

## **A five year cabin program:**

We are at a point on the ranch where we need to look to the future and put in place a plan to upgrade our rental units. What we now own has been on the decline due to age and that decline process is coming at us faster with each year. In the very near future all the smaller units and the older fifth wheel units will need to be removed due to poor condition.

We have a sizeable number of members that come to the ranch for short visits and use less than their 30 free days and it's not feasible for them to own an RV. These members along with many guests present the ranch with a viable number of renters for our units.

The number of units that is needed is a difficult figure to project. We had just a few years ago well over 100 of which most were the smaller units. Over the last few years we have seen that number fall to 78 and that includes the 20 FEMA units purchased in fall of 2007. Of the original 100 plus that only leaves 58 and they are in poor condition and some will need removed each year. It would be a good estimate that we need between 70 and 90 rental units that are more attractive, functional, easier to maintain and profitable.

If we look at all successful campgrounds and listen to new member prospects cabins is the future. It is and has been the belief of most board members and members that cabins should be available. We have a start, but need to have a plan that will place the ranch on a steady path to achieve the goal of cabins in a timely manner. We started with a very attractive unit on what is called trailer row and to present a very attractive show case for the ranch's image we need to complete the process of replacing the older smaller units with this same style of cabin.

Cost is the primary concern in moving forward in this process and to do it at a rate that will replace older units at about the same rate as they will have to be removed. Cabins cost money and we have to find a way to involve the product being built into the process of the building.

The ranch has basically two funding mechanisms, the general fund which is the day to day operating funds that our General Managers has for his use to operate and do general maintenance of the ranch, this is the fund that all fees and other revenue goes into and it has been stretched to the limit, and the other is a special assessment levied from the members for purposes of doing things that are considered a health or safety need. There has been several projects completed using these funds because the general fund couldn't cover the cost.

In the fall of year 2007 the board agreed to establish a line of credit to give the ranch a way to do some capitol improvements. This was something that the ranch's auditing firm had been telling the board they needed to do. This was first used to purchase the 20 FEMA units to help upgrade the ailing rental fleet. This fund has funded several things in addition such as helping with cost on the Lonesome Pine electrical upgrade, loan to the general fund in year 2008 of \$91,000, first two cabins, plus paying all interest cost on the funds used and now the Powder Mill pad extension. The only funding mechanism for this account to replenish its funds has been the rent from the 20 FEMA units. This is what

was set up in the beginning. Starting with the cabins it has been agreed that \$60 of the daily rent on each cabin also be placed back into this fund. For this fund to have substantial revenue for future use we have to have a good funding source. This will allow the ranch a way to make some capitol improvements without requiring it from the membership in fees.

The line of credit was first set up with a limit of \$200,000 of which we used all of it in the first few months with purchases of FEMA units and getting the Lonesome Pine electrical upgrade started earlier. With these earlier expenditures and the expenditures stated above the account will be paid down to about \$70,000 at the beginning of year 2011. This has been a great feat for only 20 rental units. Also it is planned for the general fund to pay the balance of the loan made back in year 2008 of \$41,000 in January. This will have the account with about \$29,000 of borrowed funds.

A plan has been put together by which we can have a cabin building plan in place where the line of credit using the funding from the FEMA units and the cabin units as they are built to cover the cost. The only cost covered by the general fund will be the labor as was done on the first two cabins. There is \$25 of every rental day of the cabins that does go back into the general fund and after a number of cabins are completed this will add up to serious funds and help offset some of this cost. When the cabin project is completed in a few years a larger portion of the cabin revenue can be placed into the general fund. For all this to happen the ranch has to make a start and understand that the investment has to be made before the revenue can happen.

Wishing and hoping won't make it happen; it takes action and a plan of action. What is being attempted here is to put together a reasonable conservative business plan that can be slowed if needed or other adjustments that might need to be considered. It is being set up to where we don't have to jump into a high risk financial position, but can adjust as needed.

Please take the time to study it and see where there needs to be adjustments and if the approach is conservative enough. Keep in mind that this is based on monthly averages and that revenue actually comes heavy during the seasonal months and slower during the off-season. But if possible the building process needs to progress on a steady program to get cabins in a timely manner.

