

SAMPLE PROPERTY, LLC

MONTHLY INVESTMENT REPORT NOVEMBER 2009



SAMPLE PROPERTY, LLC

ST. PAUL, MN

MARKET RATE - 70 UNITS



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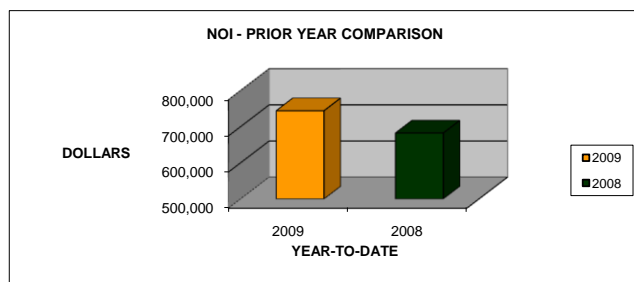
The information contained in this Report is strictly confidential. Vision Quest Property Management makes no warranties or representations with respect to the future financial performance of the investment or the valuation of the investment in the marketplace.



OPERATIONS SUMMARY

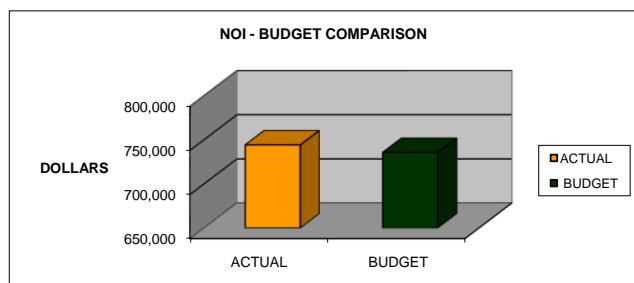
PRIOR YEAR COMPARISON

	<u>YTD 2009</u>	<u>YTD 2008</u>	<u>% CHANGE</u>
TOTAL REVENUE	1,059,816	1,008,027	5.1%
TOTAL OPERATING EXPENSES	-250,510	-262,766	-4.7%
REAL ESTATE TAXES	-65,217	-62,904	3.7%
*NOI	744,089	682,357	9.0%



BUDGET COMPARISON

<u>ANNUAL BUDGET 2009</u>		<u>YTD ACTUAL 2009</u>	<u>YTD BUDGET 2009</u>	<u>% VARIANCE</u>
1,161,543	TOTAL REVENUE	1,059,816	1,057,004	0.3%
-281,567	TOTAL OPERATING EXPENSES	-250,510	-256,225	-2.2%
-71,668	REAL ESTATE TAXES	-65,217	-65,217	0.0%
808,308	*NOI	744,089	735,562	1.2%



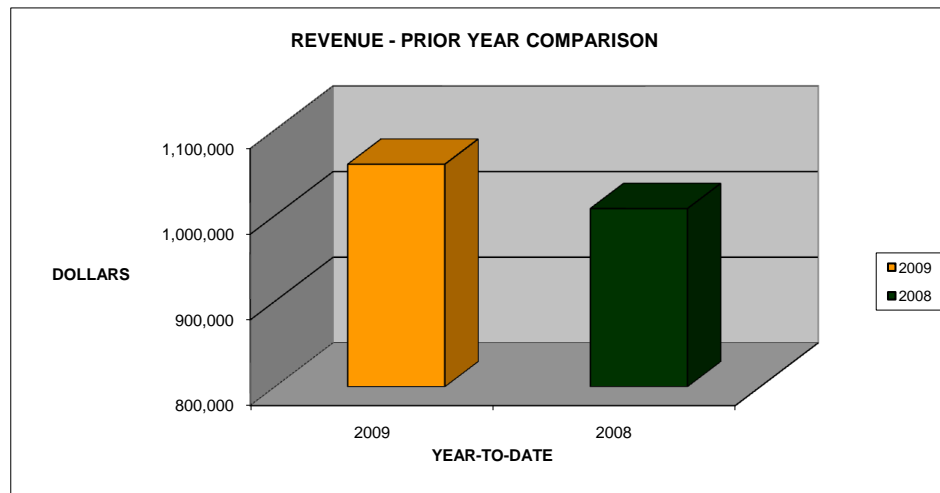
* NOI is defined as earnings before interest, depreciation and amortization.

