

Notes to Consolidated Financial Statements – Continued

CharterMac & Subsidiaries

(Dollars in thousands except per share amounts) (Unaudited)

	2002 Quarter Ended			
	March 31	June 30	September 30	December 31
Revenues:				
Revenue bonds interest income	\$ 22,920	\$ 22,025	\$ 22,819	\$ 24,917
Fee income:				
Mortgage banking fees	3,509	3,403	2,644	4,125
Other income	2,374	2,632	2,621	2,424
Total revenues	28,803	28,060	28,084	31,466
Expenses:				
Interest expense	3,991	3,793	3,850	4,189
Recurring fees relating to the Private Label Tender Option Program	727	751	811	892
General and Administrative	6,365	6,052	5,041	7,048
Depreciation and amortization	2,240	1,760	2,024	2,867
Loss on impairment of assets	--	--	532	388
Total expenses	13,323	12,356	12,258	15,384
Income before gain (loss) on repayment of revenue bonds, gain on sale of loans and equity in earnings of ARCap	15,480	15,704	15,826	16,082
Equity in earnings of ARCap	547	563	555	554
Gain on sale of loans	3,287	3,119	1,465	2,812
Gain (loss) on repayment of revenue bonds	3,757	222	--	(94)
Income before allocation to preferred shareholders of subsidiary and minority interest	23,071	19,608	17,846	19,354
Income allocated to preferred shareholders of subsidiary	(3,764)	(4,053)	(4,724)	(4,725)
Income allocated to minority interest	(302)	49	(124)	(119)
Income before (provision) benefit for income taxes	19,005	15,604	12,998	14,510
(Provision) benefit for income taxes	(181)	(1,457)	656	(302)
Net income	\$ 18,824	\$ 14,147	\$ 13,654	\$ 14,208
Allocation of net income to:				
Special distribution to Manager	\$ 1,088	\$ 1,240	\$ 1,294	\$ 1,250
Manager	\$ 18	\$ 13	\$ 12	\$ 13
Common shareholders	\$ 16,866	\$ 12,350	\$ 11,439	\$ 11,861
Convertible CRA shareholders	852	544	909	1,084
Total shareholders	\$ 17,718	\$ 12,894	\$ 12,348	\$ 12,945
Net income per share:				
Basic	\$ 0.45	\$ 0.30	\$ 0.28	\$ 0.29
Diluted	\$ 0.45	\$ 0.30	\$ 0.28	\$ 0.29
Weighted average shares outstanding:				
Basic	38,781,464	43,035,102	44,209,982	44,676,079
Diluted	38,845,985	43,107,175	44,282,733	44,752,197