including Lot Sales</b>		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total 5 Yr</b>
INCOME and EXPENSE			95 Sites	131 Sites	228 Sites	228 Sites Rev, +3%	
Semi-annual Rental (Revenue reported here as annual)		0	0	0	185,850	191,426	377,276
RV Camping Daily		0	335,238	430,438	475,997	490,277	1,731,950
RV Monthly (combined various terms)		0	18,605	39,658	50,490	52,005	160,758
Cabins:Furnished/ParkModel		0	46,662	91,338	96,798	99,702	334,500
Glamping Pods & Sleeper Cabins		13,876	63,510	80,023	122,027	125,688	405,124
Tents		1,129	5,219	7,118	8,067	8,309	29,842
Storage & Parking			3,200	3,200	3,200	3,296	12,896
Laundries – 16 Washers & 12 Dryers		2,651	14,000	14,000	14,000	14,420	59,071
Store		2,263	12,750	12,750	12,750	13,133	53,646
Propane & Fuel			25,000	25,000	25,000	25,750	100,750
Recreational Concessions		4,139	18,000	18,000	18,000	18,540	76,679
Internet & Misc. (Net zero after Cost of Access)		0	0	0	0	0	0
<b>TOTAL INCOME</b>		<b>24,058</b>	<b>542,184</b>	<b>721,525</b>	<b>1,012,179</b>	<b>1,042,544</b>	<b>3,342,491</b>
KOA Royalty/FranchiseFee 8%		0	37,539	52,455	75,138	77,392	242,524
Discounts and Incentives (see algorithm)		4,144	27,751	37,690	42,523	43,799	155,906
Payroll		24,398	85,000	119,000	184,000	189,520	601,918
Insurance		9,850	20,000	20,000	20,000	20,000	89,850
La Paz County Property Tax		1,900	31,000	31,000	31,000	31,000	125,900
Water Maintenance		770	4,000	4,000	4,000	4,000	16,770
Gas/Electric		4,102	12,000	12,000	12,000	12,000	52,102
Trash		529	5,500	5,500	5,500	5,500	22,529
Contingencies & Marketing, incl. KOA Mktg 2%		2,850	15,891	21,630	30,931	33,884	105,186
Reserve		3,996	16,266	21,646	30,365	33,134	105,407
Maintenance & Repairs		2,137	10,844	14,430	20,244	22,089	69,744
Construction Management & Development		120,000	120,000	120,000	120,000	120,000	600,000
<b>TOTAL EXPENSES</b>		<b>174,676</b>	<b>385,791</b>	<b>459,351</b>	<b>575,701</b>	<b>592,318</b>	<b>2,187,836</b>
<b>NET OPERATING INCOME (NOI)*</b>		<b>(150,618)</b>	<b>156,393</b>	<b>262,174</b>	<b>436,478</b>	<b>450,227</b>	<b>1,154,654</b>
<b>Lot Sales Begin in Year 2 – Lots SOLD</b>			<b>3</b>	<b>9</b>	<b>22</b>	<b>19</b>	<b>53</b>
<b>(see Lot Sales ProForma) Lot SALES Revenue</b>			<b>223,061</b>	<b>769,296</b>	<b>2,114,727</b>	<b>2,145,278</b>	<b>5,252,361</b>
4,000,000	EBITDA	(150,618)	379,457	1,031,479	2,551,227	2,595,523	6,407,068
Loan Amt = 4,000,000 Interest Only 3 Yrs ->	300,000						
TakeOut Loan Amt=4,000,000 @7.75%, 25Yrs ->	362,400	300,000	300,000	300,000	362,400	362,400	
Construction Loan replaced w/ TakeOut Loan in Yr	CashFlow	(450,618)	79,457	731,479	2,188,827	2,233,123	4,782,268
Cap Rate Valuation Estimate	Cap Rate>	8.0%	1,954,916	3,277,178	5,455,975	5,627,832	

\* Excludes depreciation and amortization