To: Hon. Jorge Perez, President
New Haven Board of Aldermen
From: Tilly Hatcher, Consultant to MEPT
Date: July 30, 2012
RE: Requested Participation in 360 State Street as Supplemental PILOT

The attached projections have been compiled in response to your request to show how a 10% participation in the net operating income of 360 State Street could benefit the City of New Haven, once the $160 million of union retirement funds which have been invested in the project receive a 7% minimum return. MEPT would consider such a participation if establishing this Supplemental PILOT was the last and final concession required in adopting the PILOT under review, setting base PILOT payments at $1.4 million after a five year phase-in for a 20 year term.

The projections show both an "expected" and "optimistic" scenario, and illustrate how the City would benefit if the project meets or exceeds current expectations.

- The Supplemental PILOT would increase the average expected total PILOT payments from $1,400,000 after phase in to $1,552,800.

- In an optimistic scenario, where the rental market in New Haven continues to have low vacancy rate of 3% and rent growth of 4%, the Supplemental PILOT would increase the average expected total PILOT payments from $1,400,000 after phase in to $1,795,570.

- In the expected scenario, Supplemental PILOT Payments would total $2,597,603 and total PILOT payments would be $29,197,603

- In the optimistic scenario, Supplemental PILOT payments would total $6,724,685 and total PILOT payments would be $33,324,685

360 STATE STREET
20 Year Budget Projections Showing City of New Haven PILOT and Supplemental PILOT
Optimistic Scenario

	2012 BUDGET	2013 PROJECTED	2014 PROJECTED	2015 PROJECTED	2016 PROJECTED	2017 PROJECTED	2018 PROJECTED	2019 PROJECTED	2020 PROJECTED	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED	2026 PROJECTED	2027 PROJECTED	2028 PROJECTED	2029 PROJECTED	2030 PROJECTED	2031 PROJECTED	2032 PROJECTED	2033 PROJECTED
INCOME:																						
Market Rate Apartment Rents	11,468,292	11,927,024	12,404,105	12,900,269	13,416,280	13,952,931	14,511,048	15,091,490	15,695,149	16,322,955	16,975,874	17,654,909	18,361,105	19,095,549	19,859,371	20,653,746	21,479,896	22,339,092	23,232,655	24,161,962	25,128,440	26,133,578
Affordable Unit Apartment Rent	606,216	624,402	643,135	662,429	682,301	702,770	723,854	745,569	767,936	790,974	814,704	839,145	864,319	890,249	916,956	944,465	972,799	1,001,983	1,032,042	1,063,003	1,094,894	1,127,740
Commercial Rent	318,327	327,877	337,713	347,845	358,280	369,028	380,099	391,502	403,247	415,345	427,805	440,639	453,858	467,474	481,498	495,943	510,821	526,146	541,930	558,188	574,934	592,182
Loss to Lease	(300,936)	(154,982)	(159,632)	(164,420)	(169,353)	(174,434)	(179,667)	(185,057)	(190,608)	(196,327)	(202,216)	(208,283)	(214,531)	(220,967)	(227,596)	(234,424)	(241,457)	(248,701)	(256,162)	(263,847)	(271,762)	(279,915)
Residential Vacancy	(1,081,760)	(357,811)	(372,123)	(387,008)	(402,488)	(418,588)	(435,331)	(452,745)	(470,854)	(489,689)	(509,276)	(529,647)	(550,833)	(572,866)	(595,781)	(619,612)	(644,397)	(670,173)	(696,980)	(724,859)	(753,853)	(784,007)
Commercial Vacancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Super's Unit Free Rent	(14,772)	(15,215)	(15,672)	(16,142)	(16,626)	(17,125)	(17,639)	(18,168)	(18,713)	(19,274)	(19,852)	(20,448)	(21,061)	(21,693)	(22,344)	(23,014)	(23,705)	(24,416)	(25,148)	(25,903)	(26,680)	(27,480)
Model Unit	(88,332)	(45,491)	(46,856)	(48,261)	(49,709)	(51,200)	(52,737)	(54,319)	(55,948)	(57,627)	(59,355)	(61,136)	(62,970)	(64,859)	(66,805)	(68,809)	(70,873)	(73,000)	(75,190)	(77,445)	(79,769)	(82,162)
Employee Rent Discount	(11,892)	(12,249)	(12,616)	(12,995)	(13,385)	(13,786)	(14,200)	(14,626)	(15,064)	(15,516)	(15,982)	(16,461)	(16,955)	(17,464)	(17,988)	(18,527)	(19,083)	(19,656)	(20,245)	(20,853)	(21,478)	(22,123)
Lease Concessions	(1,155,693)	(595,182)	(613,037)	(631,428)	(650,371)	(669,882)	(689,979)	(710,678)	(731,999)	(753,959)	(776,577)	(799,875)	(823,871)	(848,587)	(874,045)	(900,266)	(927,274)	(955,092)	(983,745)	(1,013,257)	(1,043,655)	(1,074,965)
Late Rent Charges	4,818	4,960	5,109	5,263	5,420	5,583	5,751	5,923	6,101	6,284	6,472	6,666	6,866	7,072	7,285	7,503	7,728	7,960	8,199	8,445	8,698	8,959
Application Fee Income	5,725	5,897	6,074	6,256	6,444	6,637	6,836	7,041	7,252	7,470	7,694	7,925	8,162	8,407	8,660	8,919	9,187	9,463	9,746	10,039	10,340	10,650
NSF Charges	420	433	446	459	473	487	502	517	532	548	564	581	599	617	635	654	674	694	715	736	759	781
Pet Rent	25,375	26,136	26,920	27,728	28,560	29,417	30,299	31,208	32,144	33,109	34,102	35,125	36,179	37,264	38,382	39,533	40,719	41,941	43,199	44,495	45,830	47,205