## **Labor Costs:**

I have had some who are concerned about the labor cost to build the interiors. As you can see on the Fact & Assumption sheet that we done the first 2 cabins with the Ranch's "Special Projects Crew" that our GM set up to do special projects. The reason for taking this approach was to get the cabins built faster with less money up front out of the LOC account. There is \$25/rental day that goes back into the General Fund. It starts out slow but about 2 years into the project the cabins have generated \$18,000 back to the general fund. At the end of the 5 year plan there has been \$99,000 generated back to the general fund. During the year following the plan completion it will generate about \$38,000 and that will continue each year.

The rough estimate for labor to build the 30 cabin interiors is \$105,600 at the end of 6 years the \$25/rent/day will generate about \$137,400. If not changed, in 10 years this \$25 will generate \$291,000.

Once the cabin plan is determined to be complete by a future board they can at that time set a new payment schedule. They may want to put \$40 or \$45/rent/day back into the general fund.

Think about it this way, when most businesses or individuals purchase a building or home you make a commit for the whole cost and you start making payments for 15 or more years. With these cabins the commitment is one at a time and the commitment can be slowed down if needed or design changes can be done at anytime. The material will be paid off when the cabins are completed in 5 years because of the funding system built in, only the labor cost will be paid over time which might run one or two years after cabins are complete. This would be considered a very fast pay off by anyone's standards.

This approach was used because it was available to be used. We have to take advantage of our strong points.

## Key points in the Cabin Plan

1. The rent generated by the 20 FEMA trailers.
  - a. This will be between \$56,000 and 65,000.
  - b. As of Oct. 2010 we are at \$57,000 and FEMA units are still active due to deer season and Thanksgiving.
  - c. This alone will cover the material cost of 4 cabins plus each year.
2. The rent from 2 cabins already built will put \$60/rental day back into the cabin funding.
  - a. As of early Nov. the cabins have averaged 6.27 rental/days per each 30 day period.
3. This plan can very easily be slowed or speeded up as funds indicate.
  - a. If slowed down it won't affect the rental stream from the other sources already in the system.
4. As each cabin is completed it becomes an additional income source to the plan.
  - a. \$60/rental day to the Line of Credit.
  - b. \$25/rental day to the General Fund.
5. The plan can at anytime be adjusted to different size cabin units.
  - a. The funding sources in place will continue.
6. The plan can also be adjusted to different numbers of cabins.
7. Future rental rates maybe increased as justified.
8. The day to day operation and upkeep is already in place because of rental units now in service.
9. Over the next few years most or all of the older rental units will have to be removed due to age and condition.
  - a. This will increase the demand for the new cabin units.
10. The maintenance should be low during this construction period.
  - a. 2 cabins will be about 5.5 years old.
  - b. Next 6 cabins will be 4 to 5 years old.
  - c. Next 6 cabins will be 3 to 4 years old.
  - d. Next 6 cabins will be 2 to 3 years old.
  - e. Next 6 cabins will be 1 to 2 years old.
  - f. Last 6 cabins will be 0 to 1 year old.

## **First 2 Cabins as of Nov. 30, 2010**

**Cabin # 1 opened on 7/16/10 = 136 days-----this is 4.533 (30 day periods)**

**Cabin # 2 opened on 8/27/10 = 94 days-----this is 3.133 (30 day periods)**

**Total both cabins is 7.666 Mo. (30 day periods)**

**As of Nov. 30, 2010 they have been rented out for 52 days.**

**52 days / 7.666 = 6.783 days rent/Mo average**

**The cabin plan used a conservative number of 4 days/Mo.**

**At \$60 designated to the LOC account this is 52 x \$60 = \$3,120**

**This is \$3,120 / 7.666 Mo = \$406.99/Mo**

**The plan used a conservative \$240.00/Mo**

## Five year Cabin Plan (2011 thru 2015)

### List of facts and assumptions

### Need to use conservative numbers

- Fact
1. Ranch will owe Line of Credit about \$70,000 as of Jan.1, 2011. Line of Credit limit is \$150,000
  2. General Fund owes Line of Credit **\$41,000** from 2008 loan.
  3. Ranch has 20 FEMA trailers. All rent is designated back to Line of Credit account.
    - a. 2008 year total rent received \$55,789. Rent was \$40/day. Average days rent/unit 70.
    - b. 2009 year total rent received \$64,471. Rent was \$42/day. Average days rent/unit 77.
    - c. 2010 year total rent **as of Oct.** \$57,000. Rent is \$45/day. As of Oct. days rent/unit 63.3

