BRISTOL PINES LIMITED PARTNERSHIP
FINANCIAL STATEMENTS
For the years ended December 31, 2016 and 2015
with
Report of Independent Auditors

NOVOGRADAC
& COMPANY LLP®
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

To the Partners of
Bristol Pines Limited Partnership:

Report on the Financial Statements

We have audited the accompanying financial statements of Bristol Pines Limited Partnership (a Maryland limited partnership), which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of operations, changes in partners' capital and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bristol Pines Limited Partnership as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of income and expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, Bristol Pines Limited Partnership adopted a change in accounting principle related to the presentation of debt issuance costs. Our opinion is not modified with respect to that matter.

Novogradac & Company LLP

Austin, Texas
February 27, 2017

BRISTOL PINES LIMITED PARTNERSHIP
BALANCE SHEETS
December 31, 2016 and 2015

ASSETS

	2016	2015
CURRENT ASSETS		
Cash	$ 578,701	$ 554,950
Accounts receivable, net	131,585	148,830
Prepaid expenses	283,984	299,772
Total current assets	994,270	1,003,552
DEPOSITS HELD IN TRUST - FUNDED		
Security deposits	177,752	194,042
Real estate tax and insurance escrows	194,781	172,130
Bond reserves	55,768	57,066
Replacement reserve	220,088	219,793
Operating reserve	608,254	608,254
Debt service reserve	500,679	500,529
Total restricted deposits and funded reserves	1,757,322	1,751,814
RENTAL PROPERTY		
Land	3,021,949	3,021,949
Buildings	38,828,365	38,728,683
Site improvements	1,121,414	1,056,387
Personal property	1,407,269	1,373,855
Less: accumulated depreciation	(17,172,842)	(15,625,892)
Rental property, net	27,206,155	28,554,982
OTHER ASSETS		
Deferred charges, less accumulated amortization of $37,081 and $33,682, respectively	13,898	17,297
Total assets	$ 29,971,645	$ 31,327,645

see accompanying notes

BRISTOL PINES LIMITED PARTNERSHIP
BALANCE SHEETS (CONTINUED)
December 31, 2016 and 2015

LIABILITIES AND PARTNERS' CAPITAL

	2016	2015
CURRENT LIABILITIES		
Accounts payable	$ 151,182	$ 50,770
Security deposits payable	167,325	185,577
Deferred rental income	52,758	74,018
Accrued interest	76,797	77,725
Accrued expenses	65,903	57,152
Due to related parties	31,934	39,102
Current portion of mortgages payable	421,637	398,155
Total other liabilities	967,536	882,499
LONG-TERM LIABILITIES		
Mortgages payable, net of current portion and unamortized debt issuance costs	17,527,412	17,903,076
Total liabilities	18,494,948	18,785,575
PARTNERS' CAPITAL	11,476,697	12,542,070
TOTAL LIABILITIES AND PARTNERS' CAPITAL	$ 29,971,645	$ 31,327,645

see accompanying notes

BRISTOL PINES LIMITED PARTNERSHIP
STATEMENTS OF OPERATIONS
For the years ended December 31, 2016 and 2015

	2016	2015
REVENUE		
Net rental revenue	$ 5,027,140	$ 4,968,712
Interest income	188	2,415
Other revenue	113,111	164,805
Total revenue	5,140,439	5,135,932
EXPENSES		
General and administrative	248,957	316,930
Payroll	717,289	700,928
Utilities	325,992	295,890
Insurance	128,173	146,747
Real estate taxes	425,063	398,098
Management fees	250,551	246,860
Repairs and maintenance	704,394	530,948
Marketing and advertising	30,322	23,971
Professional fees	22,843	6,236
Interest expense	966,348	982,831
Depreciation and amortization	1,550,349	1,545,185
Other partnership expenses	237,349	275,367
Total expenses	5,607,630	5,469,991
Net loss	$ (467,191)	$ (334,059)