Rental Reservation Fees	1,950	2,009	2,069	2,131	2,195	2,261	2,328	2,398	2,470	2,544	2,621	2,699	2,780	2,864	2,950	3,038	3,129	3,223	3,320	3,419	3,522	3,628
Lease Termination Fees	32,200	33,167	34,162	35,187	36,243	37,330	38,450	39,603	40,791	42,015	43,275	44,574	45,911	47,288	48,707	50,168	51,673	53,223	54,820	56,465	58,159	59,903
Corporate Apartment Income	1,440	1,483	1,528	1,574	1,621	1,669	1,719	1,771	1,824	1,879	1,935	1,993	2,053	2,115	2,178	2,243	2,311	2,380	2,452	2,525	2,601	2,679
CAM Reimbursement	172,219	177,386	182,707	188,188	193,834	199,649	205,638	211,808	218,162	224,707	231,448	238,391	245,543	252,909	260,497	268,312	276,361	284,652	293,191	301,987	311,047	320,378
Parking Income	616,130	634,614	653,652	673,262	693,460	714,264	735,691	757,762	780,495	803,910	828,027	852,868	878,454	904,808	931,952	959,910	988,708	1,018,369	1,048,920	1,080,388	1,112,799	1,146,183
Interest Income	138,132	142,276	146,544	150,941	155,469	160,133	164,937	169,885	174,981	180,231	185,638	191,207	196,943	202,851	208,937	215,205	221,661	228,311	235,160	242,215	249,482	256,966
Utility Reimbursement	697,052	717,964	739,502	761,688	784,538	808,074	832,317	857,286	883,005	909,495	936,780	964,883	993,829	1,023,644	1,054,354	1,085,984	1,118,564	1,152,121	1,186,684	1,222,285	1,258,953	1,296,722
Furniture Rental Income	50,972	52,501	54,076	55,698	57,369	59,091	60,863	62,689	64,570	66,507	68,502	70,557	72,674	74,854	77,100	79,413	81,795	84,249	86,776	89,380	92,061	94,823
Miscellaneous Income	264,873	272,819	281,004	289,434	298,117	307,060	316,272	325,760	335,533	345,599	355,967	366,646	377,646	388,975	400,644	412,664	425,043	437,795	450,929	464,456	478,390	492,742
Damages	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630	2,709	2,790
Storage	13,686	14,090	14,513	14,949	15,397	15,859	16,335	16,825	17,329	17,849	18,385	18,936	19,504	20,090	20,692	21,313	21,952	22,611	23,289	23,988	24,708	25,449
Administration Fee Income	12,074	12,436	12,809	13,194	13,589	13,997	14,417	14,849	15,295	15,754	16,226	16,713	17,215	17,731	18,263	18,811	19,375	19,956	20,555	21,172	21,807	22,461
TOTAL REVENUE	11,778,009	13,798,089	14,327,724	14,877,876	15,449,344	16,042,963	16,659,595	17,300,140	17,965,532	18,656,741	19,374,775	20,120,685	20,895,558	21,700,527	22,536,770	23,405,509	24,308,015	25,245,611	26,219,668	27,231,615	28,282,935	29,375,169
EXPENSES:																						
Office Payroll	405,889	418,066	430,608	443,526	456,832	470,537	484,653	499,192	514,168	529,593	545,481	561,845	578,701	596,062	613,944	632,362	651,333	670,873	690,999	711,729	733,081	755,073
Maintenance Payroll	650,845	670,370	690,481	711,196	732,532	754,508	777,143	800,457	824,471	849,205	874,681	900,922	927,949	955,788	984,461	1,013,995	1,044,415	1,075,748	1,108,020	1,141,261	1,175,498	1,210,763
Temporary Maintentance	1,560	1,607	1,655	1,705	1,756	1,808	1,863	1,919	1,976	2,035	2,097	2,159	2,224	2,291	2,360	2,430	2,503	2,578	2,656	2,735	2,818	2,902
Rent Credits	26,930	27,738	28,570	29,427	30,310	31,219	32,156	33,121	34,114	35,138	36,192	37,277	38,396	39,548	40,734	41,956	43,215	44,511	45,847	47,222	48,639	50,098
Computer Costs	9,756	10,049	10,350	10,661	10,980	11,310	11,649	11,999	12,359	12,729	13,111	13,505	13,910	14,327	14,757	15,200	15,656	16,125	16,609	17,107	17,620	18,149
Legal	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,628	9,917	10,215	10,521	10,837	11,162
Education / Training	2,610	2,688	2,769	2,852	2,938	3,026	3,116	3,210	3,306	3,405	3,508	3,613	3,721	3,833	3,948	4,066	4,188	4,314	4,443	4,577	4,714	4,855
Credit Bureau Services	7,099	7,312	7,531	7,757	7,990	8,230	8,477	8,731	8,993	9,263	9,540	9,827	10,121	10,425	10,738	11,060	11,392	11,734	12,086	12,448	12,822	13,206
Dues and Subscriptions	1,351	1,392	1,433	1,476	1,521	1,566	1,613	1,662	1,711	1,763	1,816	1,870	1,926	1,984	2,044	2,105	2,168	2,233	2,300	2,369	2,440	2,513
Telephone	13,209	13,596	14,004	14,424	14,857	15,302	15,761	16,234	16,721	17,223	17,740	18,272	18,820	19,385	19,966	20,565	21,182	21,818	22,472	23,146	23,841	24,556
Cell Phone and Pagers	2,940	3,028	3,119	3,213	3,309	3,408	3,511	3,616	3,724	3,836	3,951	4,070	4,192	4,317	4,447	4,580	4,718	4,859	5,005	5,155	5,310	5,469
Licenses and Permits	12,200	12,566	12,943	13,331	13,731	14,143	14,567	15,004	15,455	15,918	16,396	16,888	17,394	17,916	18,454	19,007	19,577	20,165	20,770	21,393	22,035	22,696
Copier / Photocopy	2,072	2,134	2,198	2,264	2,332	2,402	2,474	2,548	2,625	2,703	2,785	2,868	2,954	3,043	3,134	3,228	3,325	3,425	3,527	3,633	3,742	3,855
Transportation Expense	38,400	39,552	40,739	41,961	43,220	44,516	45,852	47,227	48,644	50,103	51,606	53,155	54,749	56,392	58,083	59,826	61,621	63,469	65,373	67,335	69,355	71,435
Travel Expense	2,800	2,884	2,971	3,060	3,151	3,246	3,343	3,444	3,547	3,653	3,763	3,876	3,992	4,112	4,235	4,362	4,493	4,628	4,767	4,910	5,057	5,209
