

# planEASe® Unit Sales LLC

The analysis and all reports and graphs were prepared using a combination of four products, [planEASe](#), the [Reporting Extension](#), the [Graphics Extension](#), and the [Partnership Models](#).

- **Before Tax Cash Flow Projection**
  - details the results of the operation of the property (and the payment of LLC fees), resulting in the cash projected to be received by the LLC as a result of operations (the Cash Flow Before Tax).
- **Source and Use of Proceeds**
  - details the projected accounting of funds within the LLC, showing all funds received, and the projected disbursements to the Members and Group Sponsor.
- **LLC Taxable Income Projection**
  - projects the tax reporting position for the LLC, showing all tax liabilities and deductions other than the capital gain on sale and the Investment Tax Credits, if any.
- **Group Member Projection (per Unit)**
  - projects the results of an investment in one unit of the LLC by a Group Member, both before and after tax. Considering the speed with which an analysis may be re-run, you may want to change the number of units issued and re-run the analysis for Group Members contemplating an investment in partial or multiple units. Such a re-run is easily personalized by changing the number of units issued (which can be fractional if you want) and the Group Member tax rates.
- **Group Sponsor Cash Flow Projection**
  - contains all fees and cash distributions due the Group Sponsor from the LLC. Additionally, his tax liabilities are shown, together with the Net Present Value of the cash flows before and after tax.
- **Analysis Assumptions Report**
  - produces a report showing (in English) the assumptions used to generate the other reports. It was created with the idea of generating an assumptions report which can be presented to an investor or other concerned party to explain the assumptive basis of the other planEASe reports.
- **Sensitivity Analysis**
  - As you perform an analysis, planEASe measures the worth of the investment in terms of rates of return and net present values. Sensitivity Analysis allows you to investigate how these measures vary with a change in one of the assumptions. **Any** measure may be chosen for the Sensitivity Analysis, and **any** assumption may be chosen as well. Sensitivity Analysis provides a one page table and graph which describes the relationship between the assumption value and the resulting measure.
- **Risk Analysis**
  - As you perform an analysis, planEASe measures the worth of the investment in terms of rates of return and net present values. Risk Analysis allows you to investigate how these measures vary with a change in one or more of the assumptions. **Any** measure may be chosen for the Risk Analysis, and **any** group of assumptions may be chosen as well. Risk Analysis provides a one page table and graph which describes the relationship between the risky assumption values and the variability (or risk) of the resulting measure.

This sample takes the unit sales example and converts it to a LLC. The projection shows \$1,100,000 that needs to be raised from the Group Members. Here we created 110 "Units" that will cost the Group Members

## *planEASe® Unit Sales LLC*

\$10,000 per unit. The units return 25.1% Before Tax (IRR), and 13.0% After Tax (IRR). The Group Sponsor will earn \$172,685 Before Tax (NPV), \$149,979 After Tax (NPV). The Group Sponsor does not contribute to the initial investment, so the Net Present Value is the best way to indicate the value to the Group Sponsor.

In planEASe, you can choose to do the partnership analysis either as a LLC (Limited Liability Corporation), or a Limited Partnership.

# Before Tax Cash Flow Projection

## Pine Lake HomeSites

The results of the operation of the property (and the payment of group sponsor fees), resulting in the cash projected to be received by the group as a result of operations (the Cash Flow Before Tax).