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REVENUE

	Y-T-D 2009	Y-T-D 2008	% CHANGE
GROSS MARKET RENT	1,032,379	994,353	3.8%
GARAGE RENTAL	42,380	41,608	1.9%
STORAGE RENTAL	9,786	9,450	3.6%
RENTAL CONCESSIONS	-12,282	-16,010	-23.3%
RENTAL VACANCY	-25,069	-33,213	-24.5%
GARAGE VACANCY	-3,428	-3,500	-2.1%
NET RENTAL INCOME	1,043,766	992,688	5.1%
OTHER INCOME	16,050	15,339	4.6%
TOTAL INCOME	1,059,816	1,008,027	5.1%



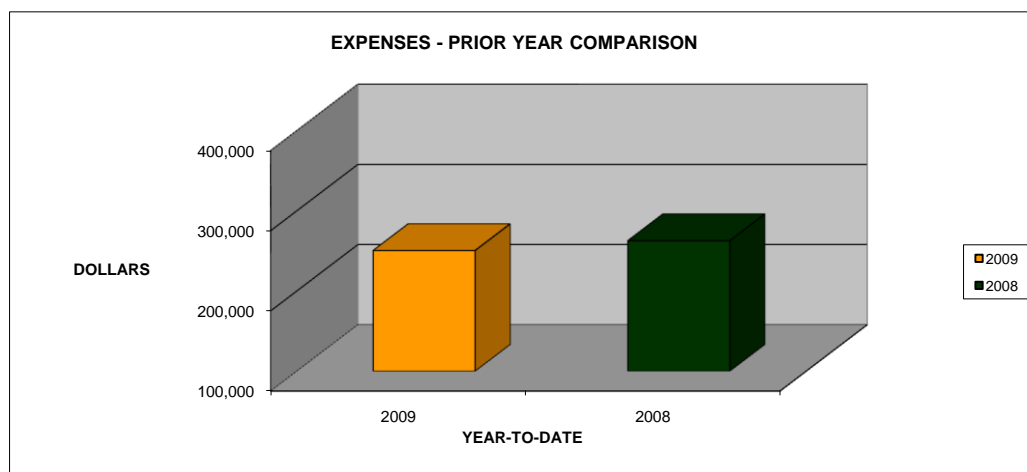
- * Gross Market Rent has increased 3.8%, which is in line with projections.
- * Rental Concessions have decreased 23.3% when compared to 2008. This is due to the fact that vacancies are decreasing, which enables management to recapture concession dollars.
- * Rental Vacancies have decreased 24.5%. This can be attributed to a strengthening rental market in the seniors housing industry, as well as an increase in advertising efforts by management.

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EXPENSES

	<u>Y-T-D 2009</u>	<u>Y-T-D 2008</u>	<u>% CHANGE</u>
REPAIR EXPENSES	18,434	19,475	-5.3%
UTILITIES EXPENSES	54,920	59,170	-7.2%
SERVICE MAINTENANCE EXPENSES	19,625	20,371	-3.7%
MARKETING EXPENSES	6,939	7,611	-8.8%
ADMINISTRATIVE EXPENSES	12,983	14,401	-9.8%
PAYROLL EXPENSES	69,545	75,515	-7.9%
MANAGEMENT FEES	52,991	50,397	5.1%
INSURANCE EXPENSE	<u>15,073</u>	<u>15,826</u>	<u>-4.8%</u>
TOTAL OPERATING EXPENSES	<u>250,510</u>	<u>262,766</u>	<u>-4.7%</u>



- * HVAC repairs are \$1,150 under budget, which is reflected in the 5.3% decrease in Repair Expenses.
- * Common area heating costs are down \$4,100 from 2008, which is reflected in the 7.2% decrease in Utility Expenses.
- * Administrative Expenses are down 9.8%, mainly due to the fact that accounting fees have decreased \$950.
- * Payroll Expenses have decreased 7.9%. A decrease in maintenance payroll by \$5,100 in 2009 has had the most profound impact on this line item.
- * Management fees are calculated as 5% of total income. Total income has grown 5.1%, so management fees have increased at the same rate.