**Note: Nov. is a busy month.** Deer season and Thanksgiving.

    - d. **2011 year.**-----**Rent will be \$48/day.**
    - e. **For this plan use a conservative rent received of \$56,400 per year. Use \$4700/Mo. (59 days per unit).**
  4. Ranch has **2** cabins now.
    - a. Rent is \$85/day.
    - b. **\$60** of the rent is **designated** back to **Line of Credit.**
    - c. Use a conservative rental days/cabin of 48 days. This will be **4 days/Mo** average and generate \$2880/yr.
    - d. **This will be an average of \$240/Mo.**
    - e. Most likely in years 2013, 2014 or 2015 there will be small rent increase. This is unknown so don't fact in.
- Assumption
- Fact
5. The **interest rate** on the **Line of Credit** at this time is **7.5%** simple interest.
    - a. This rate has been same for last 2 years.
    - b. This is  $7.5 / 12 = .625\%$  per month.
    - c. **For this plan assume that the rate may increase .25% each year.**
      - Year 2011 use 7.5% per year (which is .625% or .00625 per month).
      - Year 2012 use 7.75% per year (which is .6458% or .006458 per month).
      - Year 2013 use 8% per year (which is .6667% or .006667 per month).
      - Year 2014 use 8.25% per year (which is .6875% or .006875 per month).
      - Year 2015 use 8.5% per year (which is .7083% or .007083 per month).
    - d. Interest is due upon renewal once per year. For this example figure interest cost per month.
- Assumption
6. Cost of material to increase 3% each year. **Use material cost starting in year 2011 of \$13,500.**
    - a. Year 2011-----**\$13,500**
    - b. Year 2012-----**\$13,905**
    - c. Year 2013-----**\$14,322**
    - d. Year 2014-----**\$14,752**
    - e. Year 2015-----**\$15,195**
- Fact
7. General Fund covered the cost of labor on the first 2 cabins.
    - a. Have General Fund continue to cover cost of labor.
    - b. This will allow Line of Credit to cover material.
    - c. This will also keep interest cost lower.

**Plan-----Starting in January 2011 begin the process of building 1 cabin every 2 months. This will be 6 cabins/year or 30 cabins/5 years.**

Note: This plan will allow the option of slowing down if needed.

**Year 2011**

<b><u>Year/Date</u></b>	<b><u>Transaction</u></b>	<b><u>Cost</u></b>	<b><u>Revenue</u></b>	<b><u>Balance</u></b>
<b>Jan. 1, 2011</b>	<b>Amount of Line of Credit (LOC) loan active      Rough estimate</b>			<b>(\$70,000.00)</b>
	<b>Ranch to pay back balance of loan from year 2008</b>		<b>\$41,000.00</b>	<b>(\$29,000.00)</b>
	<b>Borrow funds to build cabin # 3</b>	<b>\$ 13,500.00</b>		<b>(\$42,500.00)</b>
<b>Jan. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$37,800.00)</b>
	<b>Rent from first 2 cabins</b>		<b>\$ 480.00</b>	<b>(\$37,320.00)</b>
	<b>Interest on \$42,500</b>	<b>\$ 265.63</b>		<b>(\$37,585.63)</b>
<b>Feb. 28</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$32,885.63)</b>
	<b>Rent from first 2 cabins</b>		<b>\$ 480.00</b>	<b>(\$32,405.63)</b>
	<b>Interest on \$37,585.63</b>	<b>\$ 234.91</b>		<b>(\$32,640.54)</b>
<b>Mar. 1</b>	<b>Borrow funds to build cabin # 4</b>	<b>\$ 13,500.00</b>		<b>(\$46,140.54)</b>
<b>Mar. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$41,440.54)</b>
	<b>Rent from first 3 cabins</b>		<b>\$ 720.00</b>	<b>(\$40,720.54)</b>
	<b>Interest on \$46,140.54</b>	<b>\$ 288.38</b>		<b>(\$41,008.91)</b>
<b>Apr. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$36,308.91)</b>
	<b>Rent from first 3 cabins</b>		<b>\$ 720.00</b>	<b>(\$35,588.91)</b>
	<b>Interest on \$41,008.91</b>	<b>\$ 256.31</b>		<b>(\$35,845.22)</b>
<b>May 1</b>	<b>Borrow funds to build cabin # 5</b>	<b>\$ 13,500.00</b>		<b>(\$49,345.22)</b>
<b>May 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$44,645.22)</b>
	<b>Rent from first 4 cabins</b>		<b>\$ 960.00</b>	<b>(\$43,685.22)</b>
	<b>Interest on \$49,345.22</b>	<b>\$ 308.41</b>		<b>(\$43,993.63)</b>
<b>June 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$39,293.63)</b>
	<b>Rent from first 4 cabins</b>		<b>\$ 960.00</b>	<b>(\$38,333.63)</b>
	<b>Interest on \$43,993.63</b>	<b>\$ 274.96</b>		<b>(\$38,608.59)</b>