Time	Investment and Sale	Effective Income	Operating Expense	Cash Flow Before Debt	Debt Service	Cash Flow Before Tax
Buy	0	0	0	0	0	0
Jan 02	0	0	0	0	0	0
Feb 02	0	0	(1,153,215)	(1,153,215)	103,215	(1,050,000)
Mar 02	0	0	(48,215)	(48,215)	48,215	0
Apr 02	0	0	(101,162)	(101,162)	101,162	0
May 02	0	0	(151,298)	(151,298)	151,298	0
Jun 02	0	0	(87,696)	(87,696)	87,696	0
Jul 02	0	330,880	(107,807)	223,073	107,807	330,880
Aug 02	0	0	(171,474)	(171,474)	(109,774)	(281,248)
Sep 02	0	0	(82,083)	(82,083)	82,083	0
Oct 02	0	406,080	(64,083)	341,997	64,083	406,080
Nov 02	0	0	(64,083)	(64,083)	(281,085)	(345,168)
Dec 02	0	0	(64,083)	(64,083)	64,083	0
Jan 03	0	344,980	(10,083)	334,897	10,083	344,980
Feb 03	0	0	(4,083)	(4,083)	(289,150)	(293,233)
Mar 03	0	0	(4,083)	(4,083)	4,083	0
Apr 03	0	344,980	(4,083)	340,897	4,083	344,980
May 03	0	0	(4,083)	(4,083)	(195,056)	(199,140)
Jun 03	0	0	(4,083)	(4,083)	4,083	0
Jul 03	0	725,680	(4,083)	721,597	4,083	725,680
Aug 03	0	0	(4,083)	(4,083)	(8,269)	(12,352)
Sep 03	0	0	(4,083)	(4,083)	4,083	0
Oct 03	0	381,640	0	381,640	0	381,640
Nov 03	0	0	0	0	(4,152)	(4,152)
Dec 03	0	0	0	0	0	0
Jan 04	0	310,200	0	310,200	0	310,200
Feb 04	0	0	0	0	0	0
Mar 04	0	0	0	0	0	0
Apr 04	0	124,080	0	124,080	0	124,080
May 04	0	0	0	0	0	0
Jun 04	0	0	0	0	0	0
Jul 04	0	0	0	0	0	0
Aug 04	0	0	0	0	0	0
Sep 04	0	0	0	0	0	0
Oct 04	0	0	0	0	0	0
Nov 04	0	0	0	0	0	0
Dec 04	0	0	0	0	0	0
Sell	0	0	0	0	0	0
Total	0	2,968,520	(2,137,949)	830,571	(47,344)	783,227

Rate of Return Before Debt (IRR)	39.4%
Rate of Return Before Tax (IRR)	48.0%

# Source and Use of Proceeds

## Pine Lake HomeSites

Projected accounting of funds within the LLC, showing all funds received, and the projected disbursements to the Members and Group Sponsor.

Time	Working Capital	Interest Income	Members' Investment	Cash Flow Before Tax	Distributed To Members	Distributed To Sponsor
Buy	0	0	1,100,000	0	0	0
Jan 02	1,100,000	4,583	0	0	0	0
Feb 02	1,104,583	4,602	0	(1,050,000)	0	0
Mar 02	59,186	247	0	0	0	0
Apr 02	59,432	248	0	0	0	0
May 02	59,680	249	0	0	0	0
Jun 02	59,929	250	0	0	0	0
Jul 02	60,178	251	0	330,880	0	0
Aug 02	391,309	1,630	0	(281,248)	0	0
Sep 02	111,692	465	0	0	0	0
Oct 02	112,157	467	0	406,080	0	0
Nov 02	518,704	2,161	0	(345,168)	0	0
Dec 02	175,698	732	0	0	0	0
Jan 03	176,430	735	0	344,980	(424,930)	(47,214)
Feb 03	50,000	208	293,025	(293,233)	0	0
Mar 03	50,000	208	0	0	0	0
Apr 03	50,208	209	0	344,980	0	0
May 03	395,398	1,647	0	(199,140)	0	0
Jun 03	197,905	825	0	0	0	0
Jul 03	198,730	828	0	725,680	0	0
Aug 03	925,238	3,855	0	(12,352)	0	0
Sep 03	916,741	3,820	0	0	0	0
Oct 03	920,561	3,836	0	381,640	0	0
Nov 03	1,306,036	5,442	0	(4,152)	0	0
Dec 03	1,307,326	5,447	0	0	0	0
Jan 04	1,312,774	5,470	0	310,200	(1,420,599)	(157,844)
Feb 04	50,000	208	0	0	0	0
Mar 04	50,208	209	0	0	0	0
Apr 04	50,418	210	0	124,080	0	0
May 04	174,708	728	0	0	0	0
Jun 04	175,436	731	0	0	0	0
Jul 04	176,167	734	0	0	0	0
Aug 04	176,901	737	0	0	0	0
Sep 04	177,638	740	0	0	0	0
Oct 04	178,378	743	0	0	0	0
Nov 04	179,121	746	0	0	0	0
Dec 04	179,867	749	0	0	0	0
Sell	180,617	0	0	0	(180,617)	0
Total	0	54,953	1,393,025	783,227	(2,026,146)	(205,059)

The data and calculations presented herein, while not guaranteed, have been obtained from sources we believe to be reliable.  
Produced by planEASe from Analytic Associates (800) 959-3273

# Group Taxable Income Projection

## Pine Lake HomeSites

The projected tax reporting position for the LLC, showing all tax liabilities and deductions other than the capital gain on sale and the Investment Tax Credits, if any.

