



Suburban Plaza

8025 Kingston Pike
Knoxville, TN 37919

Investment Update
Fourth Quarter 2010



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BSM Investments II, LLC
3001 Armory Drive
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Nashville, TN 37204



Property Summary and Outlook

As of December 31, 2010

Occupancy	88.35%
Cash Balance-Operating Account	\$163,070
Cash Balance-Construction Account	\$116,580
Cash Balance-Money Market Account	\$125,851

Baker Storey McDonald Properties, Inc. (BSM Properties) should commence renovations at Suburban Plaza beginning in March. It is anticipated the renovation will take approximately five to six months to complete.. BSM Properties and Sperry Van Ness-Knoxville are leasing the property. Tenant interest across the country continues to improve as more and more retailers are investing and expanding.

The renovation will include new storefronts, an enhanced façade, new sidewalks and pylon signs. We are recommending to the partnership the demolition of the two-tenant building that faces Toys R Us. We have concluded this building is hampering leasing efforts to find a restaurant or other user to occupy the end cap space that is immediately to the right of Toys R Us. We believe this space should command a premium rent especially when a patio with outdoor seating is added as part of the renovations. The leasing team believes the existing tenants in this building can be relocated into some of the vacant space that currently exists in the main part of the center. We will need to get partners' formal approval and lender approval prior to undertaking this part of the renovation.

BSM Properties continues to discuss a possible expansion with Toys R Us to expand its store with a new Babies R Us. Over the past several months, we have attempted to get Toys R Us to make a commitment to expand. Unfortunately, they continue to be nonresponsive so we are proceeding to renovate the center without Toys R Us being included in the renovation. We will continue to reach out to Toys R Us in the event they decide to expand but are of the opinion the renovations need to proceed as planned.

BSM Properties maintains a dialogue with Barnes and Noble. Their lease expires in May 2012 and requires them to notify us this September regarding their interest in renewing. Recent news indicates that Borders Books will declare bankruptcy sometime this year. If that scenario plays out, we believe sales at the Barnes and Noble should increase and may have an impact on what they ultimately decide to do at Suburban Plaza. We anticipate they will want to renew their lease but at a reduced rental rate. They are currently paying \$17.00 per square foot while our acquisition underwriting assumed that the tenant's renewal rent would be \$12.00 per square foot.

Overall, Suburban Plaza continues to perform well. With the renovation of the center to commence in early March and with the announcement of Swim Tri relocating into the center, our expectation is that leasing activity will increase as the year unfolds. Mall sales at West Town Mall, only one block from Suburban Plaza, increased from \$495 per square foot in 2009 to approximately \$ 520 per square foot in 2010. Knoxville continues to be a healthy retail market as evidenced by these figures.



Centro, the seller of Suburban Plaza, was entitled to a prorata share of expense reimbursements for 2009 under the terms of the contract and that amount has been collected from tenants and remitted to them. As a result of this, BSM recently remitted payment to Centro for \$ \$56,122.04

Leasing Activity Update

BSM is completing a lease with a prominent specialty sporting goods store named Swim Tri. The retailer is known in the Knoxville market for selling competitive swim and triathlon clothing and equipment both regionally and nationally. The tenant will occupy approximately 3,200 square feet with a lease commencing in May or June depending on the time for build-out of their space. This tenant is an excellent and complimentary addition to the center with the existing tenancy of New Balance and Health Shoppe.

Once Swim Tri occupies its space, and provided we are successful at relocating the two tenants currently occupying the building that we recommend be demolished, approximately 8,900 square feet of shop space will remain to be leased at Suburban Plaza. Of this amount, approximately 5,900 square feet will be located at the end cap which we believe will be valuable space for a likely food user that will want to take advantage of the visibility not only from Kingston Pike but also from I-40 where 100,000+ cars per day travel.

Significant Tenant Issues

Bravo Wireless has a delinquent balance in the amount of \$5,672.49. They missed several rent payments during the mid-year when business was reported to be extremely poor. They made regular monthly payments for the three months straight and then missed making a payment for December. Their balance at this point basically represents rent and pass through charges for four months.

White Lace & Promises also has a delinquent account in the amount of \$4,514.07, which basically represents one month of rent. This tenant fell behind in June due to the fact they owed a significant amount of payroll taxes to the IRS that they were apparently not aware of. BSM's property management team had a lengthy meeting with Crista, the owner, and she indicated that December and January are their busiest months of the year and she has assured us that she will be current by January. We will continue to monitor this situation.

Chez Guevara has a delinquent balance of \$4,618.60, which represents December rent. They typically pay rent in arrears every month.

Budget Variance Update

- Monthly income is significantly more than budget due to the prior year recovery account. Adding to the positive variance is prepaid rent for January from Lamon Jewelers and Royal Beauty Alliance. Offsetting the



positive variance is uncollected rent from Bravo Wireless and Chez Guevara.

- YTD Income is also significantly more than budget due to the above explanation. Year to date income has a positive variance in the amount of \$29,463.00
- Monthly Operating Expenses are significantly less than budget due to the timing of the real estate tax payments.
- YTD Operating Expenses are significantly less than budget due to the expense line item for reimbursement to Centro for their share of the 2009 YE Recovery Revenue (included in Misc. Expense). Adjustment was made on balance sheet rather than expense account creating a positive variance on the expenses side. Year-to-date operating expenses have a positive variance of \$107,782.00.

