

# One Forty Three Entities – Combined

(Includes One Forty Three LLC, One Forty Three MT LLC, One Forty Three MM LLC)

## October 2020

### EXECUTIVE SUMMARY

Note: These financial statements report on the combined activities of the following entities that are under common management control:

- One Forty Three LLC (referred to as 143 LLC)
- One Forty Three MM LLC (referred to as 143 MM)
- One Forty Three MT LLC (referred to as 143 MT)

### Combined Balance Sheet (compared to the prior month)

- Cash balances increased by \$265,000 during the month with an ending balance of \$720,000. Increase is due to transfer of RDF interest/dividends from prior years of \$245,000 which was approved by the Board to pay down IAR's debt with ONB as part of the 2020 budget. However, this transfer was never made since the tax credit installments received by 143 were used to pay down the debt, therefore, this transfer from RDF is reimbursing 143 for the use of the tax credit dollars.
  - Also, the ONB and CIBM accounts were all closed during October and the balances transferred to the appropriate account held at Regions Bank.
- Accounts receivable remained unchanged with an ending balance of \$13,700 which represents October rent due from the IEERB and ISBOE (per the current agreement with the State of Indiana, rent is paid one month in arrears)
- Prepaid expenses decreased by \$6,000 with an ending balance of \$7,000 which represents various building service contracts and insurance that will be amortized over the life of the contracts.
- Other deposits remained unchanged with an ending balance of \$3,000 which represents utility deposits.
- Fixed assets (land, building & equipment) remained unchanged with a total ending balance of \$10,183,000.
- Accumulated depreciation increased by \$67,000 for estimated depreciation expense recorded for the month.
- Direct Lease Costs remained unchanged and the related accumulated amortization increased by \$2,400.
- Capitalized Loan Costs remained unchanged and the related accumulated amortization increased by \$550.
- Accounts Payable decreased by \$7,000 with an ending balance of \$9,000.
- Note Payable (to IAR) remained unchanged with an ending balance of \$1,749,000.
- Accrued Interest Payable (to IAR) increased by \$5,600 due to interest on notes payable for the month with an ending balance of \$176,000.
- Amounts Due to IAR increased by \$245,000 due to transfer of RDF funds mentioned above. Ending balance was \$1,135,000.
- Mortgage Loan Payable-Regions decreased by \$12,000 due to monthly loan payment made. Ending balance was \$2,988,000.

## EXECUTIVE SUMMARY (continued)

### Combined Statement of Activities

- Net loss for October was (\$42,000) compared to budgeted net loss of (\$62,000).
  - Net loss for October consisted of Net Loss from Operations of (\$26,000) and Net Other Income (Expense) of (\$15,000)
- Net loss YTD was (\$823,000) compared to budgeted net loss of (\$749,000).
  - Net loss YTD consisted of Net Loss from Operations of (\$651,000) and Net Other Income (Expense) of (\$172,000)
- Rent income for the month was \$56,000 and was below the monthly budget of \$66,000 by \$10,500 or 16% due to 7<sup>th</sup> floor rental income included in the budget but not yet leased.
- Rent income YTD was \$543,000 and was below the YTD budget of \$583,000 by \$40,000 or 7% due to the same reason as above.
- Insurance proceeds of \$16,000 were received during the month (\$36,000 YTD) and coded to Other Income. These proceeds have been deposited into the Building Reserve account to be used for first floor storefront frames in the future. Due to the rioting damage, holes were drilled into the current storefront frames which were new with the occupancy of the building. The insurance proceeds will be used to replace the frames if or when they leak through the holes that were drilled.
  - Other insurance proceeds have also been received in the current year and have been used to offset the replacement cost of those repairs/improvements where applicable.
- Total operating expenses for the month were \$98,000 and were below the monthly budget of \$110,000 by \$12,000 or 11%.
- Total YTD operating expenses were \$1,231,000 and were above the YTD budget of \$1,152,000 by \$79,000 or 7% – mostly due to fully amortizing the remaining 2017 loan costs of \$174,000 due to the new mortgage closed in August. Costs associated with the new mortgage are being amortized over the 10-year period of the new loan.
- Interest expense for the month was \$15,000 and was below the monthly budget of \$18,000 by \$3,000 or 14% due to the refinancing of the building mortgage at a lower interest rate.
- Interest expense YTD was \$172,000 and was below the YTD budget of \$180,000 by \$7,000 or 4%. Due to restructuring the building mortgage at a lower interest rate, it is expected that interest expense will be under budget for the year by approximately \$12,000.