Time	Taxable Revenue	Interest Income	Taxable Expense	Interest Expense	Depre- ciation	Ordinary Income
Buy	0	0	0	0	0	0
Jan 02	0	4,583	0	0	0	4,583
Feb 02	0	4,602	0	0	0	4,602
Mar 02	0	247	0	0	0	247
Apr 02	0	248	0	0	0	248
May 02	0	249	0	0	0	249
Jun 02	0	250	0	0	0	250
Jul 02	330,880	251	(249,191)	0	0	81,939
Aug 02	0	1,630	0	(16,907)	0	(15,276)
Sep 02	0	465	0	0	0	465
Oct 02	406,080	467	(305,826)	0	0	100,722
Nov 02	0	2,161	0	(14,677)	0	(12,515)
Dec 02	0	732	0	0	0	732
Jan 03	344,980	735	(249,191)	0	0	96,524
Feb 03	0	208	0	(10,894)	0	(10,686)
Mar 03	0	208	0	0	0	208
Apr 03	344,980	209	(249,191)	0	0	95,998
May 03	0	1,647	0	(4,695)	0	(3,048)
Jun 03	0	825	0	0	0	825
Jul 03	725,680	828	(518,205)	0	0	208,303
Aug 03	0	3,855	0	(102)	0	3,753
Sep 03	0	3,820	0	0	0	3,820
Oct 03	381,640	3,836	(269,013)	0	0	116,462
Nov 03	0	5,442	0	(68)	0	5,373
Dec 03	0	5,447	0	0	0	5,447
Jan 04	310,200	5,470	(212,379)	0	0	103,291
Feb 04	0	208	0	0	0	208
Mar 04	0	209	0	0	0	209
Apr 04	124,080	210	(84,952)	0	0	39,338
May 04	0	728	0	0	0	728
Jun 04	0	731	0	0	0	731
Jul 04	0	734	0	0	0	734
Aug 04	0	737	0	0	0	737
Sep 04	0	740	0	0	0	740
Oct 04	0	743	0	0	0	743
Nov 04	0	746	0	0	0	746
Dec 04	0	749	0	0	0	749
Sell	0	0	0	0	0	0
Total	2,968,520	54,953	(2,137,949)	(47,344)	0	838,180

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# Group Member Projection (per Unit)

## Pine Lake HomeSites

Projected results of an investment in one unit of the LLC by a Group Member, both before and after tax. Considering the speed with which an analysis may be re-run, you may want to change the number of units issued and re-run the analysis for Group Members contemplating an investment in partial or multiple units. Such a re-run is easily personalized by changing the number of units issued (which can be fractional if you want) and the Group Member tax rates.

Time	Distributed Cash	Ordinary Income	Capital Gains	Taxable Income	Taxes	Cash Flow After Tax
Buy	(10,000)	0	0	0	0	(10,000)
Jan 02	0	38	0	38	(15)	(15)
Feb 02	0	38	0	38	(15)	(15)
Mar 02	0	2	0	2	(1)	(1)
Apr 02	0	2	0	2	(1)	(1)
May 02	0	2	0	2	(1)	(1)
Jun 02	0	2	0	2	(1)	(1)
Jul 02	0	670	0	670	(265)	(265)
Aug 02	0	(125)	0	(125)	49	49
Sep 02	0	4	0	4	(2)	(2)
Oct 02	0	824	0	824	(326)	(326)
Nov 02	0	(102)	0	(102)	41	41
Dec 02	0	6	0	6	(2)	(2)
Jan 03	3,863	790	0	790	(313)	3,550
Feb 03	(2,664)	(87)	0	(87)	35	(2,629)
Mar 03	0	2	0	2	(1)	(1)
Apr 03	0	785	0	785	(311)	(311)
May 03	0	(25)	0	(25)	10	10
Jun 03	0	7	0	7	(3)	(3)
Jul 03	0	1,704	0	1,704	(675)	(675)
Aug 03	0	31	0	31	(12)	(12)
Sep 03	0	31	0	31	(12)	(12)
Oct 03	0	953	0	953	(377)	(377)
Nov 03	0	44	0	44	(17)	(17)
Dec 03	0	45	0	45	(18)	(18)