Receivables Update

Tenant	Amount	Explanation
Bravo Wireless	\$5,672.49	Delinquent rent balance for approximately four months. Tenant fell behind in June and missed several payments. However they have made regular monthly rent payments from September through November but missed payment again for December.
Chez Guavara	\$4,618.60	Delinquent rent for December.. Traditionally pays one month in arrears but is consistent with their payments.
Beauty Alliance	(\$5,349.00)	Prepaid rent for January
Lamon Jewelers	(\$2,904.00)	Prepaid rent for January
Prestige Cleaners	(\$19.49)	Miscellaneous overpayment
Toys R Us	\$658.84	Underpayment of 2009 YE Recovery Billing
White Lace & Promises	\$4,514.07	Unpaid December rent

Potential Façade Renovation Rendering

Below is a rendering completed to show the updated appearance of Suburban Plaza following the façade renovation. If BSM Properties is able to secure a new lease with Toys R Us in the very near future the façade in front of their store will be renovated as well.

BSM Investments II, LLC has reserved sufficient capital to pay for this renovation. The approximate balance of the accounts earmarked for this construction project is \$240,000 and the lender, ORNL Credit Union, will provide the additional capital required to complete this renovation under the terms of the current loan. The total cost is expected to be approximately \$1,050,000.

Proposed



PROPOSED PARTIAL EAST ELEVATION

SUBURBAN PLAZA
KINGSTON PHRF, KNOXVILLE, TN

BAKER STOREY MCDONALD PROPERTIES
2001 Spring Street - Suite 200
Knoxville, Tennessee 37919
919.221.1200

Existing



PROPERTY NAME Suburban Plaza
 PROPERTY NUMBER 033
 SQUARE FEET 127,239
 PROPERTY OWNER BSM Suburban Plaza, LLC
 EQUITY INVESTED
 PAGE Summary

PROPERTY OPERATING BUDGET
TWELVE MONTHS ENDING DECEMBER 31, 2011

Completion/Revision Date
 12/21/10

	Annual	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Revenues														
Base Rent	1,285,415	104,883	104,883	104,883	104,883	104,883	104,883	104,883	104,883	104,883	104,883	118,292	118,292	1,285,415
Percentage Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expense Recoveries	220,688	11,491	11,491	11,491	89,462	11,491	11,491	11,491	11,491	11,491	11,491	13,902	13,902	220,688
4170 Utility Reimbursement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0													0
Total Revenues	1,506,103	116,374	116,374	116,374	194,345	116,374	116,374	116,374	116,374	116,374	116,374	132,194	132,194	1,506,103
Operating Expenses														
Service Contracts	20,690	1,339	1,339	1,339	1,339	3,589	1,339	1,839	1,961	1,339	2,339	1,589	1,339	20,690
Repairs & Maintenance	18,361	1,750	3,311	1,750	3,150	750	750	750	750	750	3,150	750	750	18,361
5003 Management Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	34,598	3,024	3,024	3,024	2,674	2,744	2,794	2,844	2,844	2,844	2,794	3,044	2,944	34,598
TOTAL CAM	73,649	6,113	7,674	6,113	7,163	7,083	4,883	5,433	5,555	4,933	8,283	5,383	5,033	73,649
Real Estate Taxes	165,321	0	0	0	0	0	0	0	0	0	83,960	0	81,361	165,321
Insurance	18,781	0	18,781	0	0	0	0	0	0	0	0	0	0	18,781
Total Operating Expenses	257,751	6,113	26,455	6,113	7,163	7,083	4,883	5,433	5,555	4,933	92,243	5,383	86,394	257,751
Owner Expenses														
6320 Management Fees	60,244	4,655	4,655	4,655	7,774	4,655	4,655	4,655	4,655	4,655	4,655	5,288	5,288	60,244
6323 Management Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Mgmt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Owner Utilities	1,955	170	170	170	170	170	170	170	170	170	170	170	85	1,955
Owner R & M	18,750	250	250	2,750	250	250	10,250	250	250	2,750	250	250	1,000	18,750
Non-Reimbursable Taxes	10,000	2,500	0	0	2,500	0	0	2,500	0	0	2,500	0	0	10,000
Total Owner Expenses	80,949	5,075	5,075	7,575	8,194	5,075	15,075	5,075	5,075	7,575	5,075	5,708	6,373	80,949
Net Operating Income	1,167,402	105,186	84,844	102,686	178,988	104,216	96,416	105,866	105,744	103,866	19,056	121,103	39,427	1,167,402
Leasing Expenses														
Lease Commissions Expensed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Leasing Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service														
2810 Mortgage Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6370 Mortgage Interest	480,125	40,778	36,832	40,778	39,462	40,778	39,462	40,778	40,778	39,462	40,778	39,462	40,778	480,125
6310 Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1050 Insurance Escrow	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1050 Real Estate Tax Escrow	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1050 Other Escrow	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	480,125	40,778	36,832	40,778	39,462	40,778	39,462	40,778	40,778	39,462	40,778	39,462	40,778	480,125
Operating Cash Flow	687,277	64,409	48,013	61,909	139,526	63,439	56,954	65,089	64,967	64,404	-21,721	81,641	-1,350	687,277
Capital Expenses														
Signage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tenant Improvements	173,833	0	0	0	0	0	0	0	0	0	0	35,416	138,417	173,833
Building Improvements	1,009,606	0	0	0	0	0	0	973,350	0	0	0	0	36,256	1,009,606
Leasing Commissions	50,247	0	0	6,082	19,042	0	0	0	0	0	0	25,124	0	50,247
Total Capital Expenses	1,233,686	0	0	6,082	19,042	0	0	973,350	0	0	0	60,539	174,673	1,233,686
BTCF (Before Tax Cash Flow)	-546,408	64,409	48,013	55,827	120,484	63,439	56,954	-908,261	64,967	64,404	-21,721	21,102	-176,023	-546,408
Cumulative Total		64,409	112,421	168,249	288,732	352,171	409,125	-499,136	-434,170	-369,766	-391,487	-370,385	-546,408	

