

PAOLI SOUTHWEST LLC
5534 SAINT JOE ROAD
FORT WAYNE, IN 46835
(650) 483-4728

March 25, 2024

Kishore Desu
2560 Lakebend Dr
Little Elm, TX 75068

RE:
PAOLI SOUTHWEST LLC
87-3645430
Schedule K-1 from Partnership's 2023 Return of Income

Dear Kishore Desu:

Enclosed is your 2023 Schedule K-1 (Form 1065) Partner's Share of Income, Deductions, Credits, Etc. from PAOLI SOUTHWEST LLC. This information reflects the amounts you need to complete your income tax return. The amounts shown are your distributive share of partnership tax items to be reported on your tax return, and may not correspond to actual distributions you have received during the year. This information is included in the Partnership's 2023 Federal Return of Partnership Income that was filed with the Internal Revenue Service.

If you have any questions concerning this information, please contact us immediately.

Sincerely,

PAOLI SOUTHWEST LLC

Enclosure(s)

Schedule K-1
(Form 1065)

2023

Department of the Treasury
Internal Revenue Service

For calendar year 2023, or tax year

beginning / / 2023 ending / /

Final K-1 Amended K-1

651123
OMB No. 1545-0123

Partner's Share of Income, Deductions, Credits, etc.
See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
87-3645430

B Partnership's name, address, city, state, and ZIP code
PAOLI SOUTHWEST LLC
5534 SAINT JOE ROAD
FORT WAYNE, IN 46835

C IRS center where partnership filed return: e-file

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)
***-**-6622

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.
Kishore Desu
2560 Lakebend Dr
Little Elm, TX 75068

G General partner or LLC member-manager Limited partner or other LLC member

H1 Domestic partner Foreign partner

H2 If the partner is a disregarded entity (DE), enter the partner's:
TIN _____ Name _____

I1 What type of entity is this partner? Individual

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	8.3 %	8.3 %
Loss	8.3 %	8.3 %
Capital	8.299799 %	8.299927 %

Check if decrease is due to:
 Sale or Exchange of partnership interest. See instructions.

K1 Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 50,123.	\$ 48,267.
Qualified nonrecourse financing	\$	\$
Recourse	\$	\$

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships.

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions.

L Partner's Capital Account Analysis

Beginning capital account	\$ 48,015.
Capital contributed during the year	\$
Current year net income (loss)	\$ -1,016.
Other increase (decrease) (attach explanation)	\$
Withdrawals and distributions	\$()
Ending capital account	\$ 46,999.

M Did the partner contribute property with a built-in gain (loss)?
 Yes No If "Yes," attach statement. See instructions.

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning	\$
Ending	\$

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss)	14	Self-employment earnings (loss)
	-534.		
2	Net rental real estate income (loss)		
*	-482.		
3	Other net rental income (loss)	15	Credits
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital	16	Schedule K-3 is attached if checked. <input checked="" type="checkbox"/>
4c	Total guaranteed payments	17	Alternative minimum tax (AMT) items
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends	18	Tax-exempt income and nondeductible expenses
6c	Dividend equivalents		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	19	Distributions
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain	20	Other information
		AJ*	STMT
10	Net section 1231 gain (loss)		
		N*	STMT
11	Other income (loss)		
		Z*	STMT
12	Section 179 deduction	21	Foreign taxes paid or accrued
13	Other deductions		
22	<input type="checkbox"/> More than one activity for at-risk purposes*		
23	<input type="checkbox"/> More than one activity for passive activity purposes*		
*See attached statement for additional information.			

For IRS Use Only

**Box 2
Rental Real Estate Activities**

<u>Property Type and Address</u>	<u>Gross Income</u>	<u>Net Expenses</u>	<u>Net Income</u>	<u>Passive Nonpass</u>	<u>Sec. 1231 Total</u>
Type: 4 - Commercial 401 SOUTHWEST 1ST STREET PAOLI, IN 47454	10,980.	11,462.	\$ -482.	Passive	
		Total	\$ -482.		

**Box 20
Other Information**

*** Descriptive Information**

AJ Aggregate Business Activity Gross Income.....	\$	10,980.
AJ Aggregate Business Activity Total Deductions.....		11,997.

**Box 20, Code N
Business Interest Expense
Included as a Deduction on the Following Line(s)**

Below is deductible business interest expense for inclusion in the separate loss class for computing any basis limitation (defined in section 704(d), Regulation section 1.163(j)-6(h)).