<b>July 1</b>	<b>Borrow funds to build cabin # 6</b>	<b>\$ 13,500.00</b>		<b>(\$52,108.59)</b>
<b>July 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$47,408.59)</b>
	<b>Rent from first 5 cabins</b>		<b>\$ 1,200.00</b>	<b>(\$46,208.59)</b>
	<b>Interest on \$52,108.59</b>	<b>\$ 325.68</b>		<b>(\$46,534.27)</b>
<b>Aug. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$41,834.27)</b>
	<b>Rent from first 5 cabins</b>		<b>\$ 1,200.00</b>	<b>(\$40,634.27)</b>
	<b>Interest on \$46,534.27</b>	<b>\$ 290.84</b>		<b>(\$40,925.10)</b>
<b>Sept. 1</b>	<b>Borrow funds to build cabin # 7</b>	<b>\$ 13,500.00</b>		<b>(\$54,425.10)</b>
<b>Sept. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$49,725.10)</b>
	<b>Rent from first 6 cabins</b>		<b>\$ 1,440.00</b>	<b>(\$48,285.10)</b>
	<b>Interest on \$54,425.10</b>	<b>\$ 340.16</b>		<b>(\$48,625.26)</b>
<b>Oct. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$43,925.26)</b>
	<b>Rent from first 6 cabins</b>		<b>\$ 1,440.00</b>	<b>(\$42,485.26)</b>
	<b>Interest on \$48,625.26</b>	<b>\$ 303.91</b>		<b>(\$42,789.17)</b>
<b>Nov. 1</b>	<b>Borrow funds to build cabin # 8</b>	<b>\$ 13,500.00</b>		<b>(\$56,289.17)</b>
<b>Nov. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$51,589.17)</b>
	<b>Rent from first 7 cabins</b>		<b>\$ 1,680.00</b>	<b>(\$49,909.17)</b>
	<b>Interest on \$56,289.17</b>	<b>\$ 351.81</b>		<b>(\$50,260.98)</b>
<b>Dec. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$45,560.00)</b>
	<b>Rent from first 7 cabins</b>		<b>\$ 1,680.00</b>	<b>(\$43,880.98)</b>
	<b>Interest on \$50,260.98</b>	<b>\$ 314.13</b>		<b>(\$44,195.11)</b>