**PROPERTY OPERATING BUDGET
TWELVE MONTHS ENDING DECEMBER 31, 2011**

Completion/Revision Date

12/21/10

PROPERTY NAME Suburban Plaza
 PROPERTY NUMBER 033
 SQUARE FEET 127,239
 PROPERTY OWNER BSM Suburban Plaza, LLC
 PAGE Leasing Assumptions

Tenant	Square Feet	Rental Rate	Term Mos.	Term Begin		Rent Begin		Monthly Rent	Lease Commissions		Free Rent (Mos)	Tenant Improvements		Comments	
				M	Y	M	Y		Rate	\$ PSF		Amount	\$ PSF		Amount
New Leases															
New Tenant - Space #6	2,226	17.50	60	11	/	11	/	11	0.06			12,163	15.91	35,415.66	New tenant projected for Space #6 for 60 months. Rents beginning at \$17.50 with annual bumps. TI budgeted at \$15.91 per square foot.
New Tenant - Space #12	2,100	12.50	60	11	/	11	/	11	0.06			8,198	15.91	33,411.00	New tenant projected for Space #12 for a 60 month term. Rents projected to begin at \$12.50 with annual bumps. TI estimated to cost \$15.91 per square foot.
New Tenant - Space #18	6,600	14.50	60	11	/	11	/	11	0.06			29,886	15.91	105,006.00	New tenant projected for Space #18 for a 60 month term. Rents projected to begin at \$14.50 with annual bumps. TI estimated to cost \$15.91 per square foot.

Tenant	Square Feet	Rental Rate	Term Mos.	Term Begin		Rent Begin		Monthly Rent	Lease Commissions		Free Rent (Mos)	Tenant Improvements		Comments
				M	Y	M	Y		Rate	\$ PSF		Amount	\$ PSF	
Renewals				/		/		0.00	0.02		0			
				/		/		0.00	0.02		0			
				/		/		0.00	0.02		0			
TOTAL												50,247		173,833

BSM Suburban Plaza, LLC

Balance Sheet

December 31, 2010

Assets

Current Assets

33-01-1000	Checking-Operating	\$ 163,070.38	
33-01-1010	Checking-Construction Acct	116,580.95	
33-01-1020	Money Market Account	<u>125,851.28</u>	
Total Current Assets			\$ 405,502.61

Long Term Assets

33-01-1500	Land	\$ 3,121,700.00	
33-01-1505	Building	7,112,988.23	
33-01-1530	Tenant Improvements	32,530.00	
33-01-1535	Building Improvements	2,210.00	
33-01-1550	Accumulated Depreciation	(13,078.86)	
33-01-1600	Loan Costs	124,063.01	
33-01-1620	Leasing Commissions	5,393.47	
33-01-1650	Accumulated Amortization	<u>(1,476.94)</u>	
Total Long Term Assets			\$ <u>10,384,328.91</u>

Total Assets \$ 10,789,831.52

BSM Suburban Plaza, LLC

Balance Sheet

December 31, 2010

Liabilities and Equity

Current Liabilities

33-01-2430	Security Deposits	<u>\$ 30,151.44</u>	
Total Current Liabilities			\$ 30,151.44

Long Term Liabilities

33-01-2810	Mortgage Payable	<u>\$ 7,678,053.76</u>	
Long Term Liabilities			<u>\$ 7,678,053.76</u>
Total Liabilities			<u>\$ 7,708,205.20</u>

Equity

33-01-3500	Member's Equity	\$ 2,700,000.00	
33-01-3510	Member's Withdrawal	(279,144.00)	
33-01-3900	Retained earnings	50,152.21	
	Net Income	<u>610,618.11</u>	
Total Equity			<u>\$ 3,081,626.32</u>
Total Liabilities & Equity			<u>\$ 10,789,831.52</u>