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# Group Member Projection (per Unit)

## Pine Lake HomeSites

Time	Distributed Cash	Ordinary Income	Capital Gains	Taxable Income	Taxes	Cash Flow After Tax
Jan 04	12,915	845	0	845	(335)	12,580
Feb 04	0	2	0	2	(1)	(1)
Mar 04	0	2	0	2	(1)	(1)
Apr 04	0	322	0	322	(127)	(127)
May 04	0	6	0	6	(2)	(2)
Jun 04	0	6	0	6	(2)	(2)
Jul 04	0	6	0	6	(2)	(2)
Aug 04	0	6	0	6	(2)	(2)
Sep 04	0	6	0	6	(2)	(2)
Oct 04	0	6	0	6	(2)	(2)
Nov 04	0	6	0	6	(2)	(2)
Dec 04	0	6	0	6	(2)	(2)
Sell	1,642	0	0	0	0	1,642
Total	5,756	6,858	0	6,858	(2,716)	3,040

Member's Rate of Return Before Tax (IRR)	25.1%
Member's Rate of Return After Tax (IRR)	13.0%

# Group Sponsor Cash Flow Projection

## Pine Lake HomeSites

Contains all fees and cash distributions due the Group Sponsor from the LLC. Additionally, his tax liabilities are shown, together with the Net Present Value of the cash flows before and after tax.

Time	Sponsor Fees	Distributed Cash	Total Cash Flow	Taxable Income	Taxes	Cash Flow After Tax
Buy	0	0	0	0	0	0
Jan 02	0	0	0	458	(142)	(142)
Feb 02	0	0	0	460	(143)	(143)
Mar 02	0	0	0	25	(8)	(8)
Apr 02	0	0	0	25	(8)	(8)
May 02	0	0	0	25	(8)	(8)
Jun 02	0	0	0	25	(8)	(8)
Jul 02	0	0	0	8,194	(2,540)	(2,540)
Aug 02	0	0	0	(1,528)	474	474
Sep 02	0	0	0	47	(14)	(14)
Oct 02	0	0	0	10,072	(3,122)	(3,122)
Nov 02	0	0	0	(1,252)	388	388
Dec 02	0	0	0	73	(23)	(23)
Jan 03	0	47,214	47,214	9,652	(2,992)	44,222
Feb 03	0	0	0	(1,069)	331	331
Mar 03	0	0	0	21	(6)	(6)
Apr 03	0	0	0	9,600	(2,976)	(2,976)
May 03	0	0	0	(305)	94	94
Jun 03	0	0	0	82	(26)	(26)
Jul 03	0	0	0	20,830	(6,457)	(6,457)
Aug 03	0	0	0	375	(116)	(116)
Sep 03	0	0	0	382	(118)	(118)
Oct 03	0	0	0	11,646	(3,610)	(3,610)
Nov 03	0	0	0	537	(167)	(167)
Dec 03	0	0	0	545	(169)	(169)
Jan 04	0	157,844	157,844	10,329	(3,202)	154,642
Feb 04	0	0	0	21	(6)	(6)
Mar 04	0	0	0	21	(6)	(6)
Apr 04	0	0	0	3,934	(1,219)	(1,219)
May 04	0	0	0	73	(23)	(23)
Jun 04	0	0	0	73	(23)	(23)
Jul 04	0	0	0	73	(23)	(23)
Aug 04	0	0	0	74	(23)	(23)
Sep 04	0	0	0	74	(23)	(23)
Oct 04	0	0	0	74	(23)	(23)
Nov 04	0	0	0	75	(23)	(23)
Dec 04	0	0	0	75	(23)	(23)
Sell	0	0	0	0	0	0
Total	0	205,059	205,059	83,818	(25,984)	179,075

Group Sponsor's Present Value Before Tax @10%	172,685
Group Sponsor's Present Value After Tax @10%	149,979



# Analysis Assumptions Report

## Pine Lake HomeSites

Shows (in English) the assumptions used to generate the other reports. It was created with the idea of generating an assumptions report which can be presented to an investor or other concerned party to explain the assumptive basis of the other planEASe reports. In this case, only the LLC assumptions are shown for brevity.

