**MGM Leasing, LLC**

**STATEMENT OF OPERATIONS**

**10 YEAR PRO-FORMA 2014-2023**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | $ 1,191,570 | $ 1,255,701 | $ 1,323,294 | $ 1,389,459 | $ 1,458,932 | $ 1,531,878 | $ 1,608,472 | $ 1,688,896 | $ 1,773,341 | $ 1,862,008 |
| Less Bad Debt | 69,068 | 72,822 | 76,356 | 80,174 | 84,182 | 88,392 | 92,811 | 97,452 | 102,324 | 107,441 |
| **Net Revenues** | 1,122,502 | 1,182,879 | 1,246,938 | 1,309,285 | 1,374,749 | 1,443,487 | 1,515,661 | 1,591,444 | 1,671,016 | 1,754,567 |
| **Operating Expenses:** | | | | | | | | | | |
| General Administrative expenses | 20,218 | 20,591 | 20,591 | 20,591 | 25,000 | 25,000 | 25,000 | 30,000 | 30,000 | 30,000 |
| Real estate taxes | 65,000 | 70,000 | 76,000 | 80,560 | 85,394 | 90,517 | 95,948 | 101,705 | 107,807 | 114,276 |
| Insurance | 42,000 | 45,000 | 48,000 | 50,880 | 53,933 | 57,169 | 60,599 | 64,235 | 68,089 | 72,174 |
| Utilities - Direct | 302,842 | 321,200 | 331,400 | 344,656 | 358,442 | 372,780 | 387,691 | 403,199 | 419,327 | 436,100 |
| Utilities - Ryan | 79,358 | 82,000 | 85,000 | 87,000 | 89,000 | 91,000 | 93,000 | 95,000 | 97,000 | 99,000 |
| REOA Operating expense | 174,240 | 180,000 | 186,000 | 191,580 | 197,327 | 203,247 | 209,345 | 215,625 | 222,094 | 228,757 |
| Payroll and related | 96,000 | 96,000 | 96,000 | 108,000 | 108,000 | 108,000 | 120,000 | 120,000 | 120,000 | 120,000 |
| Security | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Marketing | 103,600 | 103,600 | 103,600 | 103,600 | 103,600 | 103,600 | 103,600 | 103,600 | 103,600 | 103,600 |
| Cleaning | 192,021 | 192,021 | 195,000 | 195,000 | 204,750 | 204,750 | 214,988 | 214,988 | 225,737 | 225,737 |
| Tenant TA | 96,000 | 96,000 | 96,000 | 108,000 | 108,000 | 108,000 | 120,000 | 120,000 | 120,000 | 120,000 |
| Maintenance Expenses | 102,652 | 106,479 | 105,300 | 110,565 | 116,093 | 121,898 | 127,993 | 134,392 | 141,112 | 148,168 |
| Total Operating Expenses | 1,333,931 | 1,372,891 | 1,402,891 | 1,460,432 | 1,509,539 | 1,545,961 | 1,618,163 | 1,662,744 | 1,714,766 | 1,757,811 |
| **Net Income (Loss)** | $ (211,429) | $ (190,012) | $ (155,953) | $ (151,147) | $ (134,790) | $ (102,474) | $ (102,502) | $ (71,300) | $ (43,750) | $ (3,244) |