BRISTOL PINES LIMITED PARTNERSHIP
STATEMENTS OF CHANGES IN PARTNERS' CAPITAL
For the years ended December 31, 2016 and 2015

	General Partner	Priority Special Limited Partner	Investor Limited Partner	Total Partners' Capital
BALANCE, JANUARY 1, 2015	$ 8,560,357	$ 4,260,813	$ 816,640	$ 13,637,810
Capital distribution	-	(703,861)	(57,820)	(761,681)
Net loss	(17)	(17)	(334,025)	(334,059)
BALANCE, DECEMBER 31, 2015	8,560,340	3,556,935	424,795	12,542,070
Capital distribution	-	(566,883)	(31,299)	(598,182)
Net loss	(23)	(23)	(467,145)	(467,191)
BALANCE, DECEMBER 31, 2016	$ 8,560,317	$ 2,990,029	$ (73,649)	$ 11,476,697

BRISTOL PINES LIMITED PARTNERSHIP
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (467,191)	$ (334,059)
Adjustment to reconcile net loss to net cash provided by operating activities		
Interest expense - debt issuance costs	42,894	42,894
Depreciation and amortization	1,550,349	1,545,185
Change in operating assets and liabilities:		
Accounts receivable, net	17,245	11,578
Insurance proceeds receivable	-	123,500
Prepaid expenses	15,788	(30,917)
Security deposits, net	(1,962)	25,538
Real estate tax and insurance escrows	(22,651)	(6,985)
Accounts payable	100,412	28,779
Deferred rental income	(21,260)	33,674
Accrued interest	(928)	(1,414)
Accrued expenses	8,751	23,398
Due to related parties	(7,168)	3,274
Net cash provided by operating activities	1,214,279	1,464,445
CASH FLOWS FROM INVESTING ACTIVITIES		
Net (deposits to) withdrawals from bond reserves	1,298	(32,360)
Net deposits to replacement reserve	(295)	(40,526)
Net deposits to operating reserve	-	(2,125)
Net deposits to debt service reserve	(150)	(263)
Additions to rental property	(198,123)	(128,451)
Net cash used in investing activities	(197,270)	(203,725)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of mortgages payable	(395,076)	(372,331)
Capital distributions	(598,182)	(761,681)
Net cash used in financing activities	(993,258)	(1,134,012)
NET CHANGE IN CASH AND CASH EQUIVALENTS	$ 23,751	$ 126,708

BRISTOL PINES LIMITED PARTNERSHIP
STATEMENTS OF CASH FLOWS (CONTINUED)
For the years ended December 31, 2016 and 2015

	2016	2015
NET CHANGE IN CASH AND CASH EQUIVALENTS	$ 23,751	$ 126,708
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	554,950	428,242
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 578,701	$ 554,950
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 924,382	$ 941,351

1. General

Bristol Pines Limited Partnership (the “Partnership”) was formed on June 1, 2005, to acquire, own, rehabilitate, develop and operate a 414-unit apartment project, known as The Courts of Camp Springs (the “Project”) in Suitland, Maryland. The Project is rented to low-income tenants and is operated in a manner necessary to qualify for federal low-income housing tax credits as provided for in Section 42 of the Internal Revenue Code.

The general partner is Bristol Pines Manager, LLC (the “General Partner”). The investor limited partner is Boston Financial Institutional Tax Credits XXX (the “Investor Limited Partner”). On June 15, 2012 (the “Restructuring Date”), Banc of America Community Development Corporation (“BACDC”) converted a loan of $4,786,102 to capital and was admitted as the Priority Special Limited Partner (the “Priority Special Limited Partner”) and immediately assigned its interest to HK-ERI Bristol Manager, LLC. The Partnership will operate until December 31, 2103, or until its earlier dissolution or termination.

Profits, losses, and tax credits are allocated in accordance with the Amended and Restated Agreement of Limited Partnership, dated June 5, 2012 (the “Partnership Agreement”). Profits and losses from operations and low-income housing tax credits are allocated 99.98% to the Investor Limited Partner, 0.01% to the Priority Special Limited Partner and 0.01% to the General Partner.

