

**5769 - 201A Street, Langley, BC
Victoria Court
Current Statement of Operations
(Annualized as of May 2004)**

REVENUE			
Commercial Rental Income	* \$10,852.32 x 12 months	\$ 130,227.84	
No Vacancy Allowance	0%	\$ -	
		\$ 130,227.84	\$ 130,227.84
Residential Rental Income	\$11,400 x 12 months	\$ 136,800.00	
Less Vacancy Allowance 2.5%		\$ (3,420.00)	
		\$ 133,380.00	\$ 133,380.00
EFFECTIVE GROSS INCOME			\$ 263,607.84
Less Expenses (based on actual 2003)			\$ (132,060.00)
NET OPERATING INCOME			\$ 131,547.84

Notes: - The expenses are \$11,134 higher to reflect the non-recovery of expenses that would normally be paid by the Tenant in Suite #169 (2,062 sq. ft. x \$5.40 = \$11,134).

* - Actual basic monthly rent	\$ 8,014.08
- Actual recoveries	\$ <u>2,838.24</u>
	\$10,852.32

**5769 - 201A Street, Langley, BC
Victoria Court
2004 Income and Expense Statement
(Assumes Complex Fully Occupied)**

REVENUE			
Commercial Rental Income	* \$14,221.48 x 12 mo	\$ 170,657.76	
Less Vacancy Allowance 4%		<u>\$ (6,826.31)</u>	
		\$ 163,831.45	\$ 163,831.45
Residential Rental Income	\$11,400 x 12 mo.	\$ 136,800.00	
Less Vacancy Allowance 2.5%		<u>\$ (3,420.00)</u>	
		\$ 133,380.00	\$ 133,380.00
EFFECTIVE GROSS INCOME			\$ 297,211.45
Less Expenses (based on actual 2003)			<u>\$ (120,926.00)</u>
NET OPERATING INCOME (projected)			<u><u>\$ 176,285.45</u></u>

- Notes:**
- Commercial income includes recovery (2004 estimate) \$49,744.80 (\$5.40 sq. ft. x 9,212 sq. ft.)
 - * - Assumes vacant unit #169 leased at \$12.00/sq. ft. year 1.
 - Income fully leased triple net \$ 120,912.96
 - Recoveries \$ 49,744.80
 - Total Income incl. recoveries \$ 170,657.76

**5769 - 201A Street, Langley, BC
Victoria Court
September 2004 Rent Roll**

Suite #	Type	Rent	Move In Date
1	2 Bedroom	\$ 875.00	Feb. 1/04
2	2 Bedroom	\$ 950.00	Oct. 1/04
3	2 Bedroom	\$ 875.00	Oct. 1/04
4	2 Bedroom	\$ 850.00	Aug. 1/96
5	2 Bedroom	\$ 875.00	Aug. 15/04
6	2 Bedroom	\$ 875.00	May 1/03
7	2 Bedroom	\$ 850.00	June 1/02
8	2 Bedroom	\$ 850.00	May 1/95
9	2 Bedroom	\$ 875.00	Nov. 1/03
10	2 Bedroom	\$ 850.00	Feb. 1/98
11	2 Bedroom	\$ 900.00	Feb. 1/03
12	2 Bedroom	\$ 875.00	May 1/03
14	2 Bedroom	\$ 900.00	Mar. 1/93
		<u>\$ 11,400.00</u>	
		\$11,400 x 12 = \$136,800.00	

Note: All suites are two bedroom, two level suites approx. 1,200 sq. ft.

Suite #	Commercial Tenants	Sq. Ft.	Start Date	Expiry Date	Term	Renewal Option	Rental Increase Date	Rent Per Sq. Ft.	Annual Rent	Triple Net
110	The Arthritis Soc., BC & Yukon Div.	3,166	Sept. 1/03	Aug. 31/08	5 yr.	5 yr.	4 th & 5 th yr.	\$11.50	\$36,409.00	Yes
112	Katcam Education Centre Ltd.	732	Aug. 1/04	Aug. 31/07	37 mo.	3 yr.	none	\$15.00	\$10,980.00	Yes
120	Logan Massage Therapy Clinic	706	July 11/02	Aug. 31/05	36 mo. + 20 days	3 yr.	none	\$15.00	\$10,590.00	Yes
130	SPC Vander Molen Ltd. & Len Lulthuis Ltd.	1,226	Mar. 1/04	Feb. 28/07	3 yr.	3 yr.	none	\$15.00	\$18,390.00	Yes
140	Freedom Financial Planning Inc.	660	July 1/04	June 30/06	2 yr.	2 yr.	none	\$15.00	\$ 9,900.00	Yes
150	Brian Parkinson Ins. Agency Ltd.	660	July 1/04	June 30/05	1 yr.	2 yr.	none	\$15.00	\$ 9,900.00	Yes
169	Vacant	<u>2,062</u>	-	-	-	-	-	\$12.00	-	-
TOTAL		<u>9,212</u>					TOTAL ANNUAL RENTS AS OF SEPT. 2004		<u>\$96,169.00</u>	

- Notes:**
- 1) All above commercial tenants are subject to common costs. In 2004, it is estimated to be \$5.40 per sq. ft.
 - 2) Re suite #110:
 - As of August 1/06 4th year rent increases to \$39,575.00 per annum (\$12.50 sq. ft.)
 - As of August 1/07 5th year rent increases to \$41,158.00 per annum (\$13.00 sq. ft.)

**5769 - 201A Street, Langley, BC
Victoria Court
Income Statement Including Recoveries & GST**

Suite #	Commercial Tenants	Sq. ft.	Basic	Common	Sq. Ft.	GST	Total
110	The Arthritis Soc., BC & Yukon Div.	3,166	\$ 3,034.08	\$ 1,358.74	@ \$ 5.15	\$ 307.49	\$ 4,700.31
112	Katcam Education Centre Ltd.	732	\$ 915.00	\$ 333.67	@ \$ 5.47	\$ 87.41	\$ 1,336.08
120	Logan Massage Therapy Clinic	706	\$ 882.50	\$ 235.33	@ \$ 4.00	\$ 78.25	\$ 1,196.08
130	S.P.C. Vander Molen Ltd. & Ken Lulthuis Ltd.	1,226	\$ 1,532.50	\$ 467.50	@ \$ 4.58	\$ 140.00	\$ 2,140.00
140	Freedom Financial Planning Inc.	660	\$ 825.00	\$ 220.00	@ \$ 4.00	\$ 73.15	\$ 1,118.15
150	Brian Parkinson Insurance Agency Ltd.	660	\$ 825.00	\$ 220.00	@ \$ 4.00	\$ 73.15	\$ 1,118.15
169	Vacant	2,062	-	-	-	-	-
TOTALS		9,212	\$ 8,014.08	\$ 2,835.24	\$ 3.96	\$ 759.45	\$ 11,608.77
/ sq. ft. Average							

Note: It is estimated that common area costs for 2004 will be approx. \$5.40.