Forecasted Statement of Cash Flows
BR Churchill Downs, DST

		20 months ending 2026	2027	2028	2029	2030	2031	2032	2033	2034	4 months beginning 2035
GROSS INCOME		**$ 8,520,003**	**$ 5,386,356**	**$ 5,560,274**	**$ 5,796,728**	**$ 6,015,378**	**$ 6,198,060**	**$ 6,386,290**	**$ 6,580,237**	**$ 6,780,073**	**$ 2,303,188**
Total Expenses		3,073,850	1,974,209	2,040,235	2,111,211	2,192,001	2,276,087	2,364,836	2,458,611	2,557,806	864,126
NET OPERATING INCOME		**$ 5,446,153**	**$ 3,412,147**	**$ 3,520,040**	**$ 3,685,517**	**$ 3,823,378**	**$ 3,921,973**	**$ 4,021,454**	**$ 4,121,626**	**$ 4,222,267**	**$ 1,439,061**
Master Lease Rent											
BASE RENT											
(Debt Service)		2,671,988	1,598,812	1,603,193	1,598,812	1,598,812	1,598,812	1,603,193	1,598,812	1,598,812	525,637
(Lender Replacement Reserves)		$ 175,902	$ 108,444	$ 111,426	$ 114,490	$ 117,639	$ 120,874	$ 124,198	$ 127,613	$ 131,123	$ 134,729
Trust Reserve Account Contributions		(175,902)	(108,444)	(111,426)	(114,490)	(117,639)	(120,874)	(124,198)	(127,613)	(131,123)	(134,729)
Master Tenant Base Income [1]		80,162	86,979	96,573	129,976	129,187	125,101	121,971	122,577	123,381	50,237
ADDITIONAL RENT											
Additional Rent Breakpoint		*$ 5,826,000*	*$ 3,660,000*	*$ 3,740,000*	*$ 3,840,000*	*$ 3,920,000*	*$ 4,000,000*	*$ 4,090,000*	*$ 4,180,000*	*$ 4,280,000*	*$ 1,440,000*
Additional Rent		$ 2,676,667	$ 1,719,200	$ 1,719,200	$ 1,719,200	$ 1,719,200	$ 1,719,200	$ 1,719,200	$ 1,719,200	$ 1,719,200	$ 573,067
Asset Management Fee		(188,667)	(113,200)	(113,200)	(113,200)	(113,200)	(113,200)	(113,200)	(113,200)	(113,200)	(37,733)
Deferred Asset Management Fee		188,667	-	-	-	-	-	-	-	-	-
Additional Rent Cash Flow [2]		**$ 2,676,667**	**$ 1,606,000**	**$ 1,606,000**	**$ 1,606,000**	**$ 1,606,000**	**$ 1,606,000**	**$ 1,606,000**	**$ 1,606,000**	**$ 1,606,000**	**$ 535,333**
Initial Capital	$ 37,778,539										
Additional Rent Cash on Cash Return		**4.25%**	**4.25%**	**4.25%**	**4.25%**	**4.25%**	**4.25%**	**4.25%**	**4.25%**	**4.25%**	**4.25%**
SUPPLEMENTAL RENT											
Supplemental Rent Breakpoint		*$ 8,503,000*	*$ 5,379,000*	*$ 5,459,000*	*$ 5,559,000*	*$ 5,639,000*	*$ 5,719,000*	*$ 5,809,000*	*$ 5,899,000*	*$ 5,999,000*	*$ 2,013,000*
Master Tenant Supplemental Income [3]	10.0%	$ 1,734	$ 716	$ 10,107	$ 23,753	$ 37,618	$ 47,886	$ 57,709	$ 68,104	$ 78,087	$ 29,012
Supplemental Rent	90.0%	$ 15,302	$ 6,620	$ 91,147	$ 213,956	$ 338,741	$ 431,154	$ 519,561	$ 613,113	$ 702,966	$ 261,169
Supplemental Rent Cash Flow [4]		$ 15,302	$ 6,620	$ 91,147	$ 213,956	$ 338,741	$ 431,154	$ 519,561	$ 613,113	$ 702,966	$ 261,169
Supplemental Rent Cash on Cash Return		0.02%	0.02%	0.24%	0.57%	0.90%	1.14%	1.38%	1.62%	1.86%	2.07%
Total Cash Flow		$ 2,691,969	$ 1,612,620	$ 1,697,147	$ 1,819,956	$ 1,944,741	$ 2,037,154	$ 2,125,561	$ 2,219,113	$ 2,308,966	$ 796,502
Total Cash on Cash Return		**4.28%**	**4.27%**	**4.49%**	**4.82%**	**5.15%**	**5.39%**	**5.63%**	**5.87%**	**6.11%**	**6.33%**
FORECASTED PRINCIPAL AMORTIZATION											
Beginning Loan Balance		$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000	$ 30,739,000
Principal Amortization		-	-	-	-	-	-	-	-	-	-
Ending Balance		**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**	**$ 30,739,000**
Loan to Offering Price		*44.9%*	*44.9%*	*44.9%*	*44.9%*	*44.9%*	*44.9%*	*44.9%*	*44.9%*	*44.9%*	*44.9%*
Yield		**4.28%**	**4.27%**	**4.49%**	**4.82%**	**5.15%**	**5.39%**	**5.63%**	**5.87%**	**6.11%**	**6.33%**