SUPPLEMENTARY INFORMATION

SAMPLE PROPERTY LLC
 SUPPLEMENTARY INFORMATION
 ON-SITE MANAGER:
 JOHN DOE

SAMPLE PROPERTY LLC

DATE: 11/30/2009

OCCUPANCY STATUS

APT. TYPE	MARKET RENT	# OF APTS.	UNITS OCCUP.	UNITS VACANT	NOTICES TO VACATE	RESERVED UNITS	NEED TO RENT	% OCCUP.	% VACANT	% NEED TO RENT
1 BED	726 - 750	17	17	0	1	0	1	100%	0%	6%
2 BED	860 - 898	35	35	0	2	2	0	100%	0%	0%
3 BED	1002 - 1270	18	16	2	1	1	2	89%	11%	11%
TOTAL		70	68	2	4	3	3	97%	3%	4%

UNIT RENT COLLECTION STATUS

GROSS POTENTIAL	CONCESSION DOLLARS	VACANT UNITS	VACANT DOLLARS	% VACANT DOLLARS	ACTUAL REVENUE	% COLLECTED	LATE RENT \$	% LATE RENT \$
93,853	1,117	2	2,279	2.4%	90,457	98.9%	975	1.1%

GARAGE AND STORAGE COLLECTION

GROSS POTENTIAL	CONCESSION DOLLARS	VACANT UNITS	VACANT DOLLARS	% VACANT DOLLARS	ACTUAL REVENUE	% COLLECTED	LATE RENT \$	% LATE RENT \$
3,853	0	7	312	8.1%	3,541	98.7%	45	1.3%

MARKETING RESPONSE

SOURCE	PHONE CALLS	APPOINTMENTS MADE	SHOWN	DEPOSITS RECEIVED	MOVE INS
DRIVE BY - SIGNAGE	7	5	5	0	0
MNSENIORHOUSING.COM	2	1	1	1	1
NEWSPAPER	9	6	5	1	0
RENT.COM	2	1	0	0	0
RESIDENT REFERRAL	2	2	2	1	0
SENIOR HOUSING GUIDE	1	1	1	0	0
OTHER					
TOTAL	23	16	14	3	1

RENEWAL ACTIVITY

UNIT	TYPE	MOVE-IN DATE	MAINT.	PAINT	CLEAN	CARPET	VINYL	EST. TURNOVER COST
100	3 bedroom	11/30/2009	X	X	X	X	X	0
115	3 bedroom		X	X	X	X	X	0
209	1 Bedroom		180	140	100	920	775	2,115
312	3 bedroom		220	165	140	X	X	525

ESTIMATED TURNOVER COSTS

	MAINT.	PAINT	CLEAN	CARPET	VINYL	TOTAL
1 BED	180	140	100	920	775	2,115
2 BED	190	160	125	1,075	825	2,375
3 BED	220	165	140	1,450	905	2,880

SAMPLE PROPERTY LLC
 SUPPLEMENTARY INFORMATION
 ON-SITE MANAGER:
 JOHN DOE

SAMPLE PROPERTY LLC

DATE: 11/30/2009

PROJECTED

OCCUPANCY TREND													
CATEGORY	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	AVERAGE
BEGINNING OCCUPIED	67	67	66	66	67	66	66	66	67	67	68	68	66.8
MOVE-INS	0	0	0	3	0	0	0	1	0	1	1	2	0.7
MOVE-OUTS	0	1	0	2	1	0	0	0	0	0	1	1	0.5
UNITS OCCUPIED	67	66	66	67	66	66	66	67	67	68	68	69	66.9
PERCENT OCCUPIED	95.7%	94.3%	94.3%	95.7%	94.3%	94.3%	94.3%	95.7%	95.7%	97.1%	97.1%	98.6%	95.6%

OCCUPANCY TREND													
CATEGORY	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	AVERAGE
BEGINNING OCCUPIED	69	69											69.0
MOVE-INS	1	1											1.0
MOVE-OUTS	1	0											0.5
UNITS OCCUPIED	69	70											69.5
PERCENT OCCUPIED	98.6%	100.0%											99.3%

**SAMPLE PROPERTY LLC
SUPPLEMENTARY INFORMATION
ON-SITE MANAGER:
JOHN DOE**

SAMPLE PROPERTY LLC

November 30, 2009

OCCUPANCY	
TOTAL NUMBER OF UNITS	70
OCCUPIED UNITS - AS OF END OF LAST MONTH	68
MOVE-INS THIS MONTH	1
MOVE-OUTS THIS MONTH	1
OCCUPIED UNITS - AS OF END OF THIS MONTH	68
CURRENT OCCUPANCY PERCENTAGE	97.1%
TOTAL NUMBER OF VACANT UNITS	2
TOTAL NUMBER OF NOTICES TO VACATE	4
TOTAL NUMBER OF RESERVATIONS	3
NUMBER OF UNITS THAT NEED TO BE RENTED	3
"MARKET READY" VACANT UNITS	4