Gas Oil Grease	5,700	5,871	6,047	6,229	6,415	6,608	6,806	7,010	7,221	7,437	7,660	7,890	8,127	8,371	8,622	8,880	9,147	9,421	9,704	9,995	10,295	10,604
Postage	3,900	4,017	4,138	4,262	4,389	4,521	4,657	4,797	4,940	5,089	5,241	5,399	5,560	5,727	5,899	6,076	6,258	6,446	6,639	6,839	7,044	7,255
Printing and Newsletter	2,976	3,065	3,157	3,252	3,350	3,450	3,553	3,660	3,770	3,883	3,999	4,119	4,243	4,370	4,501	4,637	4,776	4,919	5,066	5,218	5,375	5,536
Office Supplies	4,597	4,735	4,877	5,023	5,174	5,329	5,489	5,654	5,823	5,998	6,178	6,363	6,554	6,751	6,953	7,162	7,377	7,598	7,826	8,061	8,303	8,552
Bank Charges	4,620	4,759	4,901	5,048	5,200	5,356	5,517	5,682	5,852	6,028	6,209	6,395	6,587	6,785	6,988	7,198	7,414	7,636	7,865	8,101	8,344	8,595
Management Fees	245,278	252,636	260,215	268,022	276,063	284,344	292,875	301,661	310,711	320,032	329,633	339,522	349,708	360,199	371,005	382,135	393,599	405,407	417,569	430,096	442,999	456,289
Auditing	85,000	87,550	90,177	92,882	95,668	98,538	101,494	104,539	107,675	110,906	114,233	117,660	121,190	124,825	128,570	132,427	136,400	140,492	144,707	149,048	153,519	158,125
Accounting Services	43,000	44,290	45,619	46,987	48,397	49,849	51,344	52,885	54,471	56,105	57,788	59,522	61,308	63,147	65,041	66,993	69,002	71,072	73,205	75,401	77,663	79,993
Cable TV Expense	105,000	108,150	111,395	114,736	118,178	121,724	125,375	129,137	133,011	137,001	141,111	145,345	149,705	154,196	158,822	163,587	168,494	173,549	178,755	184,118	189,642	195,331
Uniform Expense	3,750	3,863	3,978	4,098	4,221	4,347	4,478	4,612	4,750	4,893	5,040	5,191	5,347	5,507	5,672	5,842	6,018	6,198	6,384	6,576	6,773	6,976
Employee Benefits	138,072	142,214	146,481	150,875	155,401	160,063	164,865	169,811	174,905	180,153	185,557	191,124	196,858	202,763	208,846	215,112	221,565	228,212	235,058	242,110	249,373	256,855
Landscape Maintenance	19,119	19,693	20,283	20,892	21,519	22,164	22,829	23,514	24,219	24,946	25,694	26,465	27,259	28,077	28,919	29,787	30,680	31,601	32,549	33,525	34,531	35,567
Snow Removal	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	3,461	3,564	3,671	3,781	3,895	4,012	4,132	4,256	4,384	4,515	4,651
Rubbish Container Maintenance	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,628	9,917	10,215	10,521	10,837	11,162
Rubbish Removal	37,548	38,674	39,835	41,030	42,261	43,528	44,834	46,179	47,565	48,992	50,461	51,975	53,534	55,141	56,795	58,499	60,254	62,061	63,923	65,841	67,816	69,850
Pool Supplies	11,530	11,876	12,232	12,599	12,977	13,366	13,767	14,180	14,606	15,044	15,495	15,960	16,439	16,932	17,440	17,963	18,502	19,057	19,629	20,218	20,824	21,449
Salt - Ice Melt	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674	4,814	4,959	5,107	5,261	5,418	5,581
Advertising	61,107	62,940	64,828	66,773	68,776	70,840	72,965	75,154	77,409	79,731	82,123	84,586	87,124	89,738	92,430	95,203	98,059	101,001	104,031	107,151	110,366	113,677
Furniture Rental Units	42,000	43,260	44,558	45,895	47,271	48,690	50,150	51,655	53,204	54,800	56,444	58,138	59,882	61,678	63,529	65,435	67,398	69,420	71,502	73,647	75,857	78,132
Model Accessories	600	618	637	656	675	696	716	738	760	783	806	831	855	881	908	935	963	992	1,021	1,052	1,084	1,116
Resident Relations	44,220	45,547	46,913	48,320	49,770	51,263	52,801	54,385	56,017	57,697	59,428	61,211	63,047	64,939	66,887	68,893	70,960	73,089	75,282	77,540	79,866	82,262
Promotion	18,160	18,705	19,266	19,844	20,439	21,052	21,684	22,335	23,005	23,695	24,406	25,138	25,892	26,669	27,469	28,293	29,141	30,016	30,916	31,844	32,799	33,783
Referrals	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674	4,814	4,959	5,107	5,261	5,418	5,581
Commissions	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	27,685	28,515	29,371	30,252	31,159	32,094	33,057	34,049	35,070	36,122	37,206	38,322
Brochures	8,218	8,465	8,718	8,980	9,249	9,527	9,813	10,107	10,410	10,723	11,044	11,376	11,717	12,068	12,430	12,803	13,187	13,583	13,991	14,410	14,843	15,288
Signage	2,750	2,833	2,917	3,005	3,095	3,188	3,284	3,382	3,484	3,588	3,696	3,807	3,921	4,038	4,160	4,284	4,413	4,545	4,682	4,822	4,967	5,116
Printing / Flyers	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,628	9,917	10,215	10,521	10,837	11,162
Leasing Hospitality	17,004	17,514	18,040	18,581	19,138	19,712	20,304	20,913	21,540	22,186	22,852	23,538	24,244	24,971	25,720	26,492	27,286	28,105	28,948	29,817	30,711	31,632
Equipment Rental	1,710	1,761	1,814	1,869	1,925	1,982	2,042	2,103	2,166	2,231	2,298	2,367	2,438	2,511	2,587	2,664	2,744	2,826	2,911	2,998	3,088	3,181
Plumbing Supplies	4,200	4,326	4,456	4,589	4,727	4,869	5,015	5,165	5,320	5,480	5,644	5,814	5,988	6,168	6,353	6,543	6,740	6,942	7,150	7,365	7,586	7,813
