

1 Year Performance Projection

Portfolio of 7 Properties
 Memphis, TN 38128
 All units occupied!



Square Feet	10,000
Initial Market Value	\$675,000
Purchase Price	\$675,000
Downpayment	\$168,750
Loan Origination Fees	\$11,391
Depreciable Closing Costs	\$20,250
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$200,391
Cost per Square Foot	\$68
Monthly Rent per Square Foot	\$0.65

Income	Monthly	Annual
Gross Rent	\$6,500	\$78,000
Vacancy Losses	-\$520	-\$6,240
Operating Income	\$5,980	\$71,760

Expenses	Monthly	Annual
Property Taxes	-\$478	-\$5,738
Insurance	-\$422	-\$5,062
Management Fees	-\$478	-\$5,741
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$325	-\$3,900
Other	-\$0	-\$0
Operating Expenses	-\$1,703	-\$20,441

Net Performance	Monthly	Annual
Net Operating Income	\$4,277	\$51,319
- Mortgage Payments	-\$3,365	-\$40,376
= Cash Flow	\$912	\$10,943
+ Principal Reduction	\$429	\$5,152
+ First-Year Appreciation	\$3,375	\$40,500
= Gross Equity Income	\$4,716	\$56,595
+ Tax Savings	\$122	\$1,467
= GEI w/Tax Savings	\$4,839	\$58,062

Mortgage Info	First	Second
Loan-to-Value Ratio	75%	0%
Loan Amount	\$506,250	\$0
Monthly Payment	\$3,364.69	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	6.990%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.27
Annual Gross Rent Multiplier	9
Monthly Gross Rent Multiplier	104
Capitalization Rate	7.6%
Cash on Cash Return	5%
Total Return on Investment	28%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

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

Comments
All properties are located in Shelby County.
(x4) -
*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.