Year 2012

<u>Year/Date</u>	<u>Transaction</u>	<u>Cost</u>	<u>Revenue</u>	<u>Balance</u>
Jan. 1, 2012	Borrow funds to build cabin # 9	\$ 13,905.00		(\$58,100.11)
Jan. 31	Rent from FEMA trailers		\$ 4,700.00	(\$53,400.11)
	Rent from first 8 cabins		\$ 1,920.00	(\$51,480.11)
	Interest on \$58,100.11	\$ 375.21		(\$51,855.32)
Feb. 28	Rent from FEMA trailers		\$ 4,700.00	(\$47,155.32)
	Rent from first 8 cabins		\$ 1,920.00	(\$45,235.32)
	Interest on \$51,855.32	\$ 334.88		(\$45,570.20)
Mar. 1	Borrow funds to build cabin # 10	\$ 13,905.00		(\$59,475.20)
Mar. 31	Rent from FEMA trailers		\$ 4,700.00	(\$54,775.20)
	Rent from first 9 cabins		\$ 2,160.00	(\$52,615.20)
	Interest on \$59,475.20	\$ 384.09		(\$52,999.29)
Apr. 30	Rent from FEMA trailers		\$ 4,700.00	(\$48,299.29)
	Rent from first 9 cabins		\$ 2,160.00	(\$46,139.29)
	Interest on \$52,999.29	\$ 342.27		(\$46,481.56)
May 1	Borrow funds to build cabin # 11	\$ 13,905.00		(\$60,386.56)
May 30	Rent from FEMA trailers		\$ 4,700.00	(\$55,686.56)
	Rent from first 10 cabins		\$ 2,400.00	(\$53,286.56)
	Interest on \$60,386.56	\$ 389.98		(\$53,676.54)
June 30	Rent from FEMA trailers		\$ 4,700.00	(\$48,976.54)
	Rent from first 10 cabins		\$ 2,400.00	(\$46,576.54)
	Interest on \$53,676.54	\$ 346.64		(\$46,923.18)
July 1	Borrow funds to build cabin # 12	\$ 13,905.00		(\$60,828.18)
July 31	Rent from FEMA trailers		\$ 4,700.00	(\$56,128.18)
	Rent from first 11 cabins		\$ 2,640.00	(\$53,488.18)

	Interest on \$60,828.18	\$ 392.83		(\$53,881.01)
Aug. 31	Rent from FEMA trailers		\$ 4,700.00	(\$49,181.01)
	Rent from first 11 cabins		\$ 2,640.00	(\$46,541.01)
	Interest on \$53,881.01	\$ 347.96		(\$46,888.97)
Sept. 1	Borrow funds to build cabin # 13	\$ 13,905.00		(\$60,793.97)
Sept. 30	Rent from FEMA trailers		\$ 4,700.00	(\$56,093.97)
	Rent from first 12 cabins		\$ 2,880.00	(\$53,213.97)
	Interest on \$60,793.97	\$ 392.61		(\$53,606.58)
Oct. 31	Rent from FEMA trailers		\$ 4,700.00	(\$48,906.58)
	Rent from first 12 cabins		\$ 2,880.00	(\$46,026.58)
	Interest on \$53,606.58	\$ 346.19		(\$46,372.77)
Nov. 1	Borrow funds to build cabin # 14	\$ 13,905.00		(\$60,277.77)
Nov. 30	Rent from FEMA trailers		\$ 4,700.00	(\$55,577.77)
	Rent from first 13 cabins		\$ 3,120.00	(\$52,457.77)
	Interest on \$60,277.77	\$ 389.27		(\$52,847.04)
Dec. 31	Rent from FEMA trailers		\$ 4,700.00	(\$48,147.04)
	Rent from first 13 cabins		\$ 3,120.00	(\$45,027.04)
	Interest on \$52,847.04	\$ 341.29		(\$45,368.33)

**Year 2013**

<u>Year/Date</u>	<u>Transaction</u>	<u>Cost</u>	<u>Revenue</u>	<u>Balance</u>
Jan. 1, 2013	Borrow funds to build cabin # 15	\$ 14,322.00		(\$59,690.33)
Jan. 31	Rent from FEMA trailers		\$ 4,700.00	(\$54,990.33)
	Rent from first 14 cabins		\$ 3,360.00	(\$51,630.33)
	Interest on \$59,690.33	\$ 397.96		(\$52,028.29)
Feb. 28	Rent from FEMA trailers		\$ 4,700.00	(\$47,328.29)