BSM Suburban Plaza, LLC

Trial Balance

December 31, 2010

Account Number	Account Title	Beginning Balance	Current Period Activity	Current Balance
<u>Assets, Liabilities & Equity</u>				
33-01-1000	Checking-Operating	\$ 237,637.98	\$ (74,567.60)	\$ 163,070.38
33-01-1010	Checking-Construction	155,954.55	(39,373.60)	116,580.95
33-01-1020	Money Market Account	125,825.10	26.18	125,851.28
33-01-1210	Tenants Receivable	10,017.24	(10,017.24)	.00
33-01-1500	Land	3,121,700.00	.00	3,121,700.00
33-01-1505	Building	7,112,988.23	.00	7,112,988.23
33-01-1530	Tenant Improvements	32,530.00	.00	32,530.00
33-01-1535	Building Improvements	2,210.00	.00	2,210.00
33-01-1550	Accumulated Depreciati	(13,078.86)	.00	(13,078.86)
33-01-1600	Loan Costs	124,063.01	.00	124,063.01
33-01-1620	Leasing Commissions	5,393.47	.00	5,393.47
33-01-1650	Accumulated Amortizati	(1,476.94)	.00	(1,476.94)
33-01-2420	Escrow Liability Accou	(22,651.62)	22,651.62	.00
33-01-2430	Security Deposits	(30,151.44)	.00	(30,151.44)
33-01-2710	Property Taxes Payable	(77,656.76)	77,656.76	.00
33-01-2731	Due to Centro	(92,956.53)	92,956.53	.00
33-01-2810	Mortgage Payable	(7,678,053.76)	.00	(7,678,053.76)
33-01-3500	Member's Equity	(2,700,000.00)	.00	(2,700,000.00)
33-01-3510	Member's Withdrawal	256,642.00	22,502.00	279,144.00
33-01-3900	Retained earnings	(50,152.21)	.00	(50,152.21)
	Total	\$ 518,783.46	\$ 91,834.65	\$ 610,618.11

Income & Expenses

33-01-4010	CAM Prior Year Recover	\$ 2,830.14	\$ (127,125.63)	\$ (124,295.49)
33-01-4020	CAM Reimbursements	(60,448.44)	(4,414.98)	(64,863.42)
33-01-4050	Interest Income	(835.04)	(94.63)	(929.67)
33-01-4060	Property Management Fe	(1,239.00)	(177.00)	(1,416.00)
33-01-4065	CAM - Snow Removal	(210.00)	(10.00)	(220.00)
33-01-4090	Property Insurance Rei	(7,456.48)	(739.74)	(8,196.22)
33-01-4100	Property Tax Reimburse	(50,568.88)	(4,254.00)	(54,822.88)
33-01-4110	Reimbursed Expenses	(.42)	.00	(.42)
33-01-4120	Rental Income	(1,140,494.70)	(99,849.85)	(1,240,344.55)
33-01-5000	CAM Insurance, Propert	18,781.00	.00	18,781.00
33-01-5002	CAM Taxes, Real Estate	181,798.63	88,752.00	270,550.63
33-01-5020	CAM Landscaping	5,600.00	475.00	6,075.00
33-01-5050	CAM Parking Lot Sweepi	9,720.00	810.00	10,530.00
33-01-5070	CAM Repairs & Maintena	7,286.40	1,561.16	8,847.56
33-01-5100	CAM Snow Removal	1,375.00	450.00	1,825.00
33-01-5110	CAM Sprinklers/Fire Sa	2,162.46	.00	2,162.46
33-01-5160	CAM Utilities-Electric	17,286.36	2,004.36	19,290.72
33-01-5180	CAM Utilities-Water	598.17	77.57	675.74
33-01-6040	Bank Service Charges	141.00	.00	141.00
33-01-6225	Insurance-Business Pac	560.00	.00	560.00
33-01-6320	Management Fees-Proper	44,215.77	9,587.26	53,803.03
33-01-6340	Meals & Entertainment	146.41	139.53	285.94
33-01-6350	Mileage	36.19	.00	36.19
33-01-6370	Mortgage Interest Paid	432,611.40	39,442.05	472,053.45

BSM Suburban Plaza, LLC
 Trial Balance
 December 31, 2010

Account Number	Account Title	Beginning Balance	Current Period Activity	Current Balance
33-01-6470	Professional Fees-Acco	\$ 2,157.00	\$.00	\$ 2,157.00
33-01-6490	Professional Fees-Lega	689.25	.00	689.25
33-01-6530	Repairs & Maintenance	3,603.02	150.00	3,753.02
33-01-6540	Roof Repairs	6,227.00	906.00	7,133.00
33-01-6610	Taxes-Franchise	2,500.00	.00	2,500.00
33-01-6690	Travel	214.09	375.63	589.72
33-01-6710	Utilities-Electric	1,223.89	100.62	1,324.51
33-01-6720	Utilities-Gas/Propane	109.26	.00	109.26
33-01-6730	Utilities-Water/Sewer	597.06	.00	597.06
Total		<u>\$ (518,783.46)</u>	<u>\$ (91,834.65)</u>	<u>\$ (610,618.11)</u>
GRAND TOTAL		<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>

BSM Suburban Plaza, LLC
Profit & Loss Statement
For the Period Ended December 31, 2010

	Balance 1 Year Prior	Current Period Activity	Current YTD Balance
<u>Ordinary Income/Expenses</u>			
<u>Income</u>			
33-01-4010		\$ 127,126	\$ 124,295
33-01-4020		4,415	64,864
33-01-4050		94	930
33-01-4060		177	1,416
33-01-4065		10	220
33-01-4090		740	8,196
33-01-4100		4,254	54,823
33-01-4120	64,708	99,850	1,240,345
Total Income	<u>\$ 64,708</u>	<u>\$ 236,666</u>	<u>1,495,089</u>
<u>Expense</u>			
33-01-5000			\$ 18,781
33-01-5002		88,752	270,551
33-01-5020		475	6,075
33-01-5050		810	10,530
33-01-5070		1,561	8,847
33-01-5100		450	1,825
33-01-5110			2,163
33-01-5160		2,005	19,290
33-01-5180		77	676
33-01-6040			141
33-01-6225			560
33-01-6320		9,587	53,803
33-01-6340		140	286
33-01-6350			36
33-01-6370		39,442	472,054
33-01-6470			2,157
33-01-6490			689
33-01-6530		150	3,753
33-01-6540		906	7,133
33-01-6610			2,500
33-01-6690		376	590
33-01-6710		100	1,324
33-01-6720			109