HVAC Supplies	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429	21,042	21,673	22,324
Exterminating	18,360	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258	23,956	24,674	25,415	26,177	26,962	27,771	28,604	29,462	30,346	31,257	32,194	33,160	34,155
Water Conditioning	3,180	3,275	3,374	3,475	3,579	3,686	3,797	3,911	4,028	4,149	4,274	4,402	4,534	4,670	4,810	4,954	5,103	5,256	5,414	5,576	5,743	5,916
Electrical Supplies	4,800	4,944	5,092	5,245	5,402	5,565	5,731	5,903	6,080	6,263	6,451	6,644	6,844	7,049	7,260	7,478	7,703	7,934	8,172	8,417	8,669	8,929
Appliance Repair / Supply	3,096	3,189	3,285	3,383	3,485	3,589	3,697	3,808	3,922	4,040	4,161	4,286	4,414	4,547	4,683	4,823	4,968	5,117	5,271	5,429	5,592	5,759
Building Repairs	7,250	7,468	7,692	7,922	8,160	8,405	8,657	8,917	9,184	9,460	9,743	10,036	10,337	10,647	10,966	11,295	11,634	11,983	12,343	12,713	13,094	13,487
General Maint Repair / Supply	161,376	166,217	171,204	176,340	181,630	187,079	192,691	198,472	204,426	210,559	216,876	223,382	230,084	236,986	244,096	251,419	258,961	266,730	274,732	282,974	291,463	300,207
Window Cleaning	16,952	17,461	17,984	18,524	19,080	19,652	20,242	20,849	21,474	22,119	22,782	23,466	24,169	24,895	25,641	26,411	27,203	28,019	28,860	29,725	30,617	31,536
Painting Hallways	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429	21,042	21,673	22,324
Janitorial Supplies	15,485	15,950	16,428	16,921	17,429	17,951	18,490	19,045	19,616	20,204	20,811	21,435	22,078	22,740	23,422	24,125	24,849	25,594	26,362	27,153	27,968	28,807
Elevator Maintenance	44,220	45,547	46,913	48,320	49,770	51,263	52,801	54,385	56,017	57,697	59,428	61,211	63,047	64,939	66,887	68,893	70,960	73,089	75,282	77,540	79,866	82,262
Patrol / Guard Service	139,596	143,784	148,097	152,540	157,117	161,830	166,685	171,685	176,836	182,141	187,605	193,234	199,031	205,001	211,151	217,486	224,011	230,731	237,653	244,782	252,126	259,690
Fire Panel Inspection	24,166	24,891	25,638	26,407	27,199	28,015	28,855	29,721	30,613	31,531	32,477	33,451	34,455	35,489	36,553	37,650	38,779	39,943	41,141	42,375	43,646	44,956
Smoke Detector Maintenance	8,796	9,060	9,332	9,612	9,900	10,197	10,503	10,818	11,143	11,477	11,821	12,176	12,541	12,917	13,305	13,704	14,115	14,538	14,975	15,424	15,887	16,363
Carpet Cleaning	2,520	2,596	2,673	2,754	2,836	2,921	3,009	3,099	3,192	3,288	3,387	3,488	3,593	3,701	3,812	3,926	4,044	4,165	4,290	4,419	4,551	4,688
Carpet / Floor Repairs	1,800	1,854	1,910	1,967	2,026	2,087	2,149	2,214	2,280	2,349	2,419	2,492	2,566	2,643	2,723	2,804	2,888	2,975	3,064	3,156	3,251	3,349
Vacant Electric	22,260	22,928	23,616	24,324	25,054	25,805	26,580	27,377	28,198	29,044	29,916	30,813	31,737	32,690	33,670	34,680	35,721	36,792	37,896	39,033	40,204	41,410
Electric	33,740	34,752	35,795	36,869	37,975	39,114	40,287	41,496	42,741	44,023	45,344	46,704	48,105	49,548	51,035	52,566	54,143	55,767	57,440	59,163	60,938	62,766
Gas	836,749	861,851	887,707	914,338	941,768	970,021	999,122	1,029,096	1,059,969	1,091,768	1,124,521	1,158,256	1,193,004	1,228,794	1,265,658	1,303,628	1,342,737	1,383,019	1,424,509	1,467,244	1,511,262	1,556,600
Water / Sewer	49,200	50,676	52,196	53,762	55,375	57,036	58,747	60,510	62,325	64,195	66,121	68,104	70,147	72,252	74,419	76,652	78,952	81,320	83,760	86,272	88,861	91,526
Insurance - Prop & Liab	196,598	202,496	208,571	214,828	221,273	227,911	234,748	241,791	249,044	256,516	264,211	272,138	280,302	288,711	297,372	306,293	315,482	324,947	334,695	344,736	355,078	365,730
Other Professional Fees	27,000	27,810	28,644	29,504	30,389	31,300	32,239	33,207	34,203	35,229	36,286	37,374	38,496	39,650	40,840	42,065	43,327	44,627	45,966	47,345	48,765	50,228
Real Estate Taxes / PILOT	**119,906**	**280,000**	**560,000**	**840,000**	**1,120,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**
TOTAL OPERATING EXPENSES	3,895,861	4,169,234	4,565,911	4,966,088	5,369,871	5,777,367	5,908,688	6,043,948	6,183,267	6,326,765	6,474,568	6,626,805	6,783,609	6,945,117	7,111,471	7,282,815	7,459,299	7,641,078	7,828,311	8,021,160	8,219,795	8,424,389
NET OPERATING INCOME	7,882,148	9,628,856	9,761,813	9,911,788	10,079,474	10,265,596	10,750,907	11,256,192	11,782,265	12,329,976	12,900,208	13,493,880	14,111,949	14,755,410	15,425,299	16,122,694	16,848,716	17,604,533	18,391,358	19,210,455	20,063,140	20,950,780
MEPT Deemed Capital Invested	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000
Return on Investment	4.93%	6.02%	6.10%	6.19%	6.30%	6.42%	6.72%	7.04%	7.36%	7.71%	8.06%	8.43%	8.82%	9.22%	9.64%	10.08%	10.53%	11.00%	11.49%	12.01%	12.54%	13.09%
NOI Needed for 7% ROI	11,200,000																					
NOI above 7% ROI	(3,317,852)	(1,571,144)	(1,438,187)	(1,288,212)	(1,120,526)	(934,404)	(449,093)	56,192	582,265	1,129,976	1,700,208	2,293,880	2,911,949	3,555,410	4,225,299	4,922,694	5,648,716	6,404,533	7,191,358	8,010,455	8,863,140	9,750,780