	Rent from first 14 cabins		\$ 3,360.00	(\$43,968.29)
	Interest on \$52,028.29	\$ 346.87		(\$44,315.16)
Mar. 1	Borrow funds to build cabin # 16	\$ 14,322.00		(\$58,637.16)
Mar. 31	Rent from FEMA trailers		\$ 4,700.00	(\$53,937.16)
	Rent from first 15 cabins		\$ 3,600.00	(\$50,337.16)
	Interest on \$58,637.16	\$ 390.93		(\$50,728.09)
Apr. 30	Rent from FEMA trailers		\$ 4,700.00	(\$46,028.09)
	Rent from first 15 cabins		\$ 3,600.00	(\$42,428.09)
	Interest on \$50,728.09	\$ 338.20		(\$42,766.30)
May 1	Borrow funds to build cabin # 17	\$ 14,322.00		(\$57,088.30)
May 31	Rent from FEMA trailers		\$ 4,700.00	(\$52,388.30)
	Rent from first 16 cabins		\$ 3,840.00	(\$48,548.30)
	Interest on \$57,088.30	\$ 380.61		(\$48,928.90)
June 30	Rent from FEMA trailers		\$ 4,700.00	(\$44,228.90)
	Rent from first 16 cabins		\$ 3,840.00	(\$40,388.90)
	Interest on \$48,928.90	\$ 326.21		(\$40,715.11)
July 1	Borrow funds to build cabin # 18	\$ 14,322.00		(\$55,037.11)
July 31	Rent from FEMA trailers		\$ 4,700.00	(\$50,337.11)
	Rent from first 17 cabins		\$ 4,080.00	(\$46,257.11)
	Interest on \$55,037.11	\$ 366.93		(\$46,624.05)
Aug. 31	Rent from FEMA trailers		\$ 4,700.00	(\$41,924.05)
	Rent from first 17 cabins		\$ 4,080.00	(\$37,844.05)
	Interest on \$46,624.05	\$ 310.84		(\$38,154.89)
Sept 1	Borrow funds to build cabin # 19	\$ 14,322.00		(\$52,476.89)
Sept. 30	Rent from FEMA trailers		\$ 4,700.00	(\$47,776.89)
	Rent from first 18 cabins		\$ 4,320.00	(\$43,456.89)
	Interest on \$52,476.89	\$ 349.86		(\$43,806.75)

Oct. 31	Rent from FEMA trailers		\$ 4,700.00	(\$39,106.75)
	Rent from first 18 cabins		\$ 4,320.00	(\$34,786.75)
	Interest on \$43,806.75	\$ 292.06		(\$35,078.81)
Nov. 1	Borrow funds to build cabin # 20	\$ 14,322.00		(\$49,400.81)
Nov. 30	Rent from FEMA trailers		\$ 4,700.00	(\$44,700.81)
	Rent from first 19 cabins		\$ 4,560.00	(\$40,140.81)
	Interest on \$49,400.81	\$ 329.36		(\$40,470.17)
Dec. 31	Rent from FEMA trailers		\$ 4,700.00	(\$35,770.17)
	Rent from first 19 cabins		\$ 4,560.00	(\$31,210.17)
	Interest on \$40,470.17	\$ 269.81		(\$31,479.98)

Year 2014

<u>Year/Date</u>	<u>Transactions</u>	<u>Cost</u>	<u>Revenue</u>	<u>Balance</u>
Jan. 1, 2014	Borrow funds to build cabin # 21	\$ 14,752.00		(\$46,231.98)
Jan. 31	Rent from FEMA trailers		\$ 4,700.00	(\$41,531.98)
	Rent from first 20 cabins		\$ 4,800.00	(\$36,731.00)
	Interest on \$46,231.98	\$ 317.84		(\$37,049.83)
Feb. 28	Rent from FEMA trailers		\$ 4,700.00	(\$32,349.83)
	Rent from first 20 cabins		\$ 4,800.00	(\$27,549.83)
	Interest on \$37,049.83	\$ 254.72		(\$27,804.54)
Mar. 1	Borrow funds to build cabin # 22	\$ 14,752.00		(\$42,556.54)
Mar. 31	Rent from FEMA trailers		\$ 4,700.00	(\$37,856.54)
	Rent from first 21 cabins		\$ 5,040.00	(\$32,816.54)
	Interest on \$42,556.54	\$ 292.58		(\$33,109.12)
Apr. 30	Rent from FEMA trailers		\$ 4,700.00	(\$28,409.12)
	Rent from first 21 cabins		\$ 5,040.00	(\$23,369.12)
	Interest on \$33,109.12	\$ 227.63		(\$23,596.75)

