


# FIRST-YEAR PERFORMANCE PROJECTION

| 2308 South Glenn<br>Oklahoma City, OK 73115   |               |                 |
|---|---------------|-----------------|
| off-market property   |               |                 |
| <br><b>TABLE INVESTMENTS</b> |               |                 |
| Square Feet (App.)  |               | 858             |
| Initial Market Value  |               | 84,000          |
| Purchase Price  |               | 84,000          |
| Downpayment   |               | 16,800          |
| Loan Origination Fees   |               | 1,600           |
| Depreciable Closing Costs   |               | 2,049           |
| Other Closing Costs and Fixup   |               | 1,390           |
| <b>Initial Cash Invested</b>  |               | <b>21,838.8</b> |
| Cost per Square Foot  |               | 98              |
| Monthly Rent per Square Foot  |               | 0.87            |
| Income  | Monthly       | Annual          |
| Gross Rent  | 750           | 9,000           |
| Vacancy Losses  | -38           | -450            |
| <b>Operating Income</b>   | <b>712.5</b>  | <b>8,550</b>    |
| Expenses  | Monthly       | Annual          |
| Property Taxes  | -68           | -810            |
| Insurance   | -48           | -580            |
| Management Fees   | -71           | -855            |
| Leasing/Advertising Fees  | 0             | 0               |
| Association Fees  | 0             | 0               |
| Maintenance   | -53           | -630            |
| Other   | 0             | 0               |
| <b>Operating Expenses</b>   | <b>-239.6</b> | <b>-2,874.8</b> |

| Financial Indicators          |                  |                |
|-------------------------------|------------------|----------------|
| Rent to Value Ratio (RV)      |                  | 0.9%           |
| Capitalization Rate           |                  | 6.8%           |
| Cash on Cash Return           |                  | 9%             |
| Debt Coverage Ratio           |                  | 1.53           |
| Total Return on Investment    |                  | <b>26%</b>     |
| Total ROI with Tax Savings    |                  | <b>26%</b>     |
| Net Performance               | Monthly          | Annual         |
| <b>Net Operating Income</b>   | <b>472.9</b>     | <b>5,675.2</b> |
| - Mortgage Payments           | -309             | -3,704         |
| <b>= Cash Flow</b>            | <b>164.3</b>     | <b>1,971.