### Investment Assumptions

Price of Property	None
Date of Acquisition	1 January 2002
Holding Period	3 Years
Inflation Rate	4% per Year
Sale Price Method	10% Capitalization of NOI on Sale Date
Selling Costs	6%

### Group Member's Assumptions

Present Value Discount Rate	10% per Year
Tax Rate - First Year	39.6%
Tax Rate - Following Years	39.6%
Capital Gain Rate	20%
Cost Recovery Recapture Rate	25% - Losses Carried Forward

### Group Assumptions

Total Initial Investment	\$1,100,000.00
Working Capital Minimum	\$50,000.00
Working Capital Maximum	\$50,000.00
Working Capital Interest Rate	5% per Year
Group Sponsor Loan Interest Rate	Members are Assessed
Group Sponsor Tax Rate	31% per Year
Number of Units Issued	110
Cash Distribution Pattern	Yearly in January

### Distribution Assumptions

Cash Distribution Start Date	1 January 2003
Preferred Return to Members	None
Cash to Members	90%
Net Taxable Income to Members	90%
Investment Return to Members	100% of Investment
Sale Proceeds to Members	90%
Capital Gain to Members	90%

### Unit Sales Draw Assumptions

Draw Percent	100%
Draw Rate	10% Annually
Draw Period	1 Month
Draw Interest Payment	Accrued
Draw Limit	None
Draw Discharge Rate	85%

# Analysis Assumptions Report

## Pine Lake HomeSites

### Unit Sales Parameter Assumptions

Price Multiplier	100%
Cost Multiplier	100%
Sale Cost/Unit	Zero
Inflate Unit Prices	No
Price Growth Rate	at the Inflation Rate
Inflate Costs	No
Cost Growth Rate	at the Inflation Rate