Supplemental PILOT @10%	-	-	-	-	-	-	-	5,619	58,226	112,998	170,021	229,388	291,195	355,541	422,530	492,269	564,872	640,453	719,136	801,046	886,314	975,078
TOTAL PILOT PAYMENT	**119,906**	**280,000**	**560,000**	**840,000**	**1,120,000**	**1,400,000**	**1,400,000**	**1,405,619**	**1,458,226**	**1,512,998**	**1,570,021**	**1,629,388**	**1,691,195**	**1,755,541**	**1,822,530**	**1,892,269**	**1,964,872**	**2,040,453**	**2,119,136**	**2,201,046**	**2,286,314**	**2,375,078**

SUM OF TOTAL PILOT PAYMENTS AFTER PHASE-IN:	30,524,685
AVERAGE OF TOTAL PILOT PAYMENTS AFTER PHASE-IN:	**1,795,570**
Total of Base PILOT Payments	26,600,000
Total of Supplemental PILOT Payments	6,724,685
Total of all PILOT Payments	**33,324,685**

360 STATE STREET
20 Year Budget Projections Showing City of New Haven PILOT and Supplemental PILOT
Expected Scenario

	2012 BUDGET	2013 PROJECTED	2014 PROJECTED	2015 PROJECTED	2016 PROJECTED	2017 PROJECTED	2018 PROJECTED	2019 PROJECTED	2020 PROJECTED	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED	2026 PROJECTED	2027 PROJECTED	2028 PROJECTED	2029 PROJECTED	2030 PROJECTED	2031 PROJECTED	2032 PROJECTED	2033 PROJECTED
INCOME:																						
Market Rate Apartment Rents	11,468,292	11,812,341	12,166,711	12,531,712	12,907,664	13,294,894	13,693,740	14,104,553	14,527,689	14,963,520	15,412,425	15,874,798	16,351,042	16,841,573	17,346,821	17,867,225	18,403,242	18,955,339	19,523,999	20,109,719	20,713,011	21,334,401
Affordable Unit Apartment Rent	606,216	624,402	643,135	662,429	682,301	702,770	723,854	745,569	767,936	790,974	814,704	839,145	864,319	890,249	916,956	944,465	972,799	1,001,983	1,032,042	1,063,003	1,094,894	1,127,740
Commercial Rent	318,327	327,877	337,713	347,845	358,280	369,028	380,099	391,502	403,247	415,345	427,805	440,639	453,858	467,474	481,498	495,943	510,821	526,146	541,930	558,188	574,934	592,182
Loss to Lease	(300,936)	(154,982)	(159,632)	(164,420)	(169,353)	(174,434)	(179,667)	(185,057)	(190,608)	(196,327)	(202,216)	(208,283)	(214,531)	(220,967)	(227,596)	(234,424)	(241,457)	(248,701)	(256,162)	(263,847)	(271,762)	(279,915)
Residential Vacancy	(1,081,760)	(590,617)	(608,336)	(626,586)	(645,383)	(664,745)	(684,687)	(705,228)	(726,384)	(748,176)	(770,621)	(793,740)	(817,552)	(842,079)	(867,341)	(893,361)	(920,162)	(947,767)	(976,200)	(1,005,486)	(1,035,651)	(1,066,720)
Commercial Vacancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Super's Unit Free Rent	(14,772)	(15,215)	(15,672)	(16,142)	(16,626)	(17,125)	(17,639)	(18,168)	(18,713)	(19,274)	(19,852)	(20,448)	(21,061)	(21,693)	(22,344)	(23,014)	(23,705)	(24,416)	(25,148)	(25,903)	(26,680)	(27,480)
Model Unit	(88,332)	(45,491)	(46,856)	(48,261)	(49,709)	(51,200)	(52,737)	(54,319)	(55,948)	(57,627)	(59,355)	(61,136)	(62,970)	(64,859)	(66,805)	(68,809)	(70,873)	(73,000)	(75,190)	(77,445)	(79,769)	(82,162)
Employee Rent Discount	(11,892)	(12,249)	(12,616)	(12,995)	(13,385)	(13,786)	(14,200)	(14,626)	(15,064)	(15,516)	(15,982)	(16,461)	(16,955)	(17,464)	(17,988)	(18,527)	(19,083)	(19,656)	(20,245)	(20,853)	(21,478)	(22,123)
Lease Concessions	(1,155,693)	(595,182)	(613,037)	(631,428)	(650,371)	(669,882)	(689,979)	(710,678)	(731,999)	(753,959)	(776,577)	(799,875)	(823,871)	(848,587)	(874,045)	(900,266)	(927,274)	(955,092)	(983,745)	(1,013,257)	(1,043,655)	(1,074,965)
Late Rent Charges	4,816	4,960	5,109	5,263	5,420	5,583	5,751	5,923	6,101	6,284	6,472	6,666	6,866	7,072	7,285	7,503	7,728	7,960	8,199	8,445	8,698	8,959
Application Fee Income	5,725	5,897	6,074	6,256	6,444	6,637	6,836	7,041	7,252	7,470	7,694	7,925	8,162	8,407	8,660	8,919	9,187	9,463	9,746	10,039	10,340	10,650
NSF Charges	420	433	446	459	473	487	502	517	532	548	564	581	599	617	635	654	674	694	715	736	759	781
Pet Rent	25,375	26,136	26,920	27,728	28,560	29,417	30,299	31,208	32,144	33,109	34,102	35,125	36,179	37,264	38,382	39,533	40,719	41,941	43,199	44,495	45,830	47,205
Rental Reservation Fees	1,950	2,009	2,069	2,131	2,195	2,261	2,328	2,398	2,470	2,544	2,621	2,699	2,780	2,864	2,950	3,038	3,129	3,223	3,320	3,419	3,522	3,628
Lease Termination Fees	32,201	33,167	34,162	35,187	36,243	37,330	38,450	39,603	40,791	42,015	43,275	44,574	45,911	47,288	48,707	50,168	51,673	53,223	54,820	56,465	58,159	59,903
Corporate Apartment Income	1,440	1,483	1,528	1,574	1,621	1,669	1,719	1,771	1,824	1,879	1,935	1,993	2,053	2,115	2,178	2,243	2,311	2,380	2,452	2,525	2,601	2,679
CAM Reimbursement	172,219	177,386	182,707	188,188	193,834	199,649	205,638	211,808	218,162	224,707	231,448	238,391	245,543	252,909	260,497	268,312	276,361	284,652	293,191	301,987	311,047	320,378