Pursuant to the Partnership Agreement, the Investor Limited Partner agreed to provide capital contributions totaling $13,233,000, subject to adjustments based on the amount of low-income housing credits allocated to the Project in addition to other occurrences as more fully explained in the Partnership Agreement. As of December 31, 2016 and 2015, the Investor Limited Partner had provided capital contributions of $13,299,619, which included an upward adjuster of $66,619. As of December 31, 2016 and 2015, the Investor Limited Partner had provided all required capital contributions. During 2012, an additional capital contribution of $1,100,000 was made by the General Partner as part of the restructuring described above. During 2016 and 2015, the Partnership made distributions to the Priority Special Limited Partner in the amount of $566,883 and $703,861, respectively. During 2016 and 2015, the partnership made distributions to the Investor Limited Partner in the amount of $31,299 and $57,820, respectively.

2. Summary of significant accounting policies and nature of operations

Change in accounting principle

In 2016, the Partnership retroactively adopted new requirements to present debt issuance costs as a reduction of the carrying amount of the related debt rather than as an asset. Amortization of the debt issuance costs is reported as interest expense rather than as amortization expense. The effect of the change for 2016 was to decrease deferred charges, net and notes payable by $913,831. The financial statements of 2015 have been retroactively restated for this change, which resulted in a decrease to deferred charges, net and notes payable of $956,725. The change does not impact net loss or retained earnings.

2. Summary of significant accounting policies and nature of operations (continued)

Basis of accounting
The Partnership prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Estimates
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and cash equivalents
Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition.

Restricted cash is not considered cash and cash equivalents, and includes cash held with financial institutions for refunds of tenant security deposits, funding of operating deficits, repairs or improvements to the buildings which extend their useful lives, annual mortgage payments and annual insurance and property tax payments.

Concentration of credit risk
The Partnership maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Partnership has not experienced any losses in such accounts. The Partnership believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts receivable
Accounts receivable is stated at the amount management expects to collect from outstanding balances. Management closely monitors outstanding balances and provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are generally written off through a charge to the valuation allowance and a credit to trade accounts receivable. As of December 31, 2016 and 2015, the balance of the allowance for doubtful accounts was $17,116 and $49,542, respectively.

Rental property
The Partnership records all depreciable assets at cost. Residential rental buildings are depreciated over their estimated useful lives of 27.5 years using the straight-line methods. Site improvements are depreciated over their estimated useful lives of 15 years using the declining and straight-line methods. Personal property is depreciated over 5 years using the double-declining balance method. Depreciation expense for 2016 and 2015 was $1,546,950 and $1,541,786, respectively.

2. Summary of significant accounting policies and nature of operations (continued)

Deferred charges
Deferred charges consist of tax credit fees of $50,979, which are amortized over the 15 year compliance period. Amortization expense for 2016 and 2015 was $3,399 for both years.

Impairment of long-lived assets
The Partnership reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized during 2016 or 2015.

Income taxes
Income taxes on Partnership income are levied on the partners at the partner level. Accordingly, all profits and losses of the Partnership are recognized by each partner on its respective tax return.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Partnership to report information regarding its exposure to various tax positions taken by the Partnership. The Partnership has determined whether any tax positions have met the recognition threshold and have measured the Partnership's exposure to those tax positions. Management believes that the Partnership has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Partnership are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Revenue recognition
Rental revenue attributable to residential leases is recorded when due from residents, generally upon the first of each month. Leases are for periods of up to one year, with rental payments due monthly. Other income results from fees for late payments, cleaning, damages, and laundry facilities and is recorded when earned. Advance receipts of revenue are deferred and classified as liabilities until earned.

Economic concentrations
The Partnership operates one property located in Suitland, Maryland. Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing.

