

Atlanta BeltLine, Inc.
Notes to Accompany Financial Statements
Results as of October 2009 YTD

Revenue – ABI Operating & BeltLine TAD Comments:

- 1) ABI budgeted to receive approx. \$2.0MM in tax increment as a result of the FY08 tax digest certification and true-up. As of 10/31/09, the FY08 tax digest was not yet certified.
- 2) ABI budgeted to begin to receive 2009 tax increment beginning in September and based the budget on the receipts from the three taxing jurisdictions. Due to delays in the 2009 tax bills and the current exclusion of one of the taxing jurisdictions, revenue received has totaled \$262K compared to the budget of \$1.5MM.
- 3) All other revenues are within budget.

Expense Comments:

- 1) Salaries and benefits are lower than budget due to delays in hiring full time staff. Actual staffing of 12 headcount as compared to a budget of 15. MTD our positive variance was \$40K and YTD we have a positive variance of \$101K
- 2) Total shared services are higher than budget by 8% or \$16K year to date. The variance is a combination of higher shared services for office allocation expenses, additional accounting/corporate expenses and slightly higher marketing expense allocations.
- 3) Other expenses are lower than budget by 23% or \$71K year to date mostly due to continued low interest rates on our bank loan combined with decreased overall expenses.
- 4) Project development expenses are significantly lower than budget by \$428K YTD. This is due to a delay in the start of projects combined with a positive reforecast of EIS expenses that will not be due until FY11.

Reforecast:

Due to the changes in the revenue forecast outlined above, ABI is undertaking a reforecast of both revenues and expenses for the remainder of FY10 and the beginning of FY11. The reforecast should be completed in December and presented at the January Board meeting.

Atlanta BellLine, Inc
ABI - Income Statement
October 2009

	Month of Oct 2009			
	Budget	Actual	Variance \$	Variance %
<i>Revenues</i>				
Interest Income	\$ 500	\$ 327	\$ (173)	-53%
TAD Expense Reimbursements	352,769	352,769	-	0%
Mgt Fees	44,500	47,557	3,057	6%
Grants	-	-	-	N/A
Other Income	-	-	-	N/A
Total Revenues	\$ 397,769	\$ 400,653	\$ 2,884	0.7%
<i>Operating Expenses</i>				
Salaries	\$ 131,352	\$ 108,771	\$ 22,582	17.2%
Benefits/Taxes	36,927	19,882	17,045	46.2%
Total Salaries & Benefits	\$ 168,279	\$ 128,653	\$ 39,627	23.5%
Acct/Corporate	\$ 19,595	\$ 20,971	\$ (1,376)	-7.0%
Legal Services	1,522	1,815	(293)	-19.3%
Marketing	1,523	2,208	(685)	-45.0%
Rent	12,076	12,076	-	0.0%
Office Allocation - Shared	12,012	18,629	(6,617)	-55.1%
Total Shared Services	\$ 46,728	\$ 55,699	\$ (8,971)	-19.2%
Interest Expense (bank loan)	\$ -	\$ -	\$ -	N/A
RE Costs	-	47,556	(47,556)	N/A
Other General Expenses	22,864	18,644	4,220	18.5%
Total Other Expenses	\$ 22,864	\$ 66,199	\$ (43,336)	-1.895403153
TOTAL OPERATING EXPENSES	\$ 237,871	\$ 250,551	\$ (12,680)	-5.3%
<i>Project Development Expenses</i>				
Development Consulting (incl. MP)	\$ 325,453	\$ 159,038	\$ 166,415	51%
Legal Consulting	3,000	38,931	(35,931)	-1198%
EIS	86,058	2,378	83,680	97%
Other Expenses	20,000	1,545	18,455	92%
TOTAL PROJ. DEV. EXPENSES	\$ 434,511	\$ 201,893	\$ 232,618	53.5%
TOTAL ABI EXPENSES	\$ 672,382	\$ 452,443	\$ 219,939	32.7%
Net Income	\$ (274,613)	\$ (51,791)	\$ 222,823	81.1%
Headcount	15	12	-3	

