

**Level II**  
**Class Problem # 7**  
**Reconstructed Operating Statement**

Using the information you developed for Problems 1, 2, 3, and 6, reconstruct an operating statement for the Gateway Shopping SC. Then develop its Net Operating Income (NOI).

**Level II**  
**Class Problem # 7 Answer**  
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Using the information you developed for Problems 1, 2, 3, and 6, reconstruct an operating statement for the Gateway Shopping SC. Then develop its Net Operating Income (NOI).

Potential Gross Income (Problem 1)	PGI	\$470,000
Less: Vacancy and Collection Loss (Problem 2)	V & C	-\$32,900
Miscellaneous Income	Misc Inc	\$5,000
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Effective Gross Income	EGI	\$442,100
Less: Expenses (at 32%)	-Exp	(\$141,472)
Less: Reserves for replacements	in expenses	\$0
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Net Operating Income	NOI	\$300,628

The subject property's net operating income (NOI) is: \$300,628