Parking Income	616,130	634,614	653,652	673,262	693,460	714,264	735,691	757,762	780,495	803,910	828,027	852,868	878,454	904,808	931,952	959,910	988,708	1,018,369	1,048,920	1,080,388	1,112,799	1,146,183
Interest Income	138,132	142,276	146,544	150,941	155,469	160,133	164,937	169,885	174,981	180,231	185,638	191,207	196,943	202,851	208,937	215,205	221,661	228,311	235,160	242,215	249,482	256,966
Utility Reimbursement	697,052	717,964	739,502	761,688	784,538	808,074	832,317	857,286	883,005	909,495	936,780	964,883	993,829	1,023,644	1,054,354	1,085,984	1,118,564	1,152,121	1,186,684	1,222,285	1,258,953	1,296,722
Furniture Rental Income	50,972	52,501	54,076	55,698	57,369	59,091	60,863	62,689	64,570	66,507	68,502	70,557	72,674	74,854	77,100	79,413	81,795	84,249	86,776	89,380	92,061	94,823
Miscellaneous Income	264,873	272,819	281,004	289,434	298,117	307,060	316,272	325,760	335,533	345,599	355,967	366,646	377,646	388,975	400,644	412,664	425,043	437,795	450,929	464,456	478,390	492,742
Damages	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630	2,709	2,790
Storage	13,680	14,090	14,513	14,949	15,397	15,859	16,335	16,825	17,329	17,849	18,385	18,936	19,504	20,090	20,692	21,313	21,952	22,611	23,289	23,988	24,708	25,449
Administration Fee Income	12,074	12,436	12,809	13,194	13,589	13,997	14,417	14,849	15,295	15,754	16,226	16,713	17,215	17,731	18,263	18,811	19,375	19,956	20,555	21,172	21,807	22,461
TOTAL REVENUE	11,778,009	13,450,600	13,854,118	14,269,741	14,697,834	15,138,769	15,592,932	16,060,720	16,542,541	17,038,818	17,549,982	18,076,482	18,618,776	19,177,339	19,752,659	20,345,239	20,955,596	21,584,264	22,231,792	22,898,746	23,585,708	24,293,280
EXPENSES:																						
Office Payroll	405,889	418,066	430,608	443,526	456,832	470,537	484,653	499,192	514,168	529,593	545,481	561,845	578,701	596,062	613,944	632,362	651,333	670,873	690,999	711,729	733,081	755,073
Maintenance Payroll	650,845	670,370	690,481	711,196	732,532	754,508	777,143	800,457	824,471	849,205	874,681	900,922	927,949	955,788	984,461	1,013,995	1,044,415	1,075,748	1,108,020	1,141,261	1,175,498	1,210,763
Temporary Maintentance	1,560	1,607	1,655	1,705	1,756	1,808	1,863	1,919	1,976	2,035	2,097	2,159	2,224	2,291	2,360	2,430	2,503	2,578	2,656	2,735	2,818	2,902
Rent Credits	26,930	27,738	28,570	29,427	30,310	31,219	32,156	33,121	34,114	35,138	36,192	37,277	38,396	39,548	40,734	41,956	43,215	44,511	45,847	47,222	48,639	50,098
Computer Costs	9,756	10,049	10,350	10,661	10,980	11,310	11,649	11,999	12,359	12,729	13,111	13,505	13,910	14,327	14,757	15,200	15,656	16,125	16,609	17,107	17,620	18,149
Legal	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,628	9,917	10,215	10,521	10,837	11,162
Education/Training	2,610	2,688	2,769	2,852	2,938	3,026	3,116	3,210	3,306	3,405	3,508	3,613	3,721	3,833	3,948	4,066	4,188	4,314	4,443	4,577	4,714	4,855
Credit Bureau Services	7,099	7,312	7,531	7,757	7,990	8,230	8,477	8,731	8,993	9,263	9,540	9,827	10,121	10,425	10,738	11,060	11,392	11,734	12,086	12,448	12,822	13,206
Dues and Subscriptions	1,351	1,392	1,433	1,476	1,521	1,566	1,613	1,662	1,711	1,763	1,816	1,870	1,926	1,984	2,044	2,105	2,168	2,233	2,300	2,369	2,440	2,513
Telephone	13,200	13,596	14,004	14,424	14,857	15,302	15,761	16,234	16,721	17,223	17,740	18,272	18,820	19,385	19,966	20,565	21,182	21,818	22,472	23,146	23,841	24,556
Cell Phone and Pagers	2,940	3,028	3,119	3,213	3,309	3,408	3,511	3,616	3,724	3,836	3,951	4,070	4,192	4,317	4,447	4,580	4,718	4,859	5,005	5,155	5,310	5,469
Licenses and Permits	12,200	12,566	12,943	13,331	13,731	14,143	14,567	15,004	15,455	15,918	16,396	16,888	17,394	17,916	18,454	19,007	19,577	20,165	20,770	21,393	22,035	22,696
Copier/Photocopy	2,072	2,134	2,198	2,264	2,332	2,402	2,474	2,548	2,625	2,703	2,785	2,868	2,954	3,043	3,134	3,228	3,325	3,425	3,527	3,633	3,742	3,855
Transportation Expense	38,400	39,552	40,739	41,961	43,220	44,516	45,852	47,227	48,644	50,103	51,606	53,155	54,749	56,392	58,083	59,826	61,621	63,469	65,373	67,335	69,355	71,435
Travel Expense	2,800	2,884	2,971	3,060	3,151	3,246	3,343	3,444	3,547	3,653	3,763	3,876	3,992	4,112	4,235	4,362	4,493	4,628	4,767	4,910	5,057	5,209
Gas Oil Grease	5,700	5,871	6,047	6,229	6,415	6,608	6,806	7,010	7,221	7,437	7,660	7,890	8,127	8,371	8,622	8,880	9,147	9,421	9,704	9,995	10,295	10,604
Postage	3,900	4,017	4,138	4,262	4,389	4,521	4,657	4,797	4,940	5,089	5,241	5,399	5,560	5,727	5,899	6,076	6,258	6,446	6,639	6,839	7,044	7,255
Printing and Newsletter	2,976	3,065	3,157	3,252	3,350	3,450	3,553	3,660	3,770	3,883	3,999	4,119	4,243	4,370	4,501	4,637	4,776	4,919	5,066	5,218	5,375	5,536
Office Supplies	4,597	4,735	4,877	5,023	5,174	5,329	5,489	5,654	5,823	5,998	6,178	6,363	6,554	6,751	6,953	7,162	7,377	7,598	7,826	8,061	8,303	8,552
Bank Charges	4,620	4,759	4,901	5,048	5,200	5,356	5,517	5,682	5,852	6,028	6,209	6,395	6,587	6,785	6,988	7,198	7,414	7,636	7,865	8,101	8,344	8,595