Confidential: For Internal Use Only

BSM Suburban Plaza, LLC
Profit & Loss Statement
For the Period Ended December 31, 2010

	Balance 1 Year Prior	Current Period Activity	Current YTD Balance
33-01-6730 Utilities-Water/Sewer	_____	_____	\$ 598
Total Expense		\$ 144,831	\$ 884,471
Subtotal of Operating Income/Expense	\$ 64,708	\$ 91,835	\$ 610,618
<u>Depreciation & Amortization of Capital Expenses</u>			
33-01-6900 Depreciation Expense	\$ 13,079		
33-01-6910 Amortization Expense	1,477	_____	_____
Total Other Income (Expense)	\$ 14,556		
Net Income (Loss)	<u>\$ 50,152</u>	<u>\$ 91,835</u>	<u>\$ 610,618</u>

BSM Suburban Plaza, LLC
Statement of Cash Flow & Budget Comparison
For the Period Ended December 31, 2010

Account	Title	Current Month	Current Budget	Current Variance	YTD Balance	YTD Budget	YTD Variance
<u>Income</u>							
33-01-4010	CAM Prior Year Recovery	\$ 127,126	-	\$ 127,126	\$ 124,295	\$ 67,896	\$ 56,399
33-01-4020	CAM Reimbursements	4,415	6,025	(1,610)	64,864	72,300	(7,436)
33-01-4050	Interest Income	94	-	94	930	-	930
33-01-4060	Property Management Fees	177	177	-	1,416	2,124	(708)
33-01-4065	CAM - Snow Removal	10	26	(16)	220	312	(92)
33-01-4090	Property Insurance Reimbu	740	845	(105)	8,196	10,140	(1,944)
33-01-4100	Property Tax Reimbursemen	4,254	4,868	(614)	54,823	58,416	(3,593)
33-01-4120	Rental Income	99,850	104,656	(4,806)	1,240,345	1,254,438	(14,093)
	Total Income	\$ 236,666	\$ 116,597	\$ 120,069	\$ 1,495,088	\$ 1,465,626	\$ 29,463
<u>Expenses</u>							
Recoverable Expenses							
33-01-5000	CAM Insurance, Property	-	-	-	\$ 18,781	\$ 16,912	\$ (1,869)
33-01-5002	CAM Taxes, Real Estate	88,752	189,244	100,492	270,551	279,456	8,905
33-01-5010	CAM Irrigation	-	-	-	-	3,500	3,500
33-01-5020	CAM Landscaping	475	475	-	6,075	5,700	(375)
33-01-5050	CAM Parking Lot Sweeping	810	810	-	10,530	9,720	(810)
33-01-5060	CAM Pressure Washing	-	-	-	-	4,800	4,800
33-01-5070	CAM Repairs & Maintenance	1,561	750	(811)	8,847	10,561	1,714
33-01-5100	CAM Snow Removal	450	-	(450)	1,825	3,000	1,175
33-01-5110	CAM Sprinklers/Fire Safet	-	54	54	2,163	1,148	(1,015)
33-01-5160	CAM Utilities-Electric	2,004	2,350	346	19,290	24,750	5,460
33-01-5175	Utilities-Telephone	-	594	594	-	7,128	7,128
33-01-5180	CAM Utilities-Water	78	-	(78)	676	2,720	2,044
	Total Recoverable Expenses	\$ 94,130	\$ 194,277	\$ 100,147	\$ 338,738	\$ 369,395	\$ 30,657
Non-Recoverable Expenses							
33-01-6040	Bank Service Charges	-	-	-	\$ 141	-	\$ (141)
33-01-6210	Gifts	-	350	350	-	350	350
33-01-6225	Insurance-Business Packag	-	-	-	560	-	(560)
33-01-6320	Management Fees-Property	9,587	4,735	(4,852)	53,803	58,695	4,892
33-01-6340	Meals & Entertainment	140	-	(140)	286	-	(286)
33-01-6350	Mileage	-	200	200	36	2,400	2,364

Confidential: For Internal Use Only

BSM Suburban Plaza, LLC
Statement of Cash Flow & Budget Comparison
For the Period Ended December 31, 2010

