

10 Year Operation Pro Forma - Without Abatement

	Year	Revenue	Expenses	Taxes	NOI
1	2028	\$ 60,000	\$ 20,000	\$ 17,264	\$ 22,736
2	2029	\$ 60,000	\$ 20,000	\$ 25,000	\$ 15,000
3	2030	\$ 60,000	\$ 20,000	\$ 25,500	\$ 14,500
4	2031	\$ 60,000	\$ 20,000	\$ 26,000	\$ 14,000
5	2032	\$ 60,000	\$ 20,000	\$ 26,500	\$ 13,500
6	2033	\$ 60,000	\$ 20,000	\$ 27,000	\$ 13,000
7	2034	\$ 60,000	\$ 20,000	\$ 27,500	\$ 12,500
8	2035	\$ 60,000	\$ 20,000	\$ 28,000	\$ 12,000
9	2036	\$ 60,000	\$ 20,000	\$ 28,500	\$ 11,500
10	2037	\$ 60,000	\$ 20,000	\$ 29,000	\$ 11,000

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10	2037	\$ 60,000	\$ 20,000	\$ 17,264	\$ 22,736

Pro Forma Assumptions

1. Rental Income - Rental income is based on an estimated lease rate of \$9.00 per square foot applied to approximately 6,600 square feet of rentable space.
2. Occupancy - The property is assumed to be stabilized at or near full occupancy upon completion.
3. Operating Expenses - Operating expenses are estimated at approximately \$20,000 annually, representing roughly 30–35% of gross revenue.
4. Property Taxes
 - Property taxes are based on the current assessed value and actual 2025 tax amount of \$17,264.
 - Without abatement, taxes are assumed to increase to approximately \$25,000 upon stabilization based on projected post-improvement value, with modest annual increases of approximately \$500 thereafter.
 - With abatement, taxes are assumed to remain near the current base level, with abatement applied to incremental value.
5. Stabilization Timing - Year 1 reflects the first full year of stabilized operations following completion of improvements.
6. Revenue and Expense Growth - Revenue and expenses are held constant for simplicity; the primary variable between scenarios is the impact of property tax abatement.
7. Ownership / Use - The property will be partially occupied by the owner, with the remaining space leased to a commercial tenant.