

CHARTER CASH FLOW PROJECTION

Vessel: 40' Queenship Sundeck
 Hull Value: \$169,900
 Sales Tax (8.4%): N/A

Prepared on: 5/29/2008
 Vessel LOA: 44'

SECTION I. CHARTER INCOME

	JULY+AUG	JUNE+SEP	OCT+MAY	TOTALS
Projected Weeks of Charter per Season:	7	0	0	7 *
Projected Charter Rate:	3,750	3,188	2,813	
TOTALS FOR SEASON	26,250	0	0	26,250
Less: 33.3% Marketing/Administration Commission	8,741	0	0	8,741
GROSS MARGIN ON CHARTERS	\$17,509	\$0	\$0	\$17,509

*7 weeks is a good projection for your first season. Your equipment, charter preferences, personal usage, etc. will also make these weeks rise or fall accordingly. Seven weeks is a "below average" charter season...

SECTION II. ANNUAL EXPENSES

Moorage at BYS Docks @ \$8.87/ft	Slip Length: 44	Moorage	\$4,683
Insurance @ 1.10% of hull value	Hull Value \$169,900	Insurance	1,869
Maintenance Allowance	Allowance: 3,000	Maintenance	3,000
TOTAL ANNUAL EXPENSES			\$9,552

SECTION III. PER-CHARTER EXPENSES

Diver's Hull Checks	7 Charters @: \$35	\$245
After Charter Cleaning	7 Charters @: \$240	1,680
After Charter Engine Inspection	7 Charters @: \$40	280
Check-outs/Check-ins	7 Charters @: \$150	1,050
TOTAL PER CHARTER EXPENSES		\$3,255

SECTION IV. SUMMARY OF REVENUES AND EXPENSES

From Section I. Gross Margin on Charters	\$17,509
From Section II. Total Annual Expenses	9,552
From Section III. Total Per-Charter Expenses	3,255
NET ANNUAL REVENUE FOR DEBT REDUCTION	\$4,701

SECTION V. FINANCING SCENARIOS

	<u>20% Down</u>	<u>25% Down</u>	<u>30% Down</u>	<u>40% Down</u>	<u>50% Down</u>
Vessel Total Cost:	\$169,900	\$169,900	\$169,900	\$169,900	\$169,900
Cash Down Payment	33,980	42,475	50,970	67,960	84,950
Amount to Finance	135,920	127,425	118,930	101,940	84,950
Monthly Payments	-1,017	-954	-890	-763	-636
Annual Payments	-12,209	-11,446	-10,683	-9,156	-7,630
Less: Net Annual Revenue	4,701	4,701	4,701	4,701	4,701
CASH (-)REQUIRED ANNUALLY	-\$7,507	-\$6,744	-\$5,981	-\$4,455	-\$2,929

NOTES

This analysis is a projection only. Above calculations assume a loan with 6.55% interest and a 20 year term. Your financing may vary depending upon your lender - this is our current lender's rate.

Placing a boat in charter exempts buyer from sales taxes at purchase. Registration and decals not included in projection. Additional tax benefits such as an interest expense deduction and depreciation may be available. Please consult your attorney or tax accountant for ramifications in your specific case.