MARKETING	
PHONE CALLS RECEIVED THIS MONTH	23
PHYSICAL TRAFFIC / TOURS THIS MONTH	14
UNITS RENTED THIS MONTH	3

LEASING	
CURRENT RESIDENTS THAT ARE "MONTH-TO-MONTH"	0
LEASES THAT EXPIRED THIS MONTH	10
LEASE RENEWALS SIGNED THIS MONTH	9
LEASES THAT EXPIRE NEXT MONTH	5

**SAMPLE PROPERTY, LLC
FINANCIAL STATEMENTS
FOR THE MONTH ENDED NOVEMBER 30, 2009**

**SAMPLE PROPERTY LLC
BALANCE SHEET (ACCRUAL)
FOR THE MONTH ENDED NOVEMBER 30, 2009**

ASSETS

CURRENT ASSETS

CASH

Cash - Operating Checking Account	42,815.04
Cash - Savings Account	91,902.50
TOTAL CASH	134,717.54
Prepaid Insurance	15,655.69
Escrow - RE Tax & Insurance	22,506.19

TOTAL CURRENT ASSETS 172,879.42

PROPERTY AND EQUIPMENT

Land	330,600.00
Land Improvements	269,475.00
Buildings	5,215,992.00
Building Improvements	8,207.20
Personal Property	682,476.20

TOTAL PROPERTY AND EQUIPMENT 6,506,750.40

Less Accumulative Depreciation -821,614.91

NET PROPERTY AND EQUIPMENT 5,685,135.49

OTHER ASSETS

Cash Reserve - Repair & Replacement	145,652.50
Financing Costs	105,282.00
Accum Amort - Finance Costs	-28,071.35

TOTAL OTHER ASSETS 222,863.15

TOTAL ASSETS 6,080,878.06

**SAMPLE PROPERTY LLC
BALANCE SHEET (ACCRUAL)
FOR THE MONTH ENDED NOVEMBER 30, 2009**

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts Payable	19,565.17
Accrued Real Estate Taxes	60,980.00
Accrued Interest Payable	34,246.27
Tenant Deposits	75,502.00
Parking Deposit	3,849.50
Interest on Tenant Deposits	5,614.82

TOTAL CURRENT LIABILITIES 199,757.76

LONG TERM LIABILITIES

Mortgage Payable - Bank Mutual	5,414,157.48
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TOTAL LONG TERM LIABILITIES 5,414,157.48

