

Sprout Tiny Homes, LLC
Balance Sheet
As of June 30, 2016

| | Total |
|-----------------------------------|------------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| Checking (1930) | 1,096.20 |
| Checking (8015) | 280,972.77 |
| Petty Cash | 0.00 |
| Site Reservation | -1,100.00 |
| Total Bank Accounts | \$ 280,968.97 |
| Accounts Receivable | |
| Accounts Receivable - Trade | 229,493.00 |
| Total Accounts Receivable | \$ 229,493.00 |
| Other Current Assets | |
| Inventory | 151,417.00 |
| Inventory - Raw | 18,554.00 |
| Inventory - wip | 101,904.00 |
| Inventory Asset | 0.00 |
| Short Term Loan | 160,390.67 |
| Total Other Current Assets | \$ 432,265.67 |
| Total Current Assets | \$ 942,727.64 |
| Fixed Assets | |
| Equipment | 110,763.54 |
| Equipment - A/D | -29,384.00 |
| Vehicles | 65,345.71 |
| Vehicles - A/D | -20,244.00 |
| Total Fixed Assets | \$ 126,481.25 |
| Other Assets | |
| Direct Deposit Paid | 0.00 |
| Investments | 0.00 |
| Property Purchase | 1,169,793.23 |
| Total Other Assets | \$ 1,169,793.23 |
| TOTAL ASSETS | \$ 2,239,002.12 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable | 135.00 |
| Total Accounts Payable | \$ 135.00 |
| Other Current Liabilities | |
| Accrued Commissions | 0.00 |
| Accrued Franchise Tax | 0.00 |
| Accrued Interest Expense | 2,158.00 |
| Accrued Liabilities | 16,462.51 |

| | |
|-------------------------------------|-------------------------------|
| Accrued Payroll | 5,497.09 |
| Boulder County Clerk Payable | 409.23 |
| City of Lyons Payable | 1,246.42 |
| Colorado Dept of Revenue Payable | 1,204.87 |
| Direct Deposit Payable | 0.00 |
| Note Pay- F250 | 43,536.76 |
| Note Pay-F350 | -1,068.40 |
| Payroll Liabilities | |
| Total Payroll Liabilities | <u>\$ 16,278.51</u> |
| Short Term Debt | |
| Anglers Ridge | 0.00 |
| Total Short Term Debt | <u>\$ 0.00</u> |
| Total Other Current Liabilities | <u>\$ 85,724.99</u> |
| Total Current Liabilities | <u>\$ 85,859.99</u> |
| Long-Term Liabilities | |
| Long Term Debt | |
| Total Long Term Debt | <u>\$ 2,112,271.75</u> |
| Start up Loan | 0.00 |
| Total Long-Term Liabilities | <u>\$ 2,112,271.75</u> |
| Total Liabilities | <u>\$ 2,198,131.74</u> |
| Equity | |
| Common Stock | 44,072.11 |
| Opening Balance Equity | 0.00 |
| Owner Draw | 0.00 |
| Paid in Capital | 3,504,773.69 |
| Preferred Stock | 1,000.00 |
| Retained Earnings | -3,165,627.94 |
| Net Income | -343,347.48 |
| Total Equity | <u>\$ 40,870.38</u> |
| TOTAL LIABILITIES AND EQUITY | <u>\$ 2,239,002.12</u> |

