



Warren & Selbert

Simple as ABC.

# Nested Partnership Investments

Model and analyze the economics for a nested partnership in ABC

The screenshot shows the ABC software interface. On the left is a sidebar with a navigation menu. The main area is titled 'Partnership Investment 1' and contains three buttons: 'Show All Questions', 'Process', and 'Optimize'. Below these buttons is a table of configuration options.

ID	Title	Value
702.100	Title	Investment 1 (Default)
702.101	Prefix for Imported Stream Aliases	Lower
702.102	File Name	lower-tier
702.103	Partner Label or Alternative to Import	Investor
702.104	Keystrokes to Run	Opt0

## • Flexibility

ABC can model multiple partnership and non-partnership investments in a single partnership.

## • Scope

New investments can be added under the Partnership Investments section. Flows for each investment are imported from a separate "lower-tier" partnership file.

## • Reports

Nested partnership investments have the ability to run all PSHIP reports in order to view the economics for each investment.

# Reports for Nested Partnerships

Results below display the direction of flows in a nested partnership.

## "Upper-Tier" Partnership

### Investor1 Cash Flow

Date	Equity		Distributions	
	[1]	[2]	[3]	[4]
	LowerPUR 1	LowerRevenue	LowerExpenses	
Dec 30 2018	-375,000.00	37,500.00	-7,500.00	
Dec 30 2019	0.00	41,250.00	-7,875.00	
Dec 30 2020	0.00	45,000.00	-8,250.00	
Dec 30 2021	0.00	48,750.00	-8,625.00	
Dec 30 2022	0.00	52,500.00	-9,000.00	
Dec 30 2023	0.00	56,250.00	-9,375.00	
Dec 30 2024	0.00	60,000.00	-9,750.00	
Dec 30 2025	0.00	63,750.00	-10,125.00	
Dec 30 2026	0.00	67,500.00	-10,500.00	
Dec 30 2027	0.00	21,375.00	-3,262.50	
Dec 30 2028	0.00	5,000.00	-750.00	
Dec 30 2029	0.00	5,250.00	-775.00	
Dec 30 2030	0.00	5,500.00	-800.00	
Dec 30 2031	0.00	5,750.00	-825.00	
Dec 30 2032	0.00	6,000.00	-850.00	
Dec 30 2033	0.00	6,250.00	-875.00	
Dec 30 2034	0.00	6,500.00	-900.00	
Dec 30 2035	0.00	6,750.00	-925.00	
Dec 30 2036	0.00	7,000.00	-950.00	
Dec 30 2037	0.00	7,250.00	-975.00	
Dec 30 2038	0.00	7,500.00	-1,000.00	
	-375,000.00	562,625.00	-93,887.50	

### Investor2 Cash Flow

Date	Equity		Distributions	
	[2]	[3]	[4]	
	LowerPUR 1	LowerRevenue	LowerExpenses	
Dec 30 2018	-375,000.00	37,500.00	-7,500.00	
Dec 30 2019	0.00	41,250.00	-7,875.00	
Dec 30 2020	0.00	45,000.00	-8,250.00	
Dec 30 2021	0.00	48,750.00	-8,625.00	
Dec 30 2022	0.00	52,500.00	-9,000.00	
Dec 30 2023	0.00	56,250.00	-9,375.00	
Dec 30 2024	0.00	60,000.00	-9,750.00	
Dec 30 2025	0.00	63,750.00	-10,125.00	
Dec 30 2026	0.00	67,500.00	-10,500.00	
Dec 30 2027	0.00	21,375.00	-3,262.50	
Dec 30 2028	0.00	5,000.00	-750.00	
Dec 30 2029	0.00	5,250.00	-775.00	
Dec 30 2030	0.00	5,500.00	-800.00	
Dec 30 2031	0.00	5,750.00	-825.00	
Dec 30 2032	0.00	6,000.00	-850.00	
Dec 30 2033	0.00	6,250.00	-875.00	
Dec 30 2034	0.00	6,500.00	-900.00	
Dec 30 2035	0.00	6,750.00	-925.00	
Dec 30 2036	0.00	7,000.00	-950.00	
Dec 30 2037	0.00	7,250.00	-975.00	
Dec 30 2038	0.00	7,500.00	-1,000.00	
	-375,000.00	562,625.00	-93,887.50	