TOTAL LIABILITIES 5,613,915.24

CAPITAL

Capital - General Parnters'	366,297.06
Retained Earnings	100,665.76

TOTAL CAPITAL 466,962.82

TOTAL LIABILITIES & CAPITAL 6,080,878.06

**SAMPLE PROPERTY LLC
BUDGET COMPARISON (ACCRUAL)
FOR THE MONTH ENDED NOVEMBER 30, 2009**

	MTD Actual	MTD Budget	\$ Var.	% Var.	YTD Actual	YTD Budget	\$ Var.	% Var.	Annual
INCOME									
RENT INCOME									
Gross Market Rent	93,853	93,700	153	0.16%	1,032,379	1,031,800	579	0.06%	1,132,539
Garage Rental	3,853	3,850	3	0.07%	42,380	41,965	415	0.99%	45,950
Storage Rental	890	875	15	1.67%	9,786	9,538	249	2.61%	10,412
Less: Rental Concessions	-1,117	-1,450	333	-23.00%	-12,282	-12,472	190	-1.52%	-13,922
Less: Rental Vacancy	-2,279	-4,675	2,396	-51.25%	-25,069	-25,500	431	-1.69%	-27,350
Less: Garage Vacancy	-312	-400	88	-22.09%	-3,428	-3,700	272	-7.35%	-3,800
NET RENTAL INCOME	94,888	91,900	2,988	3.25%	1,043,766	1,041,631	2,136	0.21%	1,143,829
OTHER INCOME									
Move Out Charges	131	125	6	4.51%	1,437	1,363	75	5.47%	1,650
Laundry Income	1,174	1,100	74	6.76%	12,918	12,485	433	3.47%	14,200
Interest Income	22	15	7	43.64%	237	164	74	44.95%	245
NSF Fees	8	10	-2	-18.18%	90	109	-19	-17.43%	119
Late Fee	124	115	9	8.14%	1,368	1,254	115	9.13%	1,500
TOTAL OTHER INCOME	1,459	1,365	94	6.89%	16,050	15,374	677	4.40%	17,714
TOTAL INCOME	96,347	93,265	3,082	3.30%	1,059,816	1,057,004	2,812	0.27%	1,161,543
EXPENSES									
REPAIR EXPENSES									
Appliance Repairs	321	325	-4	-1.29%	3,529	3,543	-14	-0.38%	3,863
General Supplies	234	275	-41	-14.88%	2,575	2,998	-423	-14.10%	3,232
Electrical - Supplies	32	25	7	29.82%	357	273	85	31.01%	305
Carpet & Flooring Repairs	19	25	-6	-23.64%	210	273	-63	-22.94%	292
Repair - Exterior	0	10	-10	-100.00%	0	109	-109	-100.00%	109
R & M - Elevator	59	45	14	30.30%	645	491	155	31.50%	549
R & M - Plumbing	71	80	-9	-10.80%	785	872	-87	-9.98%	943
R & M - HVAC	150	225	-75	-33.13%	1,655	2,453	-798	-32.52%	2,603
Equipment Repair	25	20	5	25.00%	275	218	57	26.15%	243
Painting	41	45	-4	-9.09%	450	491	-41	-8.26%	531
Repairs & Maintenance	205	300	-95	-31.58%	2,258	3,270	-1,012	-30.95%	3,475
Window Cleaning	116	135	-19	-13.94%	1,278	1,472	-194	-13.15%	1,588
Carpet Cleaning	124	145	-21	-14.29%	1,367	1,581	-214	-13.51%	1,705
Cleaning Supplies	109	125	-16	-12.73%	1,200	1,363	-163	-11.93%	1,472
Painting Supplies	66	75	-9	-12.12%	725	818	-93	-11.31%	883
Painting - Turnover	102	95	7	7.66%	1,125	1,036	90	8.64%	1,138
TOTAL REPAIR EXPENSES	1,676	1,950	-274	-14.06%	18,434	21,255	-2,821	-13.27%	22,931
UTILITIES EXPENSES									
Electricity - Commons Area	2,045	2,350	-305	-12.96%	22,500	26,085	-3,585	-13.74%	28,130
Electricity - Vacant Units	105	145	-40	-27.35%	1,159	1,610	-451	-28.00%	1,715
Gas - Commons Area	1,717	2,125	-408	-19.22%	18,883	23,588	-4,705	-19.94%	25,304
Water	510	500	10	2.05%	5,613	5,550	63	1.13%	6,060
Sewer	615	630	-15	-2.37%	6,766	6,993	-227	-3.25%	7,608
TOTAL UTILITIES EXPENSES	4,993	5,750	-757	-13.17%	54,920	63,825	-8,905	-13.95%	68,818
SERVICE MAINTENANCE EXPENSES									
Elevator Maintenance	214	235	-21	-9.09%	2,350	2,562	-212	-8.26%	2,775
Maintenance Contracts	140	165	-25	-14.88%	1,545	1,799	-254	-14.10%	1,939
Exterminating	66	70	-4	-5.84%	725	763	-38	-4.98%	829
Fire Protection	68	65	3	4.20%	745	709	37	5.15%	776
Monitoring System	78	70	8	11.04%	855	763	92	12.06%	841
Rubbish Removal	203	225	-22	-9.70%	2,235	2,453	-218	-8.87%	2,656
Security Service	159	165	-6	-3.58%	1,750	1,799	-49	-2.70%	1,958
Landscaping - Contract	477	495	-18	-3.67%	5,245	5,396	-151	-2.79%	5,872
Landscaping - Supplies	164	155	9	5.57%	1,800	1,690	111	6.54%	1,853
Snow Removal	193	205	-12	-5.76%	2,125	2,235	-110	-4.90%	2,428
Parking Lot	23	20	3	13.64%	250	218	32	14.68%	241
TOTAL SERVICE MAINTENANCE EXPENSES	1,784	1,870	-86	-4.59%	19,625	20,383	-758	-3.72%	22,167

