

**INCOME STATEMENT (TAX BASIS)**

Sunriver Water, LLC													
	JAN-16	FEB-16	MAR-16	APR-16	MAY-16	JUN-16	JUL-16	AUG-16	SEP-16	OCT-16	NOV-16	DEC-16	Total
<b>Revenues</b>													
Other Income	7,944	1,840	1,330	2,256	6,042	5,666	-	-	-	-	-	-	25,079
Sale of Assets	3,700	-	-	-	-	-	-	-	-	-	-	-	3,700
Services	300	70	-	250	650	(300)	-	-	-	-	-	-	970
Use Fees	94,359	92,073	125,619	103,780	128,278	163,620	-	-	-	-	-	-	707,730
Allowances	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross Revenue</b>	<b>106,303</b>	<b>93,984</b>	<b>126,949</b>	<b>106,287</b>	<b>134,970</b>	<b>168,986</b>	-	-	-	-	-	-	<b>737,479</b>
<b>Payroll and Related</b>													
Administrative	6,700	6,715	7,036	6,402	6,393	6,743	-	-	-	-	-	-	39,989
Maintenance	14,351	15,386	17,827	21,696	19,259	24,441	-	-	-	-	-	-	112,961
Management	8,280	7,795	8,865	8,347	8,558	8,539	-	-	-	-	-	-	50,384
Vacation-PTO	5,794	4,571	6,551	4,769	5,495	5,079	-	-	-	-	-	-	32,260
Holiday	(390)	-	-	-	-	-	-	-	-	-	-	-	(390)
Sick Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus/Commission/Incentives	1,123	853	686	229	509	620	-	-	-	-	-	-	4,021
Health Insurance	11,574	12,187	13,436	12,866	14,995	12,818	-	-	-	-	-	-	77,878
Employee Meals	-	-	-	-	-	-	-	-	-	-	-	-	-
401k	1,908	1,273	2,768	1,296	1,098	1,895	-	-	-	-	-	-	10,238
Payroll Taxes	4,627	3,581	3,719	3,679	3,633	4,610	-	-	-	-	-	-	23,849
Workers Comp	1,537	1,717	1,418	1,730	2,581	2,209	-	-	-	-	-	-	11,193
Other Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Payroll and Related</b>	<b>55,506</b>	<b>54,080</b>	<b>62,308</b>	<b>61,013</b>	<b>62,520</b>	<b>66,955</b>	-	-	-	-	-	-	<b>362,382</b>
<b>Operating Expenses</b>													
Audit	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debts	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Building	3,830	7,660	-	3,830	3,830	-	-	-	-	-	-	-	19,150
Chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract Services	2,353	6,008	429	1,788	664	1,121	-	-	-	-	-	-	12,362
Credit Card Commissions	650	708	523	616	808	781	-	-	-	-	-	-	4,086
Dues and Subscriptions	-	-	-	940	-	113	-	-	-	-	-	-	1,053
Electrical and Mechanical	-	-	686	-	-	-	-	-	-	-	-	-	686
Electricity	7,000	1,519	3,406	3,825	5,265	7,024	-	-	-	-	-	-	28,039
Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Repair and Maintenance	513	272	42	993	741	637	-	-	-	-	-	-	3,199
Equipment-Purchase	-	288	130	90	18	-	-	-	-	-	-	-	526
Gas	14	6	6	23	7	6	-	-	-	-	-	-	62
Grounds and Landscaping	-	-	-	-	-	-	-	-	-	-	-	-	-
Guest Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