<b>May 1</b>	<b>Borrow funds to build cabin # 23</b>	<b>\$ 14,752.00</b>		<b>(\$38,348.75)</b>
<b>May 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$33,648.75)</b>
	<b>Rent from first 22 cabins</b>		<b>\$ 5,280.00</b>	<b>(\$28,368.75)</b>
	<b>Interest on \$38,348.75</b>	<b>\$ 263.65</b>		<b>(\$28,632.39)</b>
<b>June 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$23,932.39)</b>
	<b>Rent from first 22 cabins</b>		<b>\$ 5,280.00</b>	<b>(\$18,652.39)</b>
	<b>Interest on \$28,632.39</b>	<b>\$ 196.85</b>		<b>(\$18,849.24)</b>
<b>July 1</b>	<b>Borrow funds to build cabin # 24</b>	<b>\$ 14,752.00</b>		<b>(\$33,601.24)</b>
<b>July 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$28,901.24)</b>
	<b>Rent from first 23 cabins</b>		<b>\$ 5,520.00</b>	<b>(\$23,381.24)</b>
	<b>Interest on \$33,601.24</b>	<b>\$ 231.01</b>		<b>(\$23,612.25)</b>
<b>Aug. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$18,912.25)</b>
	<b>Rent from first 23 cabins</b>		<b>\$ 5,520.00</b>	<b>(\$13,392.25)</b>
	<b>Interest on \$23,612.25</b>	<b>\$ 162.33</b>		<b>(\$13,554.58)</b>
<b>Sept. 1</b>	<b>Borrow funds to build cabin # 25</b>	<b>\$ 14,752.00</b>		<b>(\$28,306.58)</b>
<b>Sept. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$23,606.58)</b>
	<b>Rent from first 24 cabins</b>		<b>\$ 5,760.00</b>	<b>(\$17,846.58)</b>
	<b>Interest on \$28,306.58</b>	<b>\$ 194.61</b>		<b>(\$18,041.19)</b>
<b>Oct. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$13,341.19)</b>
	<b>Rent from first 24 cabins</b>		<b>\$ 5,760.00</b>	<b>(\$ 7,581.19)</b>
	<b>Interest on \$18,041.19</b>	<b>\$ 124.03</b>		<b>(\$ 7,705.22)</b>
<b>Nov. 1</b>	<b>Borrow funds to build cabin # 26</b>	<b>\$ 14,752.00</b>		<b>(\$22,457.22)</b>
<b>Nov. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$17,757.22)</b>
	<b>Rent from first 25 cabins</b>		<b>\$ 6,000.00</b>	<b>(\$11,757.22)</b>
	<b>Interest on \$22,457.22</b>	<b>\$ 154.39</b>		<b>(\$11,911.62)</b>
<b>Dec. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>(\$ 7,211.62)</b>
	<b>Rent from first 25 cabins</b>		<b>\$ 6,000.00</b>	<b>(\$ 1,211.62)</b>

Interest on \$11,911.62	\$ 81.89	(\$ 1,293.51)
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Year 2015

<u>Year/Date</u>	<u>Transaction</u>	<u>Cost</u>	<u>Revenue</u>	<u>Balance</u>
Jan. 1, 2015	Borrow funds to build cabin # 27	\$ 15,195.00		(\$16,488.51)
Jan. 31	Rent from FEMA trailers		\$ 4,700.00	(\$11,788.51)
	Rent from first 26 cabins		\$ 6,240.00	(\$ 5,548.51)
	Interest on \$16,488.51	\$ 116.79		(\$ 5,665.30)
Feb. 28	Rent from FEMA trailers		\$ 4,700.00	(\$ 965.30)
	Rent from first 26 cabins		\$ 6,240.00	\$ 5,274.70
	Interest on \$5,665.30	\$ 40.13		\$ 5,234.57
Mar. 1	Borrow funds to build cabin # 28	\$ 15,195.00		(\$ 9,960.43)
Mar. 31	Rent from FEMA trailers		\$ 4,700.00	(\$ 5,260.43)
	Rent from first 27 cabins		\$ 6,480.00	\$ 1,219.57
	Interest on \$9,960.43	\$ 70.55		\$ 1,149.02
Apr. 30	Rent from FEMA trailers		\$ 4,700.00	\$ 5,849.02
	Rent from first 27 cabins		\$ 6,480.00	\$ 12,329.02
	Interest on (\$1,149.02)	(\$ 8.14)		\$ 12,337.16
May 1	Borrow funds to build cabin # 29	\$ 15,195.00		(\$ 2,857.84)
May 31	Rent from FEMA trailers		\$ 4,700.00	\$ 1,842.16
	Rent from first 28 cabins		\$ 6,720.00	\$ 8,562.16
	Interest on \$2,857.84	\$ 20.24		\$ 8,541.92
June 30	Rent from FEMA trailers		\$ 4,700.00	\$13,241.92
	Rent from first 28 cabins		\$ 6,720.00	\$19,961.92