2. Summary of significant accounting policies and nature of operations (continued)

Subsequent events
Subsequent events have been evaluated through February 27, 2017, which is the date the financial statements were available to be issued, and there are no subsequent events requiring disclosure.

3. Restricted deposits and funded reserves

Tenants' security deposits
Tenants' security deposits are placed into an interest-bearing account and are generally held until termination of the leases, at which time some or all deposits may be returned to the lessee.

Real estate tax and insurance escrows
Monthly deposits are made for the payment of taxes and insurance. All deposits are pledged as additional security for the Project mortgage.

Bond reserves
The Partnership maintains bond reserve funds held by US Bank to pay for debt service and bond servicing fees.

Replacement reserve
Pursuant to the Partnership Agreement, the replacement reserve account is required to be funded in the amount of $300 per unit per year, commencing on the Completion Date. This account is used to fund major repairs, capital expenditures, and replacement of capital items in the Project.

Operating reserve
Pursuant to the Partnership Agreement, in connection with the release of the letters of credit, the General Partner was required to establish an operating reserve (the "Operating Reserve") in the initial amount of $600,000 to pay operating expenses of the Project. On the Restructuring Date, the Operating Reserve was funded from proceeds of General Partner capital contributions.

Debt service reserve
Pursuant to the Partnership Agreement, in connection with the restructuring, the General Partner was required to establish a debt service reserve (the "Debt Service Reserve") in the initial amount of $500,000. The Debt Service Reserve is held in trust with Oak Grove Capital to pay for debt service and operating deficits. On the Restructuring Date, the Debt Service Reserve was funded from proceeds of General Partner capital contributions.

4. Related party transactions

Operating deficit guaranty

Pursuant to the Partnership Agreement, if at any time an operating deficit exists, the General Partner was required to contribute funds to the Partnership. Amounts furnished prior to December 19, 2009 (the "Development Obligation Date"), were considered contributions of capital. Amounts furnished on or after the Development Obligation Date were considered operating expense loans. The General Partner's obligation to make operating deficit contributions was limited to $900,000. As of the third anniversary of the Development Obligation Date, which occurred on December 19, 2012, the General Partner has the option, but is no longer obligated to fund operating expense loans.

Incentive management fees

Pursuant to the Supervisory Management Agreement, the Priority Special Limited Partner receives an annual, non-cumulative incentive management fee of 8% of the gross revenues of the Project. The fee is earned and payable only to the extent of cash flow available. During 2016 and 2015, incentive management fees of $49,521 and $84,115, respectively, were incurred and are included in "Other partnership expenses" on the accompanying statements of operations. As of December 31, 2016 and 2015, incentive management fees of $31,934 and $39,102, respectively, were outstanding and are included in "Due to related parties" on the accompanying balance sheets.

Property management fee

Pursuant to a property management agreement, beginning on the Restructuring Date, Hallkeen Management, Inc., a related party of the General Partner, earns a property management fee in the amount of 5% of gross rental receipts. During 2016 and 2015, property management fees of $250,551 and $246,860, respectively, were incurred. There are no outstanding property management fees as of December 31, 2016 and 2015.

5. Mortgages payable

The Partnership has a mortgage note payable with the Housing Authority of Prince Georges County in the amount of $25,620,000. The mortgage was funded on December 1, 2005, with proceeds from the issuance of tax-exempt bonds. The mortgage bears interest at an effective annual rate of 4.83%. Interest is due and payable on the first business day of each month and principal payments began in 2009. The mortgage matures on December 15, 2038 and is collateralized by the Project. In December 2008, a payment of $8,320,000 was made to reduce the outstanding balance to $17,300,000. As of December 31, 2016 and 2015, principal of $15,150,000 and $15,475,000, respectively, was outstanding. As of December 31, 2016 and 2015, accrued interest of $61,898 and $62,545, respectively, was outstanding. During 2016 and 2015, the Partnership incurred bond facility fees of $123,519 and $125,686 and bond issuer fees of $64,309 and $65,566, all respectively.