**SAMPLE PROPERTY LLC
BUDGET COMPARISON (ACCRUAL)
FOR THE MONTH ENDED NOVEMBER 30, 2009**

	MTD Actual	MTD Budget	\$ Var.	% Var.	YTD Actual	YTD Budget	\$ Var.	% Var.	Annual
MARKETING EXPENSES									
Advertising - Newspaper	284	330	-46	-13.91%	3,125	3,663	-538	-14.69%	3,947
Advertising - Staffing	23	50	-27	-53.64%	255	555	-300	-54.05%	578
Advertising - Signage	68	75	-7	-9.70%	745	833	-88	-10.51%	900
Advertising & Promotion	11	5	6	127.27%	125	56	70	125.23%	67
Residents Relations	244	275	-31	-11.11%	2,689	3,053	-364	-11.91%	3,297
TOTAL MARKETING EXPENSES	631	735	-104	-14.17%	6,939	8,159	-1,220	-14.95%	8,789
ADMINISTRATIVE EXPENSES									
Office Supplies	120	110	10	9.50%	1,325	1,199	126	10.51%	1,319
Employee Training & Seminars	50	95	-45	-47.85%	545	1,036	-491	-47.37%	1,085
Membership & Dues	36	50	-14	-28.18%	395	545	-150	-27.52%	581
Office Equipment & Furniture	45	75	-30	-40.61%	490	818	-328	-40.06%	862
Equipment Rental	13	25	-12	-47.27%	145	273	-128	-46.79%	286
Computer Consulting	70	95	-25	-26.79%	765	1,036	-271	-26.12%	1,105
Telephone	209	225	-16	-7.07%	2,300	2,453	-153	-6.22%	2,662
Telephone - Cell	80	95	-15	-16.27%	875	1,036	-161	-15.50%	1,115
Internet Service	88	135	-47	-34.81%	968	1,472	-504	-34.22%	1,560
Postage	15	20	-5	-25.00%	165	218	-53	-24.31%	233
Accounting	233	265	-32	-12.01%	2,565	2,889	-324	-11.20%	3,122
Legal Fees & Collections	53	72	-19	-26.50%	585	789	-204	-25.83%	842
Taxes & Licenses	30	50	-20	-39.09%	335	545	-210	-38.53%	575
Software Maintenance	78	80	-2	-2.84%	855	872	-17	-1.95%	950
MN Franchise Fee	27	35	-8	-22.08%	300	382	-82	-21.36%	409
Travel/Mileage Reimbursement	29	20	9	43.18%	315	218	97	44.50%	247
Meals & Entertainment	5	10	-5	-50.00%	55	109	-54	-49.54%	114
TOTAL ADMINISTRATIVE EXPENSES	1,180	1,457	-277	-19.01%	12,983	15,885	-2,902	-18.27%	17,065
PAYROLL EXPENSE									
Site Manager Salaries	3,023	3,450	-427	-12.37%	33,255	38,295	-5,040	-13.16%	41,318
Office Manager Payroll Taxes	245	280	-35	-12.50%	2,695	3,108	-413	-13.29%	3,353
Office Manager Workers Compensator	133	175	-42	-24.16%	1,460	1,943	-483	-24.84%	2,075
Office Manager Benefits	88	140	-52	-37.34%	965	1,554	-589	-37.90%	1,642
Maintenance Salaries	2,455	2,965	-510	-17.22%	27,000	32,912	-5,912	-17.96%	35,366
Maintenance Payroll Taxes	200	265	-65	-24.70%	2,195	2,942	-747	-25.38%	3,141
Maintenance Workers Compensations	108	165	-57	-34.44%	1,190	1,832	-642	-35.03%	1,940
Maintenance Benefits	71	115	-44	-37.94%	785	1,277	-492	-38.50%	1,348
TOTAL PAYROLL	6,322	7,555	-1,233	-16.32%	69,545	83,861	-14,316	-17.07%	90,183
Management Fees	4,817	4,800	17	0.36%	52,991	52,800	191	0.36%	57,617
Insurance Expense	1,370	1,400	-30	-2.14%	15,073	15,400	-327	-2.12%	16,770
TOTAL OPERATING EXPENSES	22,773	25,517	-2,744	-10.75%	250,510	281,567	-31,057	-11.03%	304,341
NET INCOME FROM OPERATIONS	73,574	67,748	5,826	8.60%	809,306	775,437	33,869	4.37%	849,010
OTHER INCOME & (EXPENSES)									
Real Estate Taxes	-5,929	-5,929	0	0.00%	-65,217	-65,217	0	0.00%	-71,668
1st Mortgage Interest	-28,490	-28,490	0	0.00%	-313,386	-313,386	0	0.00%	-341,876
Depreciation Expense	-15,414	-15,414	0	0.00%	-169,553	-169,553	0	0.00%	-184,967
Amortization Expenses	-1,305	-1,305	0	0.00%	-14,350	-14,350	0	0.00%	-15,654
NET INCOME (LOSS)	22,436	16,610	5,826	35.08%	246,799	212,931	33,868	15.91%	234,845