	<b>Interest on</b>			
<b>July 1</b>	<b>Use funds to build cabin # 30</b>	<b>\$ 15,195.00</b>		<b>\$ 4,766.92</b>
<b>July 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>\$ 9,466.92</b>
	<b>Rent from first 29 cabins</b>		<b>\$ 6,960.00</b>	<b>\$16,426.92</b>
	<b>Interest on</b>			
<b>Aug. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>\$21,126.92</b>
	<b>Rent from first 29 cabins</b>		<b>\$ 6,960.00</b>	<b>\$28,086.92</b>
	<b>Interest on</b>			
<b>Sept. 1</b>	<b>Use funds to build cabin # 31</b>	<b>\$ 15,195.00</b>		<b>\$12,891.92</b>
<b>Sept. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>\$17,591.92</b>
	<b>Rent from first 30 cabins</b>		<b>\$ 7,200.00</b>	<b>\$24,791.92</b>
	<b>Interest on</b>			
<b>Oct. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>\$29,491.92</b>
	<b>Rent from first 30 cabins</b>		<b>\$ 7,200.00</b>	<b>\$36,691.92</b>
	<b>Interest on</b>			
<b>Nov. 1</b>	<b>Use funds to build cabin # 32</b>	<b>\$ 15,195.00</b>		<b>\$21,496.92</b>
<b>Nov. 30</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>\$26,196.92</b>
	<b>Rent from first 31 cabins</b>		<b>\$ 7,440.00</b>	<b>\$33,636.92</b>
	<b>Interest on</b>			
<b>Dec. 31</b>	<b>Rent from FEMA trailers</b>		<b>\$ 4,700.00</b>	<b>\$38,336.92</b>
	<b>Rent from first 31 trailers</b>		<b>\$ 7,440.00</b>	<b>\$45,776.92</b>

**Note: At the end of 5 years will have 32 cabins paid for and money in the bank.**

**Summary**

<b>Date/Year</b>	<b>Income \$25/day/cabin Gen. Account</b>	<b>Borrow \$</b>	<b>Rent/income</b>	<b>Interest paid</b>	<b>Loan paid</b>	<b>Balance</b>
Jan. 2011						(\$70,000.00)
Jan. 2011					\$41,000.00	(\$29,000.00)
Year 2011	\$ 5,400.00	\$81,000.00	\$ 69,360.00	\$3,555.13		(\$44,195.13)
Year 2012	\$12,600.00	\$83,430.00	\$ 86,640.00	\$4,383.22		(\$45,368.35)
Year 2013	\$19,800.00	\$85,932.00	\$103,920.00	\$4,099.64		(\$31,479.99)
Year 2014	\$27,000.00	\$88,512.00	\$121,200.00	\$2,501.53		(\$ 1,293.52)
Year 2015	\$34,200.00	\$91,170.00	\$138,480.00	\$ 239.57		\$45,776.91
<b>Totals</b>	<b>\$99,000.00</b>	<b>\$430,044.00</b>	<b>\$519,600.00</b>	<b>\$14,779.09</b>	<b>\$41,000.00</b>	

	<b>Gen. Fund</b>	<b>Rent/Income</b>	<b>Balance</b>
Year 2016	Est. \$38,400.00	Est. \$148,560.00	Est. \$232,736.91

**Estimated cost of labor to build a cabin interior**

<b>Employees</b>	<b>Hrs./Week</b>	<b>Weeks</b>	<b>Est. hourly</b>	<b>Cost</b>
2	40	4	\$11.00	\$3,520
		(may be 3)		

**Estimated cost of labor to build 30 cabins**

<b>Cabins</b>	<b>Cost</b>	<b>Total</b>
30	\$3,520	\$105,600
<b>Gen. Fund 5 yrs plus 1 yr = \$137,400</b>		