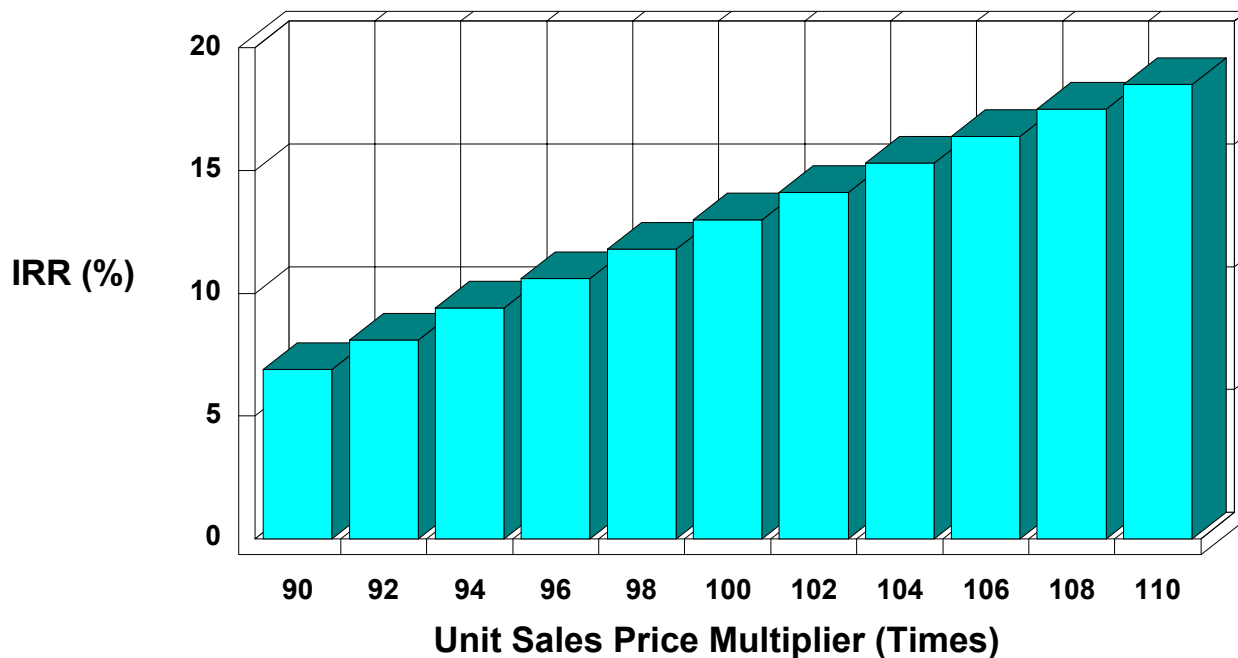
# Sensitivity Analysis

## Pine Lake HomeSites

Price Multiplier is a factor that applies to all of the Sales in all Unit Sales Revenue Pages to increase (or decrease) all of them by a fixed percentage. It is one of several global variables available to facilitate Sensitivity and Risk Analysis of Unit Sales projects.

### Unit Sales Price Multiplier versus Member's Rate of Return After Tax

Assumption	IRR
90%	6.9%
92%	8.1%
94%	9.4%
96%	10.6%
98%	11.8%
100%	13.0%
102%	14.1%
104%	15.3%
106%	16.4%
108%	17.5%
110%	18.5%



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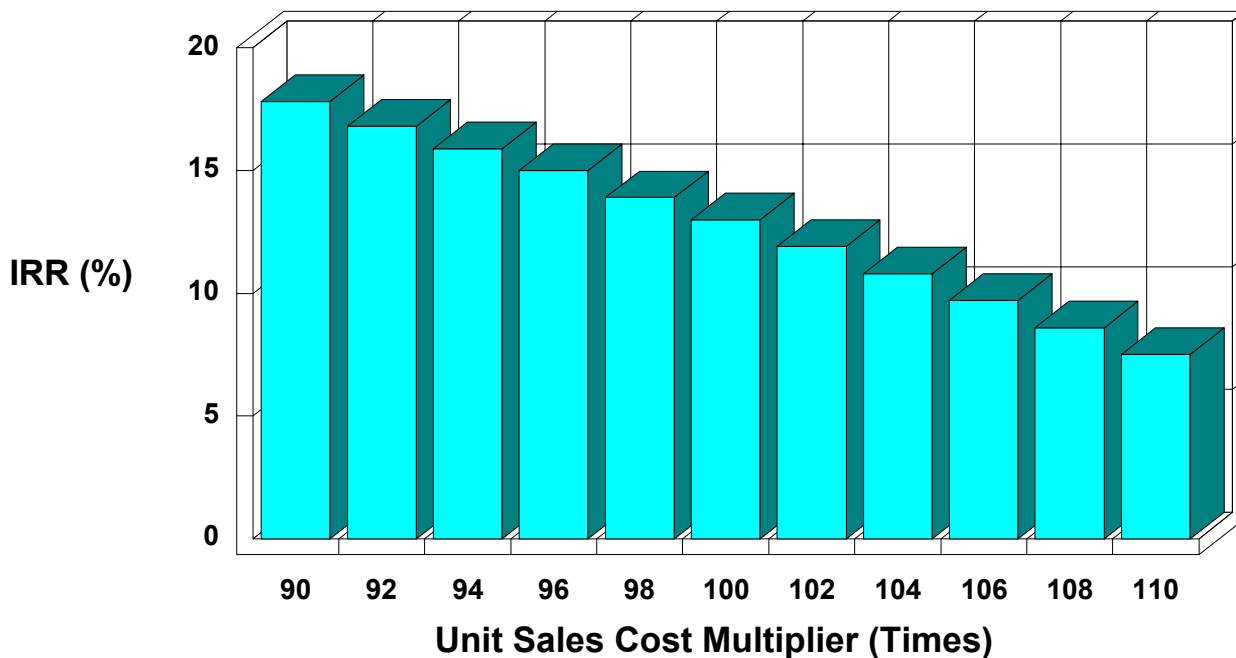
# Sensitivity Analysis

## Pine Lake HomeSites

Costs Multiplier is a factor that applies to all of the Costs in all Unit Sales Spending Pages to increase (or decrease) all of them by a fixed percentage. It is one of several global variables available to facilitate Sensitivity and Risk Analysis of Unit Sales projects.