## "Lower-Tier" Partnership

### Investor Cash Flow

Date	Equity		Distributions	
	[1]	[2]	[3]	[4]
	Purchase 1	Revenue	Expenses	
Dec 30 2018	-750,000.00	75,000.00	-15,000.00	
Dec 30 2019	0.00	82,500.00	-15,750.00	
Dec 30 2020	0.00	90,000.00	-16,500.00	
Dec 30 2021	0.00	97,500.00	-17,250.00	
Dec 30 2022	0.00	105,000.00	-18,000.00	
Dec 30 2023	0.00	112,500.00	-18,750.00	
Dec 30 2024	0.00	120,000.00	-19,500.00	
Dec 30 2025	0.00	127,500.00	-20,250.00	
Dec 30 2026	0.00	135,000.00	-21,000.00	
Dec 30 2027	0.00	42,750.00	-6,525.00	
Dec 30 2028	0.00	10,000.00	-1,500.00	
Dec 30 2029	0.00	10,500.00	-1,550.00	
Dec 30 2030	0.00	11,000.00	-1,600.00	
Dec 30 2031	0.00	11,500.00	-1,650.00	
Dec 30 2032	0.00	12,000.00	-1,700.00	
Dec 30 2033	0.00	12,500.00	-1,750.00	
Dec 30 2034	0.00	13,000.00	-1,800.00	
Dec 30 2035	0.00	13,500.00	-1,850.00	
Dec 30 2036	0.00	14,000.00	-1,900.00	
Dec 30 2037	0.00	14,500.00	-1,950.00	
Dec 30 2038	0.00	15,000.00	-2,000.00	
	-750,000.00	1,125,250.00	-187,775.00	

### Sponsor Cash Flow

Date	Equity		Distributions	
	[2]	[3]	[4]	
	Purchase 1	Revenue	Expenses	
Dec 30 2018	-250,000.00	25,000.00	-5,000.00	
Dec 30 2019	0.00	27,500.00	-5,250.00	
Dec 30 2020	0.00	30,000.00	-5,500.00	
Dec 30 2021	0.00	32,500.00	-5,750.00	
Dec 30 2022	0.00	35,000.00	-6,000.00	
Dec 30 2023	0.00	37,500.00	-6,250.00	
Dec 30 2024	0.00	40,000.00	-6,500.00	
Dec 30 2025	0.00	42,500.00	-6,750.00	
Dec 30 2026	0.00	45,000.00	-7,000.00	
Dec 30 2027	0.00	147,250.00	-22,475.00	
Dec 30 2028	0.00	190,000.00	-28,500.00	
Dec 30 2029	0.00	199,500.00	-29,450.00	
Dec 30 2030	0.00	209,000.00	-30,400.00	
Dec 30 2031	0.00	218,500.00	-31,350.00	
Dec 30 2032	0.00	228,000.00	-32,300.00	
Dec 30 2033	0.00	237,500.00	-33,250.00	
Dec 30 2034	0.00	247,000.00	-34,200.00	
Dec 30 2035	0.00	256,500.00	-35,150.00	
Dec 30 2036	0.00	266,000.00	-36,100.00	
Dec 30 2037	0.00	275,500.00	-37,050.00	
Dec 30 2038	0.00	285,000.00	-38,000.00	
	-250,000.00	3,074,750.00	-442,225.00	

Equity flows from the "upper-tier" partnership flow down to the "lower-tier" partnership.

Cash flows from the "lower-tier" partnership flow up to the "upper-tier" partnership.