5. Mortgages payable (continued)

On the Restructuring Date, the Partnership obtained a second mortgage note payable from Oak Grove Capital in the amount of $4,000,000. Proceeds from the note were used to repay outstanding related party loans and the development fee payable. The mortgage bears interest at 4.66% with principal and interest payments of $20,649 due monthly. The mortgage matures on July 1, 2024 and is collateralized by the project. As of December 31, 2016 and 2015, principal of $3,712,880 and $3,782,956, respectively, was outstanding. As of December 31, 2016 and 2015, accrued interest was $14,899 and $15,180, respectively.

Mortgages payable consisted of the following as of December 31,

	2016	2015
Principal balance	$ 18,862,880	$ 19,257,956
Less: unamortized debt issuance costs	(913,831)	(956,725)
Mortgages payable, net of unamortized debt issuance costs	$ 17,949,049	$ 18,301,231

Debt issuance costs are being amortized to interest expense over the term of the loan. For 2016 and 2015, the effective interest rate was 5.23% for both years. During 2016 and 2015, amortization expense for debt issuance costs was $42,894 for both years.

Future minimum principal payments over each of the next five years and thereafter are due as follows:

Year ending December 31,	
2017	$ 421,637
2018	445,286
2019	469,108
2020	503,112
2021	527,307
Thereafter	16,496,430
Total	$ 18,862,880

6. Priority distributions

Prior to the Restructuring Date, the Investor Limited Partner was entitled to an annual priority distribution of $10,000. Beginning on January 1, 2012, the annual priority distribution was increased to $25,000. During 2016 and 2015, priority distributions of $25,000 and $50,000 were paid, respectively.

6. Priority distributions (continued)

Pursuant to the Partnership Agreement, beginning on the Restructuring Date, the Priority Special Limited Partner is entitled to cumulative distributions totaling $4,786,102 (the "Priority Special Limited Partner Return") from available cash flow. During 2016 and 2015, the Priority Special Limited Partner received distributions of $566,883 and $703,861, respectively. As of December 31, 2016 and 2015, the outstanding Priority Special Limited Partner Return was $2,990,231 and $3,557,114, respectively.

7. Cash flow

Cash Flow is defined in the Partnership Agreement as including all cash receipts (except proceeds of a capital event, any capital contributions, tenant security or other deposits, and interest on reserves not available for distribution) for a fiscal year that remain after all expenses incurred in the operation of the Project have been paid, including any payments made on the project loans, payments on partner loans, and allowances for cash reserves.

Cash Flow, where positive, is distributed in the following order of priority:

1. To pay the Investor Limited Partner on a cumulative basis a priority distribution;
2. To pay the Investor Limited Partner an amount equal to any tax credit shortfall payments;
3. To pay any unpaid deferred development fee and accrued interest;
4. To pay any operating expense loans or working capital loans outstanding;
5. 90% of the remaining Cash Flow after the payment of any operating expense loans or working capital loans outstanding shall be to pay the Priority Special Limited Partner Return;
6. 10% of remaining Cash Flow after the payment of the Partner Loan outstanding shall be distributed to the Investor Limited Partner;
7. To pay the Incentive Management Fee;
8. Any balance shall be distributed .01% to the Investor Limited Partner and 99.99% to the General Partner.

8. Low-income housing tax credits

The Partnership expects to generate an aggregate of $12,410,357 of federal low-income housing tax credits ("Tax Credits"). Generally, such credits become available for use by its partners pro-rata over a ten-year period, which began in 2006 and 2007. The year in which the credit period begins is determined on a building-by-building basis within the Partnership. In order to qualify for these credits, the Project must comply with various federal and state requirements. These requirements include, but are not limited to, renting to low-income tenants at rental rates which do not exceed specified percentages of area median gross income for the first 15 years of operation. The Partnership has also agreed to maintain and operate the Project as low-income housing for an additional 15 years beyond the initial 15 year compliance period. The end of the credit period is December 31, 2018 and the end of the compliance period is December 31, 2022. Because the Tax Credits are subject to compliance with certain requirements, there can be no assurance that the aggregate amount of Tax Credits will be realized, and failure to meet all such requirements or to correct noncompliance within a specified time period may result in generating a lesser amount of Tax Credits than expected in future years, and/or recapture of Tax Credits previously allocated. A reduction of future credits or recapture would require credit deficit payments to the Investor Limited Partner under the terms of the Partnership Agreement.