Management Fees	245,278	252,636	260,215	268,022	276,063	284,344	292,875	301,661	310,711	320,032	329,633	339,522	349,708	360,199	371,005	382,135	393,599	405,407	417,569	430,096	442,999	456,289
Auditing	85,000	87,550	90,177	92,882	95,668	98,538	101,494	104,539	107,675	110,906	114,233	117,660	121,190	124,825	128,570	132,427	136,400	140,492	144,707	149,048	153,519	158,125
Accounting Services	43,000	44,290	45,619	46,987	48,397	49,849	51,344	52,885	54,471	56,105	57,788	59,522	61,308	63,147	65,041	66,993	69,002	71,072	73,205	75,401	77,663	79,993
Cable TV Expense	105,000	108,150	111,395	114,736	118,178	121,724	125,375	129,137	133,011	137,001	141,111	145,345	149,705	154,196	158,822	163,587	168,494	173,549	178,755	184,118	189,642	195,331
Uniform Expense	3,750	3,863	3,978	4,098	4,221	4,347	4,478	4,612	4,750	4,893	5,040	5,191	5,347	5,507	5,672	5,842	6,018	6,198	6,384	6,576	6,773	6,976
Employee Benefits	138,072	142,214	146,481	150,875	155,401	160,063	164,865	169,811	174,905	180,153	185,557	191,124	196,858	202,763	208,846	215,112	221,565	228,212	235,058	242,110	249,373	256,855
Landscape Maintenance	19,119	19,693	20,283	20,892	21,519	22,164	22,829	23,514	24,219	24,946	25,694	26,465	27,259	28,077	28,919	29,787	30,680	31,601	32,549	33,525	34,531	35,567
Snow Removal	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	3,461	3,564	3,671	3,781	3,895	4,012	4,132	4,256	4,384	4,515	4,651
Rubbish Container Maintenance	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,628	9,917	10,215	10,521	10,837	11,162
Rubbish Removal	37,548	38,674	39,835	41,030	42,261	43,528	44,834	46,179	47,565	48,992	50,461	51,975	53,534	55,141	56,795	58,499	60,254	62,061	63,923	65,841	67,816	69,850
Pool Supplies	11,530	11,876	12,232	12,599	12,977	13,366	13,767	14,180	14,606	15,044	15,495	15,960	16,439	16,932	17,440	17,963	18,502	19,057	19,629	20,218	20,824	21,449
Salt - Ice Melt	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674	4,814	4,959	5,107	5,261	5,418	5,581
Advertising	61,107	62,940	64,828	66,773	68,776	70,840	72,965	75,154	77,409	79,731	82,123	84,586	87,124	89,738	92,430	95,203	98,059	101,001	104,031	107,151	110,366	113,677
Furniture Rental Units	42,000	43,260	44,558	45,895	47,271	48,690	50,150	51,655	53,204	54,800	56,444	58,138	59,882	61,678	63,529	65,435	67,398	69,420	71,502	73,647	75,857	78,132
Model Accessories	600	618	637	656	675	696	716	738	760	783	806	831	855	881	908	935	963	992	1,021	1,052	1,084	1,116
Resident Relations	44,220	45,547	46,913	48,320	49,770	51,263	52,801	54,385	56,017	57,697	59,428	61,211	63,047	64,939	66,887	68,893	70,960	73,089	75,282	77,540	79,866	82,262
Promotion	18,160	18,705	19,266	19,844	20,439	21,052	21,684	22,335	23,005	23,695	24,406	25,138	25,892	26,669	27,469	28,293	29,141	30,016	30,916	31,844	32,799	33,783
Referrals	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674	4,814	4,959	5,107	5,261	5,418	5,581
Commissions	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	27,685	28,515	29,371	30,252	31,159	32,094	33,057	34,049	35,070	36,122	37,206	38,322
Brochures	8,215	8,465	8,718	8,980	9,249	9,527	9,813	10,107	10,410	10,723	11,044	11,376	11,717	12,068	12,430	12,803	13,187	13,583	13,991	14,410	14,843	15,288
Signage	2,750	2,833	2,917	3,005	3,095	3,188	3,284	3,382	3,484	3,588	3,696	3,807	3,921	4,038	4,160	4,284	4,413	4,545	4,682	4,822	4,967	5,116
Printing/Flyers	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,628	9,917	10,215	10,521	10,837	11,162
Leasing Hospitality	17,004	17,514	18,040	18,581	19,138	19,712	20,304	20,913	21,540	22,186	22,852	23,538	24,244	24,971	25,720	26,492	27,286	28,105	28,948	29,817	30,711	31,632
Equipment Rental	1,710	1,761	1,814	1,869	1,925	1,982	2,042	2,103	2,166	2,231	2,298	2,367	2,438	2,511	2,587	2,664	2,744	2,826	2,911	2,998	3,088	3,181
Plumbing Supplies	4,200	4,326	4,456	4,589	4,727	4,869	5,015	5,165	5,320	5,480	5,644	5,814	5,988	6,168	6,353	6,543	6,740	6,942	7,150	7,365	7,586	7,813
HVAC Supplies	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429	21,042	21,673	22,324
Exterminating	18,360	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258	23,956	24,674	25,415	26,177	26,962	27,771	28,604	29,462	30,346	31,257	32,194	33,160	34,155
Water Conditioning	3,180	3,275	3,374	3,475	3,579	3,686	3,797	3,911	4,028	4,149	4,274	4,402	4,534	4,670	4,810	4,954	5,103	5,256	5,414	5,576	5,743	5,916
Electrical Supplies	4,800	4,944	5,092	5,245	5,402	5,565	5,731	5,903	6,080	6,263	6,451	6,644	6,844	7,049	7,260	7,478	7,703	7,934	8,172	8,417	8,669	8,929
Appliance Repair/Supply	3,096	3,189	3,285	3,383	3,485	3,589	3,697	3,808	3,922	4,040	4,161	4,286	4,414	4,547	4,683	4,823	4,968	5,117	5,271	5,429	5,592	5,759