**One Forty Three Entities - Combined**  
**Balance Sheet**  
October 31, 2020

	10/31/20	09/30/20	Difference
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
1026 - 143 LLC Checking-Regions	353,591	32,304	321,287
1034 - 143 LLC Checking-ONB	-	51,368	(51,368)
1035 - 143 MT Checking-ONB	-	9,536	(9,536)
1036 - 143 MT - Building Reserve Acct-ONB	-	206,296	(206,296)
1037 - 143 LLC Checking-CIBM	-	16,663	(16,663)
1038 - 143 MT Checking-Regions	123,609	118,336	5,273
1039 - 143 MT Oper Reserve-Regions	242,823	20,220	222,603
Total Checking/Savings	<u>720,023</u>	<u>454,723</u>	<u>265,300</u>
Other Current Assets			
1200 - Accounts Receivable	13,701	13,701	-
1310 - Prepaid Expense	6,704	12,672	(5,968)
1350 - Other Deposits	3,075	3,075	-
Total Other Current Assets	<u>23,480</u>	<u>29,448</u>	<u>(5,968)</u>
Total Current Assets	<u>743,503</u>	<u>484,171</u>	<u>259,332</u>
Fixed Assets			
1605 - Land, Buildings & Equipment			
1610 - Land	200,000	200,000	-
1620 - Building-143	2,729,217	2,729,217	-
1622 - Building Improvements-143 general	7,197,535	7,197,535	-
1630 - Furniture, Fixtures & Equipmen	30,452	30,452	-
1635 - Construction in Progress	26,178	26,178	-
Total 1605 - Land, Buildings & Equipment	<u>10,183,382</u>	<u>10,183,382</u>	<u>-</u>
1655 - Accumulated Depreciation			
1671 - Accum. Depreciation - Building	(348,254)	(342,381)	(5,873)
1672 - Accum. Depreciation - Improvem	(1,759,160)	(1,698,408)	(60,752)
1673 - Accum. Depreciation - Furn & Equip	(9,564)	(9,155)	(409)
Total 1655 - Accumulated Depreciation	<u>(2,116,978)</u>	<u>(2,049,944)</u>	<u>(67,034)</u>
Total Fixed Assets	<u>8,066,404</u>	<u>8,133,438</u>	<u>(67,034)</u>
Other Assets			
1700 - Capitalized Loan and Lease Costs			
1710 - Direct Lease Cost	245,805	245,805	-
1712 - Lease Cost Amortization	(78,398)	(75,999)	(2,399)
1715 - Capitalized Loan Costs	74,479	74,479	-
1716 - Accum Amort-Capitalized Loan Costs	(1,697)	(1,149)	(548)
Total Other Assets	<u>240,189</u>	<u>243,136</u>	<u>(2,947)</u>
<b>Total ASSETS</b>	<b><u>9,050,096</u></b>	<b><u>8,860,745</u></b>	<b><u>189,351</u></b>

**One Forty Three Entities - Combined**  
**Balance Sheet**  
October 31, 2020

	10/31/20	09/30/20	Difference
<b>LIABILITIES &amp; EQUITY</b>			
Liabilities			
Current Liabilities			
2010 - Accounts Payable	9,153	16,474	(7,321)
2030 - Accrued Property Taxes	37,000	37,000	-
2039 - Note Payable	1,749,240	1,749,240	-
2045 - Accrued Interest Payable	175,776	170,094	5,682
2420 - Misc Prepaid Receipts	2,508	2,508	-
Total Current Liabilities	1,973,677	1,975,316	(1,639)
Other Liabilities			
2210 - Due to IAR	1,135,827	890,829	244,998
2820 - Mortgage Loan Payable-Regions	2,987,745	3,000,000	(12,255)
Total - Other Liabilities	4,123,572	3,890,829	232,743
Total Liabilities	6,097,249	5,866,145	231,104
EQUITY	2,952,847	2,994,600	(41,753)
<b>Total LIABILITIES &amp; EQUITY</b>	<b>9,050,096</b>	<b>8,860,745</b>	<b>189,351</b>

