

1 Year Performance Projection

Great Investment Opportunity
Valparaiso, IN 46385
3 bedroom/ 1 bath home built in 1962



| | |
|-------------------------------|-----------------|
| Square Feet | 960 |
| Initial Market Value | \$119,900 |
| Purchase Price | \$119,900 |
| Downpayment | \$23,980 |
| Loan Origination Fees | \$1,918 |
| Depreciable Closing Costs | \$5,995 |
| Other Closing Costs and Fixup | \$0 |
| Initial Cash Invested | \$31,893 |
| Cost per Square Foot | \$125 |
| Monthly Rent per Square Foot | \$1.30 |

| Income | Monthly | Annual |
|-------------------------|----------------|-----------------|
| Gross Rent | \$1,250 | \$15,000 |
| Vacancy Losses | -\$100 | -\$1,200 |
| Operating Income | \$1,150 | \$13,800 |

| Expenses | Monthly | Annual |
|---------------------------|---------------|-----------------|
| Property Taxes | -\$200 | -\$2,398 |
| Insurance | -\$50 | -\$600 |
| Management Fees | -\$92 | -\$1,104 |
| Leasing/Advertising Fees | -\$0 | -\$0 |
| Association Fees | -\$0 | -\$0 |
| Maintenance | -\$100 | -\$1,200 |
| Other | -\$0 | -\$0 |
| Operating Expenses | -\$442 | -\$5,302 |

| Net Performance | Monthly | Annual |
|------------------------------|--------------|-----------------|
| Net Operating Income | \$708 | \$8,498 |
| - Mortgage Payments | -\$545 | -\$6,535 |
| = Cash Flow | \$164 | \$1,963 |
| + Principal Reduction | \$108 | \$1,292 |
| + First-Year Appreciation | \$600 | \$7,194 |
| = Gross Equity Income | \$871 | \$10,449 |
| + Tax Savings | \$13 | \$155 |
| = GEI w/Tax Savings | \$884 | \$10,604 |

| Mortgage Info | First | Second |
|---------------------|------------------|--------|
| Loan-to-Value Ratio | 80% | 0% |
| Loan Amount | \$95,920 | \$0 |
| Monthly Payment | \$544.62 | \$0.00 |
| Loan Type | Amortizing Fixed | |
| Term | 30 Years | |
| Interest Rate | 5.500% | 0.000% |
| Monthly PMI | \$0 | |

| Financial Indicators | |
|--|------------|
| Debt Coverage Ratio | 1.30 |
| Annual Gross Rent Multiplier | 8 |
| Monthly Gross Rent Multiplier | 96 |
| Capitalization Rate | 7.1% |
| Cash on Cash Return | 6% |
| Total Return on Investment | 33% |
| + Tax Benefits: Deductions, Depreciation, 1031 Exchange | |

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

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