33-01-6360	Miscellaneous Expense	-	-	-	-	\$ 64,109	\$ 64,109
33-01-6470	Professional Fees-Account	-	-	-	2,157	3,500	1,343
33-01-6490	Professional Fees-Legal	-	250	250	689	3,000	2,311
33-01-6530	Repairs & Maintenance	150	250	100	3,753	3,000	(753)
33-01-6540	Roof Repairs	906	750	(156)	7,133	15,750	8,617
33-01-6610	Taxes-Franchise	-	-	-	2,500	-	(2,500)
33-01-6690	Travel	375	-	(375)	590	-	(590)
33-01-6710	Utilities-Electric	101	-	(101)	1,325	-	(1,325)
33-01-6720	Utilities-Gas/Propane	-	-	-	109	-	(109)
33-01-6730	Utilities-Water/Sewer	-	-	-	597	-	(597)
	Total Non-Recoverable Expenses	<u>\$ 11,259</u>	<u>\$ 6,535</u>	<u>\$ (4,724)</u>	<u>\$ 73,679</u>	<u>\$ 150,804</u>	<u>\$ 77,125</u>
	Total Operating Expense	\$ 105,389	\$ 200,812	\$ 95,423	\$ 412,417	\$ 520,199	\$ 107,782
	Net Operating Income	<u>\$ 131,277</u>	<u>\$ (84,215)</u>	<u>\$ 215,492</u>	<u>\$ 1,082,671</u>	<u>\$ 945,427</u>	<u>\$ 137,245</u>

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BSM Suburban Plaza, LLC
Statement of Cash Flow & Budget Comparison
For the Period Ended December 31, 2010

Account	Title	Current Month	Current Budget	Current Variance	YTD Balance	YTD Budget	YTD Variance
<u>Debt Service</u>							
33-01-2420	Escrow Liability Account	\$ 22,652	-	\$ (22,652)	\$ 37,652	-	\$ (37,652)
33-01-2710	Property Taxes Payable	77,656	-	(77,656)	77,656	-	(77,656)
33-01-2731	Due to Centro	92,957	-	(92,957)	-	-	-
33-01-2810	Mortgage Payable	-	-	-	3,947	-	(3,947)
33-01-6370	Mortgage Interest Paid	39,442	40,778	1,336	472,053	480,126	8,073
	Total Debt Service	\$ 232,707	\$ 40,778	\$ (191,929)	\$ 591,308	\$ 480,126	\$ (111,182)
	Operating Cash Flow	\$ (101,430)	\$ (124,993)	\$ 23,563	\$ 491,363	\$ 465,301	\$ 26,063
<u>Capital Expenses</u>							
33-01-1505	Building	-	-	-	\$ 164,683	-	\$ (164,683)
33-01-1530	Tenant Improvements	-	-	-	32,530	24,671	(7,859)
33-01-1535	Building Improvements	-	-	-	2,210	-	(2,210)
33-01-1620	Leasing Commissions	-	-	-	5,394	43,685	38,291
	Total Capital Improvements	-	-	-	\$ 204,817	\$ 68,356	\$ (136,461)
<u>Member Activity</u>							
33-01-3510	Member's Withdrawal	\$ (22,502)	-	\$ 22,502	\$ (279,144)	-	\$ 279,144
	Total Member Activity	\$ (22,502)	-	\$ 22,502	\$ (279,144)	-	\$ 279,144
	Cash Flow After CapEx/Dist	\$ (123,932)	\$ (124,993)	\$ 1,061	\$ 7,402	\$ 396,945	\$ (389,542)

Confidential: For Internal Use Only

Custom Rent Roll Report for BSM Suburban Plaza, LLC

01/14/2011

		<u>Lease end</u>	<u>SQ FT</u>	<u>Deposit Type/Balance</u>	<u>Rent</u>	<u>*****Other Charges*****</u>		<u>*****Future Rent*****</u>		<u>Lease Option</u>		
										<u>Category</u>	<u>Call Up Date</u>	
00	Lamon Jewelers Lease Start: 04/30/2003	04/30/2015	2,600	Refundable Security	\$0.00	\$ 2,904.00			05/01/2015	\$3,194.40	Renewal	11/1/2014
1	Barnes & Noble Booksellers Lease Start: 05/22/1997	05/31/2012	24,000	Refundable Security	\$0.00	\$ 34,000.00	CAM	1,257.00	06/01/2012	\$36,000.00	Option 1	
							INS	301.00	06/01/2017	\$38,000.00	Option 2	
								\$1,558.00	06/01/2022	\$40,000.00	Option 3	
10	Healthcare Uniform Co., Inc Lease Start: 01/31/2005	01/31/2011	2,994	Refundable Security	\$0.00	\$ 1,750.00	CAM	162.00				
							PTAX	369.00				
								\$531.00				
11	Steven W. Mount dba Bravc Lease Start: 02/01/2007	01/31/2012	800	Refundable Security	\$1,200.00	\$ 1,266.67	CAM	82.00				
							INS	12.00				
							PTAX	99.00				
							SNOW	2.00				
								\$195.00				
12	Lease Start:		2,100									
13	Chez Guevara Lease Start: 10/01/2004	09/30/2012	2,880	Refundable Security	\$0.00	\$ 3,849.60	CAM	394.00				
							INS	36.00				
							PTAX	355.00				
							SNOW	6.00				
								\$791.00				
14	Woodcraft Lease Start: 01/21/2002	01/31/2012	8,773	Refundable Security	\$9,446.00	\$ 7,274.25	CAM	478.00				
							INS	127.00				
							PTAX	1,081.00				
								\$1,686.00				