**One Forty Three Entities - Combined**  
**Statements of Activities - Budget vs Actual**

For the one and ten months ended October 31, 2020 and the year ending December 31, 2020  
*(with comparative totals for the ten months ended October 31, 2019)*

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
<b>Income</b>						
4700 - Building Rental Income-tenants	55,584	66,111	543,297	582,900	715,120	499,797
4900 - Other Income	16,306	-	36,325	-	-	411
<b>Total Income</b>	<b>71,890</b>	<b>66,111</b>	<b>579,622</b>	<b>582,900</b>	<b>715,120</b>	<b>500,208</b>
<b>Expense</b>						
5000 - Personnel Costs						
5010 - Compensation	685	667	6,850	6,670	8,000	-
5160 - Payroll Taxes	64	62	640	620	750	-
Total 5000 - Personnel Costs	749	729	7,490	7,290	8,750	-
5600 - Professional Fees						
5620 - Audit & Tax Services	-	-	21,975	34,250	34,250	10,750
5630 - Accounting Services	543	2,666	21,557	26,660	32,000	28,318
Total 5600 - Professional Fees	543	2,666	43,532	60,910	66,250	39,068
5900 - Office Costs						
5960 - Licenses & Fees	-	-	-	-	-	5,953
5970 - Bank & Credit Card Fees	15	17	284	170	200	225
5980 - Miscellaneous	-	-	-	-	-	-
Total 5900 - Office Costs	15	17	284	170	200	6,178
6100 - Facility Costs						
6112 - Property Management	2,976	3,750	29,760	37,500	45,000	40,000
6120 - Utilities	16,939	15,000	113,244	150,000	180,000	110,768
6130 - Building Maintenance & Repair	1,588	6,667	64,399	66,670	80,000	70,776
6140 - Grounds Maintenance	321	417	3,215	4,170	5,000	3,419
6150 - Janitorial-cleaning & supplies	3,183	3,583	30,710	35,830	43,000	28,273
6155 - Trash Service	391	500	3,907	5,000	6,000	3,876

**One Forty Three Entities - Combined**  
**Statements of Activities - Budget vs Actual**

For the one and ten months ended October 31, 2020 and the year ending December 31, 2020  
*(with comparative totals for the ten months ended October 31, 2019)*

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
6160 - Pest Control	41	83	280	830	1,000	328
6165 - Marketing Expenses	-	62	-	620	750	-
6170 - Property Insurance	1,554	1,667	15,532	16,670	20,000	13,935
6180 - Property Taxes	-	-	16,803	19,500	39,000	18,514
6510 - Amortization	547	4,450	207,146	44,500	53,401	-
6520 - Depreciation Expense	67,033	67,917	670,330	679,170	815,000	671,479
6700 - Leasing Commissions	2,399	2,320	23,990	23,200	27,842	22,450
Total 6100 - Facility Costs	96,972	106,416	1,179,316	1,083,660	1,315,993	983,818
Total Expense	98,279	109,828	1,230,622	1,152,030	1,391,193	1,029,064
<b>Net Income (Loss) from Operations</b>	<b>(26,389)</b>	<b>(43,717)</b>	<b>(651,000)</b>	<b>(569,130)</b>	<b>(676,073)</b>	<b>(528,856)</b>
<b>Other Income/Expense</b>						
Other Income						
4810 - Interest & Dividend Income	3	-	81	-	-	13
Total Other Income	3	-	81	-	-	13
Other Expense						
8000 - Interest Expense	15,370	17,966	172,192	179,660	215,592	177,713
Total Other Expense	15,370	17,966	172,192	179,660	215,592	177,713
Net Other Income (Expense)	(15,367)	(17,966)	(172,111)	(179,660)	(215,592)	(177,700)
<b>Net Income (Loss)</b>	<b>(41,756)</b>	<b>(61,683)</b>	<b>(823,111)</b>	<b>(748,790)</b>	<b>(891,665)</b>	<b>(706,556)</b>