Information Technology	429	10,510	188	267	1,484	915	-	-	-	-	-	-	13,794
Legal Fees	90	160	416	-	508	-	-	-	-	-	-	-	1,174
Licenses and Permits	103	220	5,062	30	446	-	-	-	-	-	-	-	5,861
Locks and Keys	3	-	-	-	-	-	-	-	-	-	-	-	3
Management Fee	14,568	14,568	14,568	14,568	14,568	14,568	-	-	-	-	-	-	87,409
Personnel-Development	610	986	-	-	106	133	-	-	-	-	-	-	1,835
Personnel-Motivation	-	-	62	-	-	-	-	-	-	-	-	-	62
Postage and Overnight Mail	2,328	1,788	1,803	2,862	1,813	1,775	-	-	-	-	-	-	12,369
Supplies-Cleaning	-	-	-	51	8	-	-	-	-	-	-	-	58
Supplies-Office	66	30	68	50	58	15	-	-	-	-	-	-	288
Supplies-Operating	810	1,049	2,972	324	2,187	1,395	-	-	-	-	-	-	8,736
Supplies-Printing and Stationery	-	42	-	0	-	-	-	-	-	-	-	-	42
Telecommunications	202	449	650	613	923	548	-	-	-	-	-	-	3,383
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
Uniforms	48	151	523	223	318	151	-	-	-	-	-	-	1,414
Vehicle	3,817	1,362	2,769	4,552	1,913	1,860	-	-	-	-	-	-	16,273
Water	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>37,431</b>	<b>47,775</b>	<b>34,304</b>	<b>35,647</b>	<b>35,666</b>	<b>31,040</b>	-	-	-	-	-	-	<b>221,863</b>
<b>Gross Operating Income</b>	<b>13,366</b>	<b>(7,871)</b>	<b>30,337</b>	<b>9,626</b>	<b>36,784</b>	<b>70,991</b>	-	-	-	-	-	-	<b>153,233</b>
<b>Fixed Charges</b>													
Assessments	-	-	-	-	-	693	-	-	-	-	-	-	693
Equipment-Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	1,783	2,013	2,013	2,276	2,276	2,276	-	-	-	-	-	-	12,637
Owners Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes	4,909	4,909	4,909	4,909	4,909	4,909	-	-	-	-	-	-	29,454
<b>Total Fixed Charges</b>	<b>6,692</b>	<b>6,922</b>	<b>6,922</b>	<b>7,185</b>	<b>7,185</b>	<b>7,878</b>	-	-	-	-	-	-	<b>42,784</b>
<b>Net Operating Income Before Reserve</b>	<b>6,675</b>	<b>(14,793)</b>	<b>23,415</b>	<b>2,441</b>	<b>29,599</b>	<b>63,113</b>	-	-	-	-	-	-	<b>110,449</b>
Replacement Reserves	4,252	3,759	5,078	4,251	5,399	6,759	-	-	-	-	-	-	29,499
<b>Net Operating Income after Reserve</b>	<b>2,422</b>	<b>(18,553)</b>	<b>18,337</b>	<b>(1,810)</b>	<b>24,200</b>	<b>56,353</b>	-	-	-	-	-	-	<b>80,950</b>
Add Back Replacement Reserves	4,252	3,759	5,078	4,251	5,399	6,759	-	-	-	-	-	-	29,499
<b>Net Operating Income</b>	<b>6,675</b>	<b>(14,793)</b>	<b>23,415</b>	<b>2,441</b>	<b>29,599</b>	<b>63,113</b>	-	-	-	-	-	-	<b>110,449</b>
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	22,966	22,966	22,966	22,966	22,966	22,966	-	-	-	-	-	-	137,796
<b>Net Income</b>	<b>(16,291)</b>	<b>(37,759)</b>	<b>449</b>	<b>(20,525)</b>	<b>6,633</b>	<b>40,147</b>	-	-	-	-	-	-	<b>(27,347)</b>

