

EXAMPLE OF THE MODIFIED TOTAL RETURN PAY-OUT CALCULATION	2002	2003	2004
January 1 st	\$65,000.00	\$67,760.00	\$70,947.44
Consumer Price Index	2.4%	1.9%	3.3%
CPI Adjusted Cost	\$66,560.00	\$69,047.44	\$73,288.71
Add required additions to P/M	\$1,200.00	\$1,900.00	\$2,100.00
Adjusted historical dollar cost as of December 31 st	\$67,760.00	\$70,947.44	\$75,388.71
Market value end of year	\$69,300.00	\$73,700.00	\$98,200.00
Realized Capital Gain (Loss)	(\$1,200.00)	(\$1,100.00)	\$2,800.00
Unrealized Cap Gain (Loss)	\$4,300.00	\$3,600.00	\$19,600.00
Total Gain Each Year	\$3,100.00	\$2,500.00	\$22,400.00
Calculations for 2005 Distribution			
2002 Gains			\$3,100.00
2003 Gains			\$2,500.00
2004 Gains			\$22,400.00
Total of Prior 3 Years Gain			\$28,000.00
Divide by 3 to get yearly avg.			\$9,333.33
Multiply yearly average number by .60 to arrive at the amount that can be paid out			\$5,600.00