As of December 31, 2016 and 2015, the Partnership had generated $12,045,851 and $11,017,435, respectively, of Tax Credits.

The Partnership anticipates generating Tax Credits as follows:

Year ending December 31,		
2017	$	363,620
2018		886
Total	$	364,506

9. Insurance claims

During 2014, management discovered fraud within the Partnership related to rental income. A claim was filed with the Partnership's fidelity bond insurance for lost rents and petty cash in the amount of $123,500. During 2015, the Partnership received insurance proceeds of $123,500.

SUPPLEMENTARY INFORMATION

BRISTOL PINES LIMITED PARTNERSHIP
SCHEDULES OF INCOME AND EXPENSES
For the years ended December 31, 2016 and 2015

	2016	2015
Rental revenue		
Residential revenue	$ 5,547,251	$ 5,384,136
Less: vacancy loss	(429,107)	(343,251)
Less: concessions	(91,004)	(72,173)
Net rental revenue	$ 5,027,140	$ 4,968,712
Interest income	$ 188	$ 2,415
Other income		
Tenant charges	$ 63,425	$ 108,625
NSF and late fees	49,686	56,180
	$ 113,111	$ 164,805
General and administrative		
Bad debt expense	$ 137,506	$ 201,448
Office expense	111,451	115,482
	$ 248,957	$ 316,930
Payroll		
Manager payroll	$ 331,029	$ 315,964
Maintenance payroll	268,461	248,128
Payroll taxes	50,124	40,749
Workers' compensation	11,775	21,878
Medical insurance and other benefits	55,900	74,209
	$ 717,289	$ 700,928
Utilities		
Electricity	$ 49,009	$ 45,571
Water and sewer	206,017	170,799
Natural gas/oil	70,966	79,520
	$ 325,992	$ 295,890

BRISTOL PINES LIMITED PARTNERSHIP
SCHEDULES OF INCOME AND EXPENSES (CONTINUED)
For the years ended December 31, 2016 and 2015

	2016	2015
Insurance	$ 128,173	$ 146,747
Real estate taxes	$ 425,063	$ 398,098
Management fees		
Property management	$ 250,551	$ 246,860
Repairs and maintenance		
Supplies and contracts	444,615	$ 290,095
Cleaning	92,598	82,135
Trash removal	64,694	56,115
Pest control	19,758	26,785
Landscaping/ground maintenance	77,729	67,484
Other	5,000	8,334
	$ 704,394	$ 530,948
Marketing and advertising		
Advertisements	$ 30,322	$ 23,971
	$ 30,322	$ 23,971
Professional fees		
Legal	$ 13,398	$ (4,258)
Auditing	9,445	10,494
	$ 22,843	$ 6,236
Interest expense		
Interest - mortgage payable	$ 746,017	$ 759,744
Interest - Oak Grove loan	177,437	180,193
Interest - amortization of debt issuance costs	42,894	42,894
	$ 966,348	$ 982,831
Depreciation and amortization		
Depreciation	$ 1,546,950	$ 1,541,786
Amortization	3,399	3,399
	$ 1,550,349	$ 1,545,185

BRISTOL PINES LIMITED PARTNERSHIP
SCHEDULES OF INCOME AND EXPENSES (CONTINUED)
For the years ended December 31, 2016 and 2015

	2016	2015
Other partnership expenses		
Bond facility fee	$ 123,519	$ 125,686
Bond issuer and trustee fee	64,309	65,566
Incentive management fee	49,521	84,115
	$ 237,349	$ 275,367