

VILLAGE AT MAGNOLIA SHORES CONDOMINIUM TRUST
 Forecasted Income Statement
 For the Twelve Months



Proposed, estimated budget for common areas & infrastructure under jurisdiction of the trust, during the first year after the condominium has been completed, assuming all 45 homes declared.

Monthly Fee	445
Number of Homes	45
Revenues	
INCOME - CONDO FEES	240,300
Total Revenues	240,300
Expenses	
ACCOUNTING & BOOKKEEPING	2,500
RESERVES	26,500
BANK CHARGES	500
MASTER INSURANCE POLICY	30,000
UMBRELLA LIABILITY INSURANCE	14,000
DIRECTORS/OFFICERS INSURANCE	1,100
LANDSCAPING & GROUNDS KEEPING	38,000
GENERAL MAINTENANCE	7,500
MANAGEMENT FEE	12,000
OFFICE EXPENSE	1,200
R & M WATER BOOSTER STATION	5,500
R & M LAWN IRR SYSTEM	4,500
R & M SEPTIC SYSTEM	3,500
SNOW PLOWING	42,500
STREET SWEEPING	1,800
TELEPHONE EXPENSE	1,200
TRASH REMOVAL	20,520
UTIL - SEPTIC	4,900
UTIL - WATER	15,500
UTIL - WATER BOOSTER	4,900
Total Expenses	238,120
Net Income	2,180

Notes and Disclaimer

1. Unit purchasers should realize that the Seller cannot predict future common area expenses. Unit purchasers should also realize that the cost of Insurance, and the cost of maintaining the common area facilities age, and also if the Trusts or the unit owners choose to vote for items that are not on the above proposed, estimated budget for the initial year of operation.

2. The Seller, Magnolia Reach Capital, LLC shall pay a monthly condominium fee for each and every unit that has been added to the condominium but remains unsold.