

DST Cash Flow Projections Madison Waterstar DST	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Trust										
Total Base Rent	4,889,000	4,889,000	1,686,000	1,686,000	1,686,000	1,686,000	1,686,000	1,686,000	1,686,000	1,686,000
Debt Service Payment	-	-	-	-	-	-	-	-	-	-
Expenses and Ownership Costs ⁽¹⁾	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)
Portion of Base Rent Paid to Investors (As % of Equity)	4,799,000 4.50%	4,799,000 4.50%	1,596,000 1.50%	1,596,000 1.50%	1,596,000 1.50%	1,596,000 1.50%	1,596,000 1.50%	1,596,000 1.50%	1,596,000 1.50%	1,596,000 1.50%
Additional Rent Hurdle	0	0	5,300,000	5,400,000	5,490,000	5,590,000	5,690,000	5,790,000	5,890,000	6,000,000
Additional Rent Hurdle Cap	0	0	8,510,000	8,610,000	8,700,000	8,800,000	8,900,000	9,000,000	9,100,000	9,210,000
DST Additional Share	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
DST Additional Rent	0	0	3,210,000	3,210,000	3,210,000	3,210,000	3,210,000	3,210,000	3,210,000	3,210,000
Bonus Rent Hurdle	0	0	8,510,000	8,610,000	8,700,000	8,800,000	8,900,000	9,000,000	9,100,000	9,210,000
DST Bonus Share	0%	0%	50%	50%	50%	50%	50%	50%	50%	50%
DST Bonus Rent	0	0	12,690	195,608	285,627	374,695	467,936	565,474	667,438	768,961
Total DST Supplemental Rent	-	-	3,222,690	3,405,608	3,495,627	3,584,695	3,677,936	3,775,474	3,877,439	3,978,961
Amount Available from Operations	4,799,000	4,799,000	4,818,690	5,001,608	5,091,627	5,180,695	5,273,936	5,371,474	5,473,439	5,574,961
Rent Held in Reserves	-	-	-	-	-	-	-	-	-	-
Amount Available for Distributions	4,799,000	4,799,000	4,818,690	5,001,608	5,091,627	5,180,695	5,273,936	5,371,474	5,473,439	5,574,961
Percent Return on Capital	4.50%	4.50%	4.51%	4.69%	4.77%	4.85%	4.94%	5.03%	5.13%	5.22%
Master Tenant										
Gross Revenues	6,723,529	7,709,899	8,535,380	9,001,216	9,271,253	9,549,390	9,835,872	10,130,948	10,434,877	10,747,923
Expenses	(3,394,456)	(3,503,866)	(3,610,445)	(3,708,279)	(3,802,337)	(3,898,786)	(3,997,688)	(4,099,105)	(4,203,103)	(4,309,745)
Net Operating Income	3,329,072	4,206,033	4,924,936	5,292,937	5,468,916	5,650,605	5,838,184	6,031,843	6,231,774	6,438,178
Rent Under Master Lease	(4,889,000)	(4,889,000)	(4,908,690)	(5,091,608)	(5,181,627)	(5,270,695)	(5,363,936)	(5,461,474)	(5,563,439)	(5,664,961)
Reserves Utilized	1,567,428	690,467	-	-	-	-	-	-	-	-
Net Income	7,500	7,500	16,245	201,329	287,290	379,909	474,248	570,369	668,335	773,216
Master Tenant Corporate Costs	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
MT NI after MT Corporate Costs	0	0	8,745	193,829	279,790	372,409	466,748	562,869	660,835	765,716

(1) Includes \$30,000 of fixed costs for the DST and \$60,000 of asset management fees.