Building Repairs	7,250	7,468	7,692	7,922	8,160	8,405	8,657	8,917	9,184	9,460	9,743	10,036	10,337	10,647	10,966	11,295	11,634	11,983	12,343	12,713	13,094	13,487
General Maint Repair/Supply	161,376	166,217	171,204	176,340	181,630	187,079	192,691	198,472	204,426	210,559	216,876	223,382	230,084	236,986	244,096	251,419	258,961	266,730	274,732	282,974	291,463	300,207
Window Cleaning	16,952	17,461	17,984	18,524	19,080	19,652	20,242	20,849	21,474	22,119	22,782	23,466	24,169	24,895	25,641	26,411	27,203	28,019	28,860	29,725	30,617	31,536
Painting Hallways	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429	21,042	21,673	22,324
Janitorial Supplies	15,485	15,950	16,428	16,921	17,429	17,951	18,490	19,045	19,616	20,204	20,811	21,435	22,078	22,740	23,422	24,125	24,849	25,594	26,362	27,153	27,968	28,807
Elevator Maintenance	44,220	45,547	46,913	48,320	49,770	51,263	52,801	54,385	56,017	57,697	59,428	61,211	63,047	64,939	66,887	68,893	70,960	73,089	75,282	77,540	79,866	82,262
Patrol/Guard Service	139,596	143,784	148,097	152,540	157,117	161,830	166,685	171,685	176,836	182,141	187,605	193,234	199,031	205,001	211,151	217,486	224,011	230,731	237,653	244,782	252,126	259,690
Fire Panel Inspe2tion	24,166	24,891	25,638	26,407	27,199	28,015	28,855	29,721	30,613	31,531	32,477	33,451	34,455	35,489	36,553	37,650	38,779	39,943	41,141	42,375	43,646	44,956
Smoke Detector Maintenance	8,796	9,060	9,332	9,612	9,900	10,197	10,503	10,818	11,143	11,477	11,821	12,176	12,541	12,917	13,305	13,704	14,115	14,538	14,975	15,424	15,887	16,363
Carpet Cleaning	2,520	2,596	2,673	2,754	2,836	2,921	3,009	3,099	3,192	3,288	3,387	3,488	3,593	3,701	3,812	3,926	4,044	4,165	4,290	4,419	4,551	4,688
Carpet/Floor Repairs	1,800	1,854	1,910	1,967	2,026	2,087	2,149	2,214	2,280	2,349	2,419	2,492	2,566	2,643	2,723	2,804	2,888	2,975	3,064	3,156	3,251	3,349
Vacant Electric	22,260	22,928	23,616	24,324	25,054	25,805	26,580	27,377	28,198	29,044	29,916	30,813	31,737	32,690	33,670	34,680	35,721	36,792	37,896	39,033	40,204	41,410
Electric	33,740	34,752	35,795	36,869	37,975	39,114	40,287	41,496	42,741	44,023	45,344	46,704	48,105	49,548	51,035	52,566	54,143	55,767	57,440	59,163	60,938	62,766
Gas	836,749	861,851	887,707	914,338	941,768	970,021	999,122	1,029,096	1,059,969	1,091,768	1,124,521	1,158,256	1,193,004	1,228,794	1,265,658	1,303,628	1,342,737	1,383,019	1,424,509	1,467,244	1,511,262	1,556,600
Water/Sewer	49,200	50,676	52,196	53,762	55,375	57,036	58,747	60,510	62,325	64,195	66,121	68,104	70,147	72,252	74,419	76,652	78,952	81,320	83,760	86,272	88,861	91,526
Insurance - Prop & Liab	196,598	202,496	208,571	214,828	221,273	227,911	234,748	241,791	249,044	256,516	264,211	272,138	280,302	288,711	297,372	306,293	315,482	324,947	334,695	344,736	355,078	365,730
Other Professional Fees	27,000	27,810	28,644	29,504	30,389	31,300	32,239	33,207	34,203	35,229	36,286	37,374	38,496	39,650	40,840	42,065	43,327	44,627	45,966	47,345	48,765	50,228
Real Estate Taxes/PILOT	**119,906**	**280,000**	**560,000**	**840,000**	**1,120,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**
TOTAL OPERATING EXPENSES	3,895,861	4,169,234	4,565,911	4,966,088	5,369,871	5,777,367	5,908,688	6,043,948	6,183,267	6,326,765	6,474,568	6,626,805	6,783,609	6,945,117	7,111,471	7,282,815	7,459,299	7,641,078	7,828,311	8,021,160	8,219,795	8,424,389
NET OPERATING INCOME	7,882,148	9,281,366	9,288,207	9,303,654	9,327,963	9,361,402	9,684,244	10,016,771	10,359,275	10,712,053	11,075,414	11,449,677	11,835,167	12,232,222	12,641,189	13,062,424	13,496,297	13,943,186	14,403,482	14,877,586	15,365,914	15,868,891
MEPT Deemed Capital Invested	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000	160,000,000
Return on Investment	4.93%	5.80%	5.81%	5.81%	5.83%	5.85%	6.05%	6.26%	6.47%	6.70%	6.92%	7.16%	7.40%	7.65%	7.90%	8.16%	8.44%	8.71%	9.00%	9.30%	9.60%	9.92%
NOI Needed for 7% ROI	11,200,000																					
NOI above 7% ROI	(3,317,852)	(1,918,634)	(1,911,793)	(1,896,346)	(1,872,037)	(1,838,598)	(1,515,756)	(1,183,229)	(840,725)	(487,947)	(124,586)	249,677	635,167	1,032,222	1,441,189	1,862,424	2,296,297	2,743,186	3,203,482	3,677,586	4,165,914	4,668,891
Supplemental PILOT @10%	-	-	-	-	-	-	-	-	-	-	-	24,968	63,517	103,222	144,119	186,242	229,630	274,319	320,348	367,759	416,591	466,889
TOTAL PILOT PAYMENT	**119,906**	**280,000**	**560,000**	**840,000**	**1,120,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,400,000**	**1,424,968**	**1,463,517**	**1,503,222**	**1,544,119**	**1,586,242**	**1,629,630**	**1,674,319**	**1,720,348**	**1,767,759**	**1,816,591**	**1,866,889**

SUM OF TOTAL PILOT PAYMENTS AFTER PHASE-IN:	26,397,603
AVERAGE OF TOTAL PILOT PAYMENTS AFTER PHASE-IN:	**1,552,800**
Total of Base PILOT Payments	26,600,000
Total of Supplemental PILOT Payments	2,597,603
Total of all PILOT Payments	**29,197,603**