Atlanta BeltLine, Inc
ABI - Income Statement
October 2009

	<u>Budget</u>	<u>FY10 Oct YTD</u>		
		<u>Actual</u>	<u>Variance \$</u>	<u>Variance %</u>
<i>Revenues</i>				
Interest Income	\$ 2,000	\$ 1,513	\$ (487)	-32.1%
TAD Expense Reimbursements	1,085,555	1,085,555	-	0.0%
Mgt Fees	54,825	52,283	(2,542)	-4.9%
Grants	1,508,604	1,508,604	-	0.0%
Other Income	-	-	-	N/A
Total Revenues	\$ 2,650,984	\$ 2,647,955	\$ (3,029)	-0.1%
<i>Operating Expenses</i>				
Salaries	\$ 581,889	\$ 500,841	\$ 81,047	13.9%
Benefits/Taxes	144,232	124,464	19,768	13.7%
Total Salaries & Benefits	\$ 726,121	\$ 625,305	\$ 100,816	13.9%
Acct/Corporate	\$ 78,380	\$ 82,941	\$ (4,561)	-5.8%
Legal Services	17,566	19,555	(1,989)	-11.3%
Marketing	6,092	9,168	(3,076)	-50.5%
Rent	48,304	48,304	-	0.0%
Office Allocation - Shared	51,242	57,694	(6,452)	-12.6%
Total Shared Services	\$ 201,584	\$ 217,662	\$ (16,078)	-8.0%
Interest Expense (bank loan)	\$ 180,000	\$ 140,509	\$ 39,491	21.9%
RE Costs	80,000	56,280	23,720	29.6%
Other General Expenses	44,404	36,175	8,229	18.5%
Total Other Expenses	\$ 304,404	\$ 232,964	\$ 71,440	23.5%
TOTAL OPERATING EXPENSES	\$ 1,232,109	\$ 1,075,931	\$ 156,177	12.7%
<i>Project Development Expenses</i>				
Development Consulting (incl. MP)	\$ 503,618	\$ 278,001	\$ 225,617	44.8%
Legal Consulting	19,800	128,868	(109,068)	-550.9%
EIS	295,670	2,378	293,292	99.2%
Other Expenses	29,875	11,245	18,630	62.4%
TOTAL PROJ. DEV. EXPENSE	\$ 848,963	\$ 420,493	\$ 428,470	50.5%
TOTAL ABI EXPENSES	\$ 2,081,072	\$ 1,496,424	\$ 584,648	28.1%
Net Income	\$ 569,912	\$ 1,151,531	\$ 581,619	102.1%
Headcount	14.0	11.75	-2.25	

Atlanta BeltLine, Inc
Balance Sheet as of 10/31/09

ASSETS

Current Assets

Cash	\$	873,915
Capitalized Interest - Banks		1,905,175
Accounts Receivable		(79,049)
Prepays		3,398
		3,398

Total Current Assets \$ 2,703,440

Other Assets

Investment in Old Fourth Wark Park	\$	8,903,524
Land Option		334,595
Other Land		1,143,021
		1,143,021

Total Other Assets \$ 10,381,140

Total Assets \$ 13,084,579

LIABILITIES AND CAPITAL

Current Liabilities

A/P	\$	(126,811)
Payable to ADA		108,112
Payable to BLP		500,000
Accrued Interest Expense		110,202
Accrued Expenses		227,832
Other		4,134
		4,134

Total Current Liabilities \$ 823,469

Long Term Liabilities

Loan - Banking Group \$ 29,429,900

Total Long Term Liabilities \$ 29,429,900

Capital

Retained Earnings	\$	(18,320,322)
Net Income		1,151,532
		1,151,532

Total Capital \$ (17,168,790)

Total Liabilities and Capital \$ 13,084,579

Atlanta BeltLine, Inc - Clear Creek
Balance Sheet as of 10/31/09

ASSETS

Current Assets

Cash \$ 20,641,403

Total Current Assets \$ 20,641,403

Other Assets

Land - Clear Creek \$ 6,048,734
Construction in Progress 3,945,036

Total Other Assets \$ 9,993,770

Total Assets \$ 30,635,174

LIABILITIES AND CAPITAL

Current Liabilities

Accrued Expenses \$ -

Total Current Liabilities \$ -

Long Term Liabilities

COA-Clear Creek Project \$ 30,000,000

Total Long Term Liabilities \$ 30,000,000

Capital

Retained Earnings \$ 625,204

Net Income 9,970

Total Capital \$ 635,174

Total Liabilities and Capital \$ 30,635,174

Atlanta BeltLine, Inc
Current Cash Position
as of 10/31/09

	ACTUAL	FORECAST	
	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>
BeltLine Operating Account			
Beginning Cash Balance	\$ 873,915	\$ 873,915	\$ 959,157
- Monthly Operating/Project Expenses	-	(500,000)	(550,000)
+ Reimbursements	-	51,696	-
+ TAD expense reimbursement	-	533,546	500,000
BeltLine Operating Account Ending Balance	<u><u>\$ 873,915</u></u>	<u><u>\$ 959,157</u></u>	<u><u>\$ 909,157</u></u>
BeltLine TAD Account			
Beginning Cash Balance	\$ 2,171,424	\$ 1,521,348	\$ 3,591,016
- TAD expense reimbursement	-	(533,546)	(500,000)
- Set aside for APS 4/22/09 to 10/31/09	(903,377)	-	-
- ADA Program Cost Recovery	(8,942)	(8,942)	(8,942)
+ Tax Increment Deposits*	262,243	2,612,156	3,166,250
+ Est Capitalized Interest Balance (as of 12/31/09)	-	-	200,000
Beltline TAD Account Ending Balance	<u><u>\$ 1,521,348</u></u>	<u><u>\$ 3,591,016</u></u>	<u><u>\$ 6,448,324</u></u>
Total Cash Available	<u><u>\$ 2,395,263</u></u>	<u><u>\$ 4,550,173</u></u>	<u><u>\$ 7,357,482</u></u>

* As of 12/31/09 it is estimated that 76.3% of the contributing parties annual tax increment would be collected or \$6.040MM out of a projected \$7.916MM