											<u>Lease Option</u>	
	<u>Lease end</u>	<u>SQ FT</u>	<u>Deposit Type/Balance</u>	<u>Rent</u>	<u>*****Other Charges*****</u>	<u>*****Future Rent*****</u>	<u>Category</u>	<u>Call Up Date</u>				
	Beauty Alliance, Inc. dba R	02/28/2012	3,600	Refundable Security \$2,700.00	\$ 4,500.00	CAM	369.00					
	Lease Start: 03/01/2007					INS	52.00					
						PTAX	443.00					
						SNOW	8.00					
							<u>\$872.00</u>					
16	PTO, Inc. dba Paul's Oasis	10/31/2012	5,059	Refundable Security \$2,565.00	\$ 5,691.38	CAM	223.00					
	Lease Start: 10/14/1999					INS	73.00					
						PTAX	623.00					
							<u>\$919.00</u>					
17	Toys R Us#8810	01/31/2014	39,000	Refundable Security \$0.00	\$ 20,239.28	CAM	1,849.00	02/01/2014	\$23,275.17	Option 3 9/1/2013		
	Lease Start: 10/19/1984						<u>\$1,849.00</u>	02/01/2019	\$26,766.44	Option 4 9/1/2019		
								02/01/2024	\$30,781.44	Renewal 9/1/2024		
18			6,600									
	Lease Start:											
19	Suburban Barber Shop	08/28/2011	580	Refundable Security \$0.00	\$ 820.22	CAM	57.00					
	Lease Start: 03/01/2008					INS	8.00					
						PTAX	71.00					
						SNOW	1.00					
							<u>\$137.00</u>					
2	New Balance	06/30/2015	4,530	Refundable Security \$3,505.00	\$ 5,473.75	CAM	247.00	07/01/2013	\$5,662.50	Renewal 7/1/2012		
	Lease Start: 07/01/2005					INS	65.00					
						PTAX	558.00					
							<u>\$870.00</u>					
20	Prestige Cleaners	07/31/2012	2,066	Refundable Security \$0.00	\$ 3,787.67	CAM	211.00					
	Lease Start: 08/01/1997					INS	30.00					
						PTAX	255.00					
						SNOW	5.00					
							<u>\$501.00</u>					

	Lease_end	SQ FT	Deposit Type/Balance	Rent	*****Other Charges*****	*****Future Rent*****	Lease Option	
							Category	Call Up Date
21	White Lace & Promises Lease Start: 09/24/2009	09/30/2014	4,726 Refundable Security	\$0.00 \$ 3,524.81	CAM INS MGMTF PTAX	224.00 59.00 177.00 582.00		Option 1 4/1/2014
						<u>\$1,042.00</u>		
3	Fancy Beauty Salon Lease Start: 07/03/2006	07/31/2011	1,950 Refundable Security	\$2,871.00 \$ 2,437.05	CAM INS PTAX SNOW	172.00 28.00 240.00 4.00		
						<u>\$444.00</u>		
4	Asian Farmer's Market Lease Start: 01/08/2006	01/31/2011	5,605 Refundable Security	\$3,500.00 \$ 3,000.00	CAM INS PTAX	0.00 0.00 0.00		Renewal 7/1/2010
						<u>\$0.00</u>		
5	Lease Start:		620					
6	Lease Start:		2,226					
7	Lease Start:		3,277					
9	Eddie Reymond dba Health Lease Start: 10/01/2004	08/31/2015	3,253 Refundable Security	\$4,364.44 \$ 4,364.44	CAM INS PTAX	177.00 47.00 401.00	09/01/2012 \$4,581.31	
						<u>\$625.00</u>		

Lease end

SQ FT Deposit Type/Balance

Rent

****Other Charges****

****Future Rent****

Category

Call Up Date

	<u>Total SQ FT</u>	<u>Occupancy %</u>	<u>#of Units</u>	<u>Occupied</u>	<u>Leased</u>
BSM Suburban Plaza, LLC	127,239	88.35%	21	16	16

Rent Grand Total:	\$104,883.12
Other Charges Grand Total:	\$12,020.00

Cut-off Date: 12-31-2010

Based Upon: Accounting Date

Property: 33-01 BSM Suburban Plaza, LLC

<u>Tenant</u>	<u>Name</u>	<u>Current Balance</u>	<u>Future Activity</u>	<u>Current 0-30 Days</u>	<u>Over 30 Days</u>	<u>Over 60 Days</u>	<u>Over 90 Days</u>	<u>Over 120 Days</u>
BRA01	Steven W. Mount dba Bravo Wire	5,672.49		1,455.67	1,455.67		1,455.67	1,305.48
CHZ01	Chez Guevara	4,618.60		4,618.60				
LAM01	Lamon Jewelers	2,904.00-	2,904.00-					
PCL01	Prestige Cleaners	19.49-	19.49-					
ROY01	Beauty Alliance, Inc. dba Roya	5,349.00-	5,349.00-					
WLP01	White Lace & Promises	4,514.07		4,414.07	100.00			
Property 33-01 Totals:		<u>6,532.67</u>	<u>8,272.49-</u>	<u>10,488.34</u>	<u>1,555.67</u>	<u>.00</u>	<u>1,455.67</u>	<u>1,305.48</u>

