

CHARTER CASH FLOW PROJECTION

Vessel: 43' Sabreline Motor Yacht
 Hull Value: \$499,000
 Sales Tax (8.4%): N/A

Prepared on: 11/7/2008
 Vessel LOA: 47'

SECTION I. CHARTER INCOME

| | JULY+AUG | JUNE+SEP | OCT+MAY | TOTALS |
|---|-----------------|----------------|------------|-----------------|
| Projected Weeks of Charter per Season: | 8 | 2 | 0 | 10 * |
| Projected Charter Rate: | 5,750 | 4,888 | 4,313 | |
| TOTALS FOR SEASON | 46,000 | 9,775 | 0 | 55,775 |
| Less: 33.3% Marketing/Administration Commission | 15,318 | 3,255 | 0 | 18,573 |
| GROSS MARGIN ON CHARTERS | \$30,682 | \$6,520 | \$0 | \$37,202 |

*10 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. Ten weeks is an "average" charter season...

SECTION II. ANNUAL EXPENSES

| | | | |
|----------------------------------|----------------------|-------------|-----------------|
| Moorage at BYS Docks @ \$8.87/ft | Slip Length: 50 | Moorage | \$5,322 |
| Insurance @ 1.10% of hull value | Hull Value \$499,000 | Insurance | 5,489 |
| Maintenance Allowance | Allowance: 5,000 | Maintenance | 5,000 |
| TOTAL ANNUAL EXPENSES | | | \$15,811 |

SECTION III. PER-CHARTER EXPENSES

| | | |
|-----------------------------------|----------------------|----------------|
| Diver's Hull Checks | 10 Charters @: \$35 | \$350 |
| After Charter Cleaning | 10 Charters @: \$240 | 2,400 |
| After Charter Engine Inspection | 10 Charters @: \$40 | 400 |
| Check-outs/Check-ins | 10 Charters @: \$150 | 1,500 |
| TOTAL PER CHARTER EXPENSES | | \$4,650 |

SECTION IV. SUMMARY OF REVENUES AND EXPENSES

| | |
|--|-----------------|
| From Section I. Gross Margin on Charters | \$37,202 |
| From Section II. Total Annual Expenses | 15,811 |
| From Section III. Total Per-Charter Expenses | 4,650 |
| NET ANNUAL REVENUE FOR DEBT REDUCTION | \$16,741 |

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: | \$499,000 | \$499,000 | \$499,000 | \$499,000 | \$499,000 |
| Cash Down Payment | 99,800 | 124,750 | 149,700 | 199,600 | 249,500 |
| Amount to Finance | 399,200 | 374,250 | 349,300 | 299,400 | 249,500 |
| Monthly Payments | -2,988 | -2,801 | -2,615 | -2,241 | -1,868 |
| Annual Payments | -35,857 | -33,616 | -31,375 | -26,893 | -22,411 |
| Less: Net Annual Revenue | 16,741 | 16,741 | 16,741 | 16,741 | 16,741 |
| CASH (-)REQUIRED ANNUALLY | -\$19,116 | -\$16,875 | -\$14,634 | -\$10,152 | -\$5,670 |

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.