Schedule K-1, line 2.....	\$	3,799.
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Supplemental Information

Pursuant to IRC Section 6221(b)(1), for the current tax year, the partnership has elected out of the centralized partnership audit regime. Any IRS audit conducted, and any subsequent assessment, will be made at the partner level, partner by partner, and under the audit procedures applicable to each partner for the year under examination.

Statement A—QBI Pass-through Entity Reporting (Schedule K-1, Box 20, Code Z)

Partnership's name: PAOLI SOUTHWEST LLC	Partnership's EIN: 87-3645430
Partner's name: Kishore Desu	Partner's identifying number: ***-**-6622

	PAOLI SOUTHWEST LLC	
Partner's share of:	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB

QBI or qualified PTP items subject to partner-specific determinations:			
	Ordinary business income (loss)	-534.	
	Rental income (loss)	-482.	
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Other deductions		
W-2 wages			
UBIA of qualified property		84,987.	
Qualified REIT dividends			

Partner's share of:	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB

QBI or qualified PTP items subject to partner-specific determinations:			
	Ordinary business income (loss)		
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Other deductions		
W-2 wages			
UBIA of qualified property			

Final K-3

Amended K-3

**Schedule K-3
(Form 1065)**

**Partner's Share of Income, Deductions,
Credits, etc. – International**

OMB No. 1545-0123

2023

Department of the Treasury
Internal Revenue Service

For calendar year 2023, or tax year beginning _____, ending _____

See separate instructions.

Information About the Partnership		Information About the Partner	
A Partnership's employer identification number (EIN) 87-3645430		C Partner's social security number (SSN) or taxpayer identification number (TIN) (Do not use TIN of a disregarded entity. See instructions.) ***-**-6622	
B Partnership's name, address, city, state, and ZIP code PAOLI SOUTHWEST LLC 5534 SAINT JOE ROAD FORT WAYNE, IN 46835		D Name, address, city, state, and ZIP code for partner entered in C. See instructions. Kishore Desu 2560 Lakebend Dr Little Elm, TX 75068	

E Check to indicate the parts of Schedule K-3 that apply.

	Yes	No
1 Does Part I apply? If "Yes," complete and attach Part I.....		X
2 Does Part II apply? If "Yes," complete and attach Part II.....	X	
3 Does Part III apply? If "Yes," complete and attach Part III.....		X
4 Does Part IV apply? If "Yes," complete and attach Part IV.....		X
5 Does Part V apply? If "Yes," complete and attach Part V.....		X
6 Does Part VI apply? If "Yes," complete and attach Part VI.....		X
7 Does Part VII apply? If "Yes," complete and attach Part VII.....		X
8 Does Part VIII apply? If "Yes," complete and attach Part VIII.....		X
9 Does Part IX apply? If "Yes," complete and attach Part IX.....		X
10 Does Part X apply? If "Yes," complete and attach Part X.....		X
11 Does Part XI apply? If "Yes," complete and attach Part XI.....		X
12 Reserved for future use.....		
13 Does Part XIII apply? If "Yes," complete and attach Part XIII.....		X

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BAA For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

www.irs.gov/Form1065

Schedule K-3 (Form 1065) 2023

Name of partnership PAOLI SOUTHWEST LLC	EIN 87-3645430	Name of partner Kishore Desu	SSN or TIN ***-**-6622
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Part I Partner's Share of Partnership's Other Current Year International Information

Check box(es) for additional specified attachments. See instructions.

- | | | | |
|--|--|--|--|
| <input type="checkbox"/> 1 Gain on personal property sale | <input type="checkbox"/> 5 High-taxed income | <input type="checkbox"/> 8 Form 5471 information | <input type="checkbox"/> 11 Dual consolidated loss |
| <input type="checkbox"/> 2 Foreign oil and gas taxes | <input type="checkbox"/> 6 Section 267A disallowed deduction | <input type="checkbox"/> 9 Other forms | <input type="checkbox"/> 12 Form 8865 information |
| <input type="checkbox"/> 3 Splitter arrangements | <input checked="" type="checkbox"/> 7 Reserved for future use | <input type="checkbox"/> 10 Partner loan transactions | <input type="checkbox"/> 13 Other international items
(attach description and statement) |
| <input type="checkbox"/> 4 Foreign tax translation | | | |