Suburban Plaza Sales Tracking Report

Gross Sales Report

Tenant Name	SQ. FT.	Year	Monthly Rent*	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total	Annualize Sales/s.f.	Rent as % of Sales
Asian Farmer Market <i>Not Required to Report</i>	5,605	2007														\$ -	#DIV/0!	#DIV/0!
		2008	\$3,736.67													\$ -	#DIV/0!	#DIV/0!
		2009	\$3,736.67													\$ -	#DIV/0!	#DIV/0!
		2010	\$3,000.00													\$ -	#DIV/0!	#DIV/0!
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Bravo Wireless before or by the 10th of each month	800	2008	\$1,266.67													\$ 122,654.00	#DIV/0!	0.00%
		2009	\$1,266.67													\$ -	#DIV/0!	#DIV/0!
		2010	\$1,266.67	\$ 7,569.26	\$ 7,649.08	\$ 7,167.76	\$ 4,974.40	\$ 3,036.50	\$ 3,713.00	\$ 2,909.01	\$ 2,516.54					\$ 39,535.55	74.129156	25.63%
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Prestige Cleaners before of by the 10th of the month	2,066	2007		27976.15	24484.98	31184.47	31046.73	31,311.30	28,147.21	24,599.10	27,345.55	26,031.61	30,699.43	30,127.91	28,016.33	\$ 340,970.77	165.03909	13.33%
		2008	\$3,787.67	\$ 27,721.47	\$ 25,776.14	\$ 25,930.55	\$ 29,703.90	\$ 31,836.73	\$ 26,140.27	\$ 25,500.18	\$ 24,482.99	\$ 22,476.23	\$ 24,589.92	\$ 27,744.98	\$ 25,655.76	\$ 317,559.12	153.70722	14.31%
		2009	\$3,787.67	\$ 22,557.49	\$ 20,917.95	\$ 22,086.00	\$ 26,477.98	\$ 25,417.96	\$ 21,983.30	\$ 21,735.23	\$ 21,416.14	\$ 22,952.76	\$ 23,248.33	\$ 21,476.50	\$ 25,053.59	\$ 275,323.23	133.26391	16.51%
		2010	\$3,787.67	\$ 20,025.00	\$ 21,931.67	\$ 22,352.46	\$ 25,675.95	\$ 24,886.10								\$ 114,871.18	133.44184	0.00%
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Fancy Beauty Salon before or by the 10th of the month	1,950	2007	\$2,437.05													\$ -	#DIV/0!	#DIV/0!
		2008	\$2,437.05													\$ -	#DIV/0!	#DIV/0!
		2009	\$2,437.05													\$ -	#DIV/0!	#DIV/0!
		2010	\$2,437.05													\$ -	#DIV/0!	#DIV/0!
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
New Balance before or by the 10th of the month	4,530	2007														\$ 1,502,981.00	#DIV/0!	0.00%
		2008	\$5,285.00													\$ 1,508,927.00	#DIV/0!	0.00%
		2009	\$5,285.00													\$ -	#DIV/0!	#DIV/0!
		2010	\$5,285.00	\$ 103,910.83	\$ 111,149.33	\$ 135,556.76	\$ 141,118.33	\$ 163,657.40	\$ 111,549.82	\$ 130,093.11	\$ 179,701.61	\$ 115,365.19	\$ 131,220.54			\$ 1,475,366.31	5355.30	3.94%
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Health Shoppe Reports Sales see Amend 3 1ST AMENDMENT 6/18/2010 Expanded 6/18/2010	3,253	2008	\$2,061.82													\$ 664,387.00	#DIV/0!	0
		2009	\$2,094.34													\$ -	#DIV/0!	#DIV/0!
		2010	\$4,364.44	\$ 80,099.00	\$ 70,099.00	\$ 78,457.00	\$ 81,829.00	\$ 83,662.00	\$ 85,548.00							\$ 479,694.00	\$294.92	0.054590301
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Life Uniform <i>Not required to report</i>	2,994	2007	3280.93													\$ 227,265.00		
		2008	\$3,280.93													\$ 199,422.00	#DIV/0!	0.00%
		2009	\$3,280.93													\$ -	#DIV/0!	#DIV/0!
		2010	\$1,750.00													\$ -	#DIV/0!	#DIV/0!
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Chez Guevara Reports Sales	2,800	2008	\$3,493.00													\$ 1,015,347.00	#DIV/0!	0.00%
		2009	\$3,493.00													\$ -	#DIV/0!	#DIV/0!
		2010	\$3,849.60	\$ 77,834.17	\$ 81,698.92	\$ 82,275.34	\$ 87,878.26	\$ 92,562.51	\$ 86,475.26	\$ 98,947.73	\$ 93,525.89	\$ 82,285.99	\$ 82,801.44	\$ 87,756.59		\$ 954,042.10	\$371.70	4.44%
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Woodcraft before or on 10th of each month	8,733	2008	\$7,274.25													\$ 693,964.00	#DIV/0!	0.00%
		2009	\$7,274.25													\$ -	#DIV/0!	#DIV/0!
		2010	\$7,274.25	\$ 90,950.00	\$ 103,857.00	\$ 85,884.15	\$ 83,640.37	\$ 75,201.00	\$ 62,141.00	\$ 97,304.00	\$ 78,602.00	\$ 70,406.00	\$ 63,746.74	\$ 139,175.00	\$ 135,460.00	\$ 1,086,367.26	124.39795	8.04%
		2011														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
		2012														\$ -	#DIV/0!	#DIV/0!
Royal Beauty Supply	3,600	2008	\$4,350.00													\$ 50.00	#DIV/0!	#DIV/0!
		2009	\$4,350.00													\$ -	#DIV/0!	#DIV/0!