## Consolidated Balance Sheet

### Sunriver Water, LLC

	JAN-16	FEB-16	MAR-16	APR-16	MAY-16	JUN-16	JUL-16	AUG-16	SEP-16	OCT-16	NOV-16	DEC-16	Change	DEC-15
Cash	(2,163)	(21,923)	(19,155)	(22,357)	(11,924)	(6,360)	(6,360)	(6,360)	(6,360)	(6,360)	(6,360)	(6,360)	16,203	(22,562)
Working Capital	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	0	84,351
Accounts Receivable	20	20	20	(80)	(80)	(80)	(80)	(80)	(80)	(80)	(80)	(80)	(100)	20
Inventories	32,341	35,755	63,332	74,483	73,127	70,224	70,224	70,224	70,224	70,224	70,224	70,224	35,662	34,563
Prepaid Expenses	43,413	41,400	39,388	56,991	54,715	52,439	52,439	52,439	52,439	52,439	52,439	52,439	7,243	45,196
<b>Total Current Assets</b>	<b>157,962</b>	<b>139,603</b>	<b>167,935</b>	<b>193,389</b>	<b>200,188</b>	<b>200,574</b>	<b>200,574</b>	<b>200,574</b>	<b>200,574</b>	<b>200,574</b>	<b>200,574</b>	<b>200,574</b>	<b>59,007</b>	<b>141,567</b>
Land	247,915	247,915	247,915	247,915	247,915	247,915	247,915	247,915	247,915	247,915	247,915	247,915	0	247,915
Building	228,340	228,340	228,340	228,340	228,340	228,340	228,340	228,340	228,340	228,340	228,340	228,340	0	228,340
Furniture, Fixtures, & Equip	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	2,027,011	0	2,027,011
Leasehold Improvements	6,299,440	6,299,686	6,300,407	6,300,406	6,300,951	6,301,169	6,301,169	6,301,169	6,301,169	6,301,169	6,301,169	6,301,169	1,729	6,299,440
Construction in Progress	(330)	24,543	36,767	43,160	55,297	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	0
Accumulated Depreciation	(5,529,353)	(5,552,319)	(5,575,285)	(5,598,251)	(5,621,217)	(5,644,183)	(5,644,183)	(5,644,183)	(5,644,183)	(5,644,183)	(5,644,183)	(5,644,183)	(137,796)	(5,506,387)
<b>Total Other Assets</b>	<b>3,273,022</b>	<b>3,275,176</b>	<b>3,265,155</b>	<b>3,248,581</b>	<b>3,238,297</b>	<b>3,223,918</b>	<b>3,223,918</b>	<b>3,223,918</b>	<b>3,223,918</b>	<b>3,223,918</b>	<b>3,223,918</b>	<b>3,223,918</b>	<b>(72,400)</b>	<b>3,296,319</b>
<b>Total Assets</b>	<b>3,430,984</b>	<b>3,414,779</b>	<b>3,433,091</b>	<b>3,441,970</b>	<b>3,438,486</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>(13,393)</b>	<b>3,437,886</b>
<b>Liabilities</b>														
Accounts Payable	5,010	9,952	21,277	5,466	6,783	1,980	1,980	1,980	1,980	1,980	1,980	1,980	(7,920)	9,900
Accrued Expenses	31,843	31,843	31,843	31,843	31,843	31,843	31,843	31,843	31,843	31,843	31,843	31,843	0	31,843
Property Taxes Accrued	4,909	9,818	14,727	19,636	24,545	29,454	29,454	29,454	29,454	29,454	29,454	29,454	29,454	0
<b>Total Liabilities</b>	<b>41,762</b>	<b>51,613</b>	<b>67,847</b>	<b>56,945</b>	<b>63,171</b>	<b>63,277</b>	<b>63,277</b>	<b>63,277</b>	<b>63,277</b>	<b>63,277</b>	<b>63,277</b>	<b>63,277</b>	<b>21,534</b>	<b>41,743</b>
<b>Equity</b>														
Original Equity Contribution	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	3,320,708	0	3,320,708
Owners (Distributions)/Contributions	202,540	214,244	215,872	256,178	239,835	185,590	185,590	185,590	185,590	185,590	185,590	185,590	(7,580)	193,170
Working Capital	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	84,351	0	84,351
Retained Earnings	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(202,086)	(960,531)	758,445
Current Year Income/(Loss)	(16,291)	(54,051)	(53,602)	(74,127)	(67,494)	(27,347)	(27,347)	(27,347)	(27,347)	(27,347)	(27,347)	(27,347)	933,184	(960,531)
<b>Total Equity</b>	<b>3,389,222</b>	<b>3,363,166</b>	<b>3,365,244</b>	<b>3,385,025</b>	<b>3,375,314</b>	<b>3,361,216</b>	<b>3,361,216</b>	<b>3,361,216</b>	<b>3,361,216</b>	<b>3,361,216</b>	<b>3,361,216</b>	<b>3,361,216</b>	<b>(34,927)</b>	<b>3,396,143</b>
<b>Total Liabilities &amp; Equity</b>	<b>3,430,984</b>	<b>3,414,779</b>	<b>3,433,091</b>	<b>3,441,970</b>	<b>3,438,486</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>3,424,493</b>	<b>(13,393)</b>	<b>3,437,886</b>