TAX ANALYSIS FOR NON-1031 INVESTOR											
Pre-Tax Cash Flow		$ 2,691,969	$ 1,612,620	$ 1,697,147	$ 1,819,956	$ 1,944,741	$ 2,037,154	$ 2,125,561	$ 2,219,113	$ 2,308,966	$ 796,502
Estimated Income Tax @ 40% Rate[6]		$ (1,076,788)	$ (645,048)	$ (678,859)	$ (727,982)	$ (777,896)	$ (814,862)	$ (850,224)	$ (887,645)	$ (923,586)	$ (318,601)
Estimated Income Tax Benefit / Deduction (Depreciation and Oth		$ 1,203,409	$ 722,045	$ 722,045	$ 722,045	$ 722,045	$ 722,045	$ 722,045	$ 722,045	$ 722,045	$ 252,497
Estimated Total Income Taxes Paid		$ 293,278	$ 112,443	$ 78,632	$ 29,509	$ (20,405)	$ (57,371)	$ (92,733)	$ (130,154)	$ (166,095)	$ 40,233
After Tax Cash Flow		$ 2,985,247	$ 1,725,063	$ 1,775,779	$ 1,849,464	$ 1,924,335	$ 1,979,784	$ 2,032,828	$ 2,088,959	$ 2,142,871	$ 836,736
After Tax Return		**7.90%**	**4.57%**	**4.70%**	**4.90%**	**5.09%**	**5.24%**	**5.38%**	**5.53%**	**5.67%**	**2.21%**
Effective Tax Equivalent Yield		**7.90%**	**7.61%**	**7.83%**	**8.16%**	**8.49%**	**8.73%**	**8.97%**	**9.22%**	**9.45%**	**11.07%**
Percentage Sheltered		**127.24%**	**117.43%**	**111.58%**	**104.05%**	**97.38%**	**92.96%**	**89.09%**	**85.34%**	**82.02%**	**112.63%**
FORECASTED LENDER RESERVE ACCOUNT											
		20 months ending 2026	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**4 months beginning 2035**
Beginning Balance		$ 211,072	$ 215,336	$ 219,686	$ 224,124	$ 228,652	$ 233,271	$ 237,984	$ 242,792	$ 247,697	$ 252,701
Lender Replacement Reserve Contribution		175,902	108,444	111,426	114,490	117,639	120,874	124,198	127,613	131,123	134,729
Capital Expenditures	$388 per unit	(175,902)	(108,444)	(111,426)	(114,490)	(117,639)	(120,874)	(124,198)	(127,613)	(131,123)	(134,729)
Interest Income	2.00%	4,264	4,350	4,438	4,528	4,619	4,713	4,808	4,905	5,004	5,105
Ending Balance		$ 215,336	$ 219,686	$ 224,124	$ 228,652	$ 233,271	$ 237,984	$ 242,792	$ 247,697	$ 252,701	$ 257,806
FORECASTED TRUST CONTROLLED RESERVES ACCOUNT											
Beginning Balance		$ 3,000,000	$ 2,328,604	$ 1,698,999	$ 1,565,332	$ 1,245,566	$ 916,161	$ 757,135	$ 591,540	$ 419,149	$ 239,731
Contribution to Lender Replacement Reserves		(175,902)	(108,444)	(111,426)	(114,490)	(117,639)	(120,874)	(124,198)	(127,613)	(131,123)	(134,729)
Value-Add Program (W/ D & Interior Units)		(101,267)	(113,925)	-	(178,500)	(178,500)	-	-	-	-	-
Capital Expenses		(447,513)	(447,513)	(54,884)	(54,884)	(54,884)	(54,884)	(54,884)	(54,884)	(54,884)	(54,884)
Interest Income	2.00%	53,286	40,276	32,643	28,109	21,617	16,733	13,487	10,107	6,589	2,928
Ending Balance		$ 2,328,604	$ 1,698,999	$ 1,565,332	$ 1,245,566	$ 916,161	$ 757,135	$ 591,540	$ 419,149	$ 239,731	$ 53,046
Total Reserve Amount		$ 2,543,941	$ 1,918,685	$ 1,789,456	$ 1,474,219	$ 1,149,432	$ 995,119	$ 834,332	$ 666,846	$ 492,432	$ 310,852

[1] The difference between the Base Rent and the Additional Rent Breakpoint for the Property for a given month, if any, after taking into account any expenses of the Property, will inure to the benefit of the Master Tenant. Such amounts will not be available for distributions to the Trust or the Investors.

[2] The Additional Rent will be estimated and paid on a monthly basis with year-end reconciliation.

[3] Under the Master Lease, the Master Tenant will earn 10% of Gross Income exceeding the Supplemental Rent Breakpoint, as provided in the Master Lease.

[4] The Supplemental Rent will be estimated and paid on an annual basis with year-end reconciliation within 90 days of the end of the calendar year.