

## 1 Year Performance Projection

Pre-Leased Property  
Little Rock, AR 72209  
4BR/2BA,Built in 1975



Square Feet	1,661
Initial Market Value	\$109,900
Purchase Price	\$109,900
Downpayment	\$27,475
Loan Origination Fees	\$1,855
Depreciable Closing Costs	\$4,396
Other Closing Costs and Fixup	\$0
<b>Initial Cash Invested</b>	<b>\$33,726</b>
Cost per Square Foot	\$66
Monthly Rent per Square Foot	\$0.66

Income	Monthly	Annual
Gross Rent	\$1,095	\$13,140
Vacancy Losses	-\$88	-\$1,051
<b>Operating Income</b>	<b>\$1,007</b>	<b>\$12,089</b>

Expenses	Monthly	Annual
Property Taxes	-\$92	-\$1,099
Insurance	-\$49	-\$593
Management Fees	-\$101	-\$1,209
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$55	-\$657
Other	-\$0	-\$0
<b>Operating Expenses</b>	<b>-\$297</b>	<b>-\$3,558</b>

Net Performance	Monthly	Annual
<b>Net Operating Income</b>	<b>\$711</b>	<b>\$8,530</b>
- Mortgage Payments	-\$548	-\$6,574
<b>= Cash Flow</b>	<b>\$163</b>	<b>\$1,957</b>
+ Principal Reduction	\$70	\$839
+ First-Year Appreciation	\$550	\$6,594
<b>= Gross Equity Income</b>	<b>\$782</b>	<b>\$9,389</b>
+ Tax Savings	\$16	\$193
<b>= GEI w/Tax Savings</b>	<b>\$799</b>	<b>\$9,582</b>

Mortgage Info	First	Second
Loan-to-Value Ratio	75%	0%
Loan Amount	\$82,425	\$0
Monthly Payment	\$547.82	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	6.990%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.30
Annual Gross Rent Multiplier	8
Monthly Gross Rent Multiplier	100
Capitalization Rate	7.8%
Cash on Cash Return	6%
<b>Total Return on Investment</b>	<b>28%</b>
<b>+ Tax Benefits: Deductions, Depreciation, 1031 Exchange</b>	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	8%
Management Fee	10%
Maintenance Percentage	5%

Comments

\*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.