Part II Foreign Tax Credit Limitation

Section 1 – Gross Income

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
1 Sales							
A _____							
B _____							
C _____							
2 Gross income from performance of services							
A _____							
B _____							
C _____							
3 Gross rental real estate income							
A US	10,980.						10,980.
B _____							
C _____							
4 Other gross rental income							
A _____							
B _____							
C _____							
5 Guaranteed payments.....							
6 Interest income							
A _____							
B _____							
C _____							
7 Ordinary dividends (exclude amount on line 8)							
A _____							
B _____							
C _____							

Name of partnership PAOLI SOUTHWEST LLC	EIN 87-3645430	Name of partner Kishore Desu	SSN or TIN ***-**-6622
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Part II Foreign Tax Credit Limitation (continued)

Section 1 – Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
8 Qualified dividends							
A _____							
B _____							
C _____							
9 Reserved for future use.							
10 Royalties and license fees							
A _____							
B _____							
C _____							
11 Net short-term capital gain							
A _____							
B _____							
C _____							
12 Net long-term capital gain							
A _____							
B _____							
C _____							
13 Collectibles (28%) gain							
A _____							
B _____							
C _____							
14 Unrecaptured section 1250 gain							
A _____							
B _____							
C _____							
15 Net section 1231 gain							
A _____							
B _____							
C _____							

Name of partnership PAOLI SOUTHWEST LLC	EIN 87-3645430	Name of partner Kishore Desu	SSN or TIN ***-**-6622
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Part II Foreign Tax Credit Limitation (continued)

Section 1 – Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
16 Section 986(c) gain							
17 Section 987 gain							
18 Section 988 gain							
19 Section 951(a) inclusions							
A _____							
B _____							
C _____							
20 Other income (see instructions)							
A _____							
B _____							
C _____							
21 Reserved for future use							
A _____							
B _____							
C _____							
22 Reserved for future use							
A _____							
B _____							
C _____							
23 Reserved for future use							
A _____							
B _____							
C _____							
24 Total gross income (combine lines 1 through 23)	10,980.						10,980.
A US	10,980.						10,980.
B _____							
C _____							

Name of partnership PAOLI SOUTHWEST LLC	EIN 87-3645430	Name of partner Kishore Desu	SSN or TIN ***-**-6622
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Part II Foreign Tax Credit Limitation (continued)

Section 2 – Deductions

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
25 Expenses allocable to sales income . . .							
26 Expenses allocable to gross income from performance of services	534 .						534 .
27 Net short-term capital loss							
28 Net long-term capital loss							
29 Collectibles loss							
30 Net section 1231 loss							
31 Other losses							
32 Research & experimental (R&E) expenses							
A SIC code:							
B SIC code:							
C SIC code:							
33 Allocable rental expenses—depreciation, depletion, and amortization	2,067 .						2,067 .
34 Allocable rental expenses—other than depreciation, depletion, and amortization	9,395 .						9,395 .
35 Allocable royalty and licensing expenses—depreciation, depletion, and amortization							
36 Allocable royalty and licensing expenses—other than depreciation, depletion, and amortization							
37 Depreciation not included on line 33 or line 35							
38 Charitable contributions							
39 Interest expense specifically allocable under Regulations section 1.861-10(e)							
40 Other interest expense specifically allocable under Regulations section 1.861-10T							
41 Other interest expense—business							
42 Other interest expense—investment							
43 Other interest expense—passive activity							
44 Section 59(e)(2) expenditures, excluding R&E expenses on line 32							
45 Foreign taxes not creditable but deductible							

Name of partnership PAOLI SOUTHWEST LLC	EIN 87-3645430	Name of partner Kishore Desu	SSN or TIN ***-**-6622
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Part II Foreign Tax Credit Limitation (continued)

Section 2 – Deductions (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
46 Section 986(c) loss							
47 Section 987 loss							
48 Section 988 loss							
49 Other allocable deductions (see instructions)							
50 Other apportioned share of deductions (see instructions)							
51 Reserved for future use							
52 Reserved for future use							
53 Reserved for future use							
54 Total deductions (combine lines 25 through 53)	11,996.						11,996.
55 Net income (loss) (subtract line 54 from line 24)	-1,016.						-1,016.