### Unit Sales Cost Multiplier versus Member's Rate of Return After Tax

Assumption	IRR
90%	17.8%
92%	16.8%
94%	15.9%
96%	15.0%
98%	13.9%
100%	13.0%
102%	11.9%
104%	10.8%
106%	9.7%
108%	8.6%
110%	7.5%



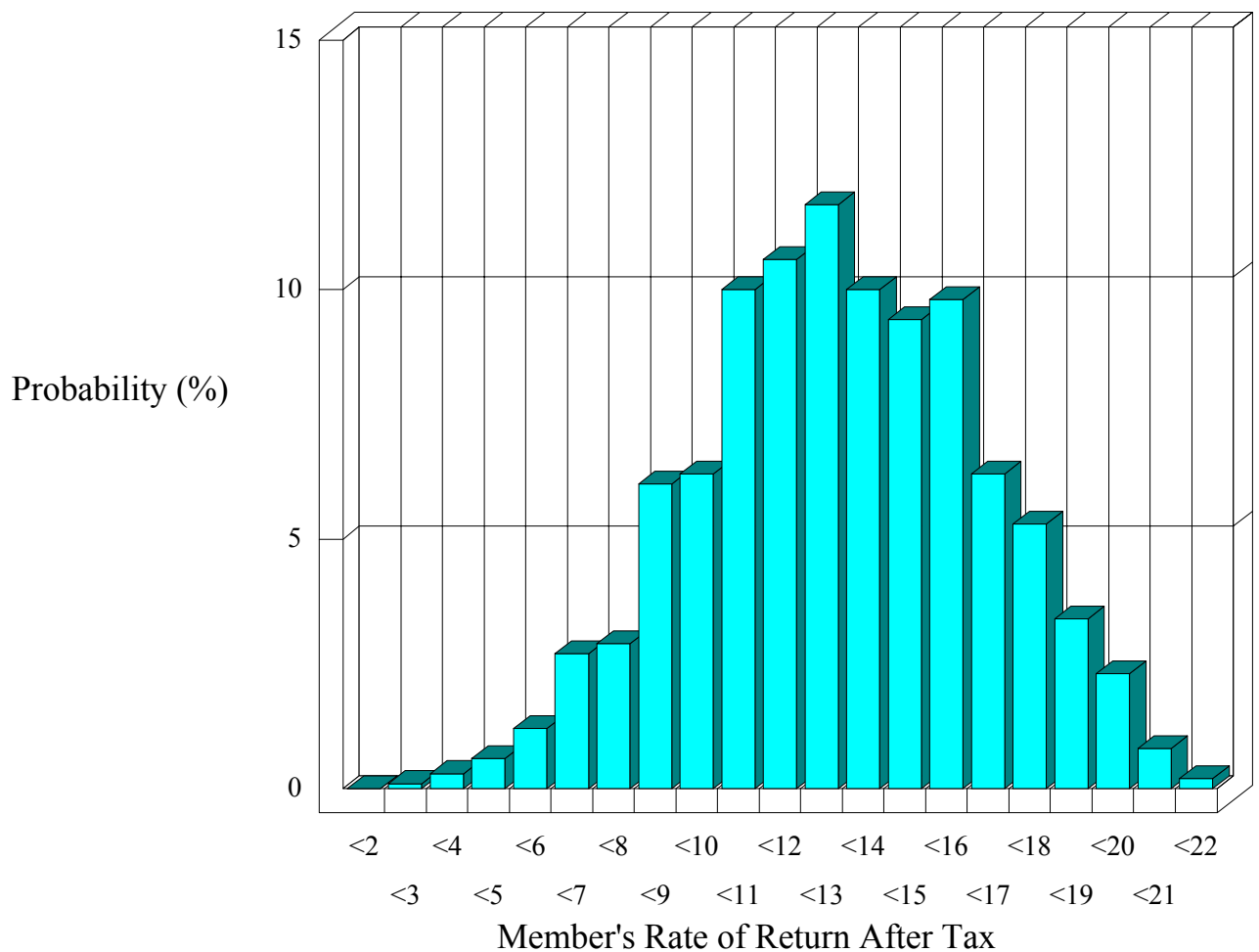
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# Risk Analysis

## Pine Lake HomeSites

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Risk Analysis Assumption	Lowest	Likely	Highest
Unit Sales Price Multiplier	90%	100%	110%
Unit Sales Cost Multiplier	90%	100%	110%



Average IRR	12.8%	Lowest IRR	2.8%
Standard Deviation	3.4%	Highest IRR	21.5%

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