Sprout Tiny Homes, LLC

Profit and Loss

April - June, 2016

| | <u>Total</u> |
|------------------------------------|----------------------|
| Income | |
| Lease Income | 87,500.00 |
| Refunds-Allowances | 380.04 |
| Sales | 85,287.99 |
| Shipping, Delivery Income | 2,500.00 |
| Total Income | \$ 175,668.03 |
| Cost of Goods Sold | |
| Cost of Goods Sold | 0.00 |
| Freight & delivery - COS | 3,360.00 |
| Job Materials | 41,412.18 |
| Subcontractors - COS | 6,600.00 |
| Total Cost of Goods Sold | \$ 51,372.18 |
| Gross Profit | \$ 124,295.85 |
| Expenses | |
| Audit | 15,000.00 |
| Auto | 2,602.38 |
| Auto Dealer Admin Expenses | 14.04 |
| Bank Charges | 110.06 |
| Commissions & fees | 24,083.80 |
| Consulting Fees | 19,047.51 |
| Dues & Subscriptions | 3,000.00 |
| Equipment Rent | 6,578.99 |
| Home Design & Site Planning | 5,856.25 |
| Insurance | |
| Key Man | 9,650.00 |
| Total Insurance | \$ 9,650.00 |
| Insurance-Auto | 682.34 |
| Insurance-Work Comp | 12,226.00 |
| Interest Expense | 15,225.06 |
| Legal & Professional Fees | 10,698.75 |
| Marketing Expense | 1,588.17 |
| Meals and Entertainment | 1,100.97 |
| Office Expenses | 690.98 |
| Other General and Admin Expenses | 223.80 |
| Payroll Expenses | |
| Company Contributions | |
| Health Insurance | 3,147.39 |
| Total Company Contributions | \$ 3,147.39 |
| Taxes | 7,860.39 |
| Wages | 81,981.96 |
| Total Payroll Expenses | \$ 92,989.74 |
| Postage | 53.00 |

| | | |
|--|------------|-------------------|
| Real Estate Property Tax | | 599.84 |
| Rent or Lease | | 12,049.55 |
| Repair & Maintenance | | 7,770.74 |
| Reservation Refund | | 100.00 |
| Shipping and delivery expense | | 300.98 |
| Shop Supplies | | 1,450.72 |
| Site Improvement River View | | 2,852.43 |
| Property Loan Expenses | | 3,500.00 |
| Total Site Improvement River View | \$ | 6,352.43 |
| Site Survey & Development | | 3,510.00 |
| Subcontractors | | 2,025.00 |
| Taxes & Licenses | | 693.50 |
| Travel | | 14,754.28 |
| Travel Meals | | 1,013.98 |
| Utilities | | 3,698.74 |
| Warranty Repairs | | 423.92 |
| Website Development | | 176.32 |
| Total Expenses | \$ | 276,341.84 |
| Net Operating Income | -\$ | 152,045.99 |
| Other Expenses | | |
| Miscellaneous | | 0.00 |
| Total Other Expenses | \$ | 0.00 |
| Net Other Income | \$ | 0.00 |
| Net Income | -\$ | 152,045.99 |

Sprout Tiny Homes, LLC
Statement of Cash Flows
April - June, 2016

| | Total |
|---|-----------------------|
| OPERATING ACTIVITIES | |
| Net Income | -152,045.99 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| Accounts Receivable - Trade | -74,287.99 |
| Inventory | 0.00 |
| Accounts Payable | -4,226.25 |
| Direct Deposit Payable | 0.00 |
| Note Pay-F350 | -1,068.40 |
| Payroll Liabilities:Anthem BC/BS | 2,144.88 |
| Payroll Liabilities:CO Income Tax | -1,832.00 |
| Payroll Liabilities:CO Unemployment Tax | -1,778.15 |
| Payroll Liabilities:Federal Taxes (941/944) | 743.40 |
| Payroll Liabilities:Federal Unemployment (940) | 72.67 |
| Short Term Debt:Anglers Ridge | -250,000.00 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -\$ 330,231.84 |
| Net cash provided by operating activities | -\$ 482,277.83 |
| FINANCING ACTIVITIES | |
| Total Long Term Debt | 617,215.84 |
| Opening Balance Equity | 0.00 |
| Net cash provided by financing activities | \$ 617,215.84 |
| Net cash increase for period | \$ 134,938.01 |
| Cash at beginning of period | 146,030.96 |
| Cash at end of period | \$ 280,968.97 |