Part III Other Information for Preparation of Form 1116 or 1118

Section 1 – R&E Expenses Apportionment Factors

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____) (country code _____)		
1 Gross receipts by SIC code							
A SIC code:							
B SIC code:							
C SIC code:							
D SIC code:							
E SIC code:							
F SIC code:							
2 Exclusive apportionment with respect to total R&E expenses entered on Part II, line 32.							
A R&E expense with respect to activity performed in the United States							
(i) SIC code:							2A(i)
(ii) SIC code:							2A(ii)
(iii) SIC code:							2A(iii)
B R&E expense with respect to activity performed outside the United States							
(i) SIC code:							2B(i)
(ii) SIC code:							2B(ii)
(iii) SIC code:							2B(iii)

**Shareholder's/Partner's Share of Indiana Adjusted Gross
Income, Deductions, Modifications, and Credits**

Tax Year Beginning 2023 and Ending

Name of S Corporation/Partnership Federal Employer Identification Number

Distributions - Provide Schedule IN K-1 to each shareholder/partner. Enclose Schedule IN K-1 with Form IT-20S/IT-65 return

Part 1 - Shareholder/Partner's Identification Section

1 Shareholder/Partner Name Check if amended

2 Shareholder/Partner FEIN or Social Security Number

3 Shareholder/Partner Federal Pro Rata Percentage %

4 If the partner is a disregarded entity (DE), enter the partner's:

a Name b FEIN

5 What type of entity is the partner?

6 Shareholder/Partner State of Residence or Commercial Domicile

7 Indiana County of Principal Employment 2-digit code

8 Payer's Name

9 Payer's FEIN

10 Pass Through Entity Tax .00

11 IN State Tax Withheld .00

12 IN County Tax Withheld .00

Part 2 - Pro Rata Share of Indiana Pass-through Tax Credits from S Corporation/Partnership

	Column A IT-20S/IT65 FEIN if Credit is from IN K-1	Column B Certification Year	Column C Certification/Project/PIN Number	Column D Tax Credit Code	Column E Amount Claimed
1	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value=""/> .00
2	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value=""/> .00
3	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value=""/> .00
4	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value=""/> .00

Pass-through entities with more than 24 IN K-1s must file electronically



Part 3 - Distributive Share Amount (use apportioned figures for nonresident shareholders/partners)

1	Ordinary business income (loss)		1	-534	.00
2	Net rental real estate income (loss)		2	-482	.00
3	Other net rental income (loss)		3		.00
4	Guaranteed payments (for IT-65 filers only; if filing IT-20S, skip to line 5)		4		.00
5	Interest income		5		.00
6	Ordinary dividends		6		.00
7	Royalties		7		.00
8	Net short-term capital gain (loss)		8		.00
9	Net long-term capital gain (loss)		9		.00
10	Net IRC Section 1231 gain (loss)		10		.00
11	Other income (loss)		11		.00
12	IRC Section 179 expense deduction		12		.00
13	a Portion of expenses related to investment portfolio income, including investment interest expense and other (federal nonitemized) deductions (see instructions)		13a		.00
	b Other information from line 20 of federal K-1 related to investment interest and expenses not listed elsewhere (see instructions)		13b		.00
14	Total pro rata distributions. Add all positive amounts on lines 1 through 11. See instructions for lines 12, 13a, 13b, and if you reported negative amounts on lines 1 through 11		14	-1016	.00

Part 4 - State Modifications Add or subtract the following. Designate the distributive share amount of each modification for Indiana adjusted gross income from line 2 on the front of Form IT-20S/IT-65. For nonresidents, apply apportioned figures. (Use a minus sign to denote negative amounts.)

1	State income taxes deducted		1		.00
2	Net bonus depreciation allowance		2	-292	.00
3	Excess IRC Section 179 deduction		3		.00
4	Interest on U.S. obligations		4		.00
5	Addback/Deduction	Code No. <input type="text"/>	5		.00
6	Addback/Deduction	Code No. <input type="text"/>	6		.00
7	Addback/Deduction	Code No. <input type="text"/>	7		.00
8	Total distributive share of modifications (see instructions)		8	-292	.00
9	Add Part 3, line 14, to Part 4, line 8. See instructions for reporting on Schedule PTET, Schedule Composite, and/or Schedule Composite-COR.	Adjusted Gross Income	9	-1308	.00



Part 3
Indiana Modifications
Net Bonus Depreciation Allowance Details

State Depreciation in Excess of Federal.....	\$	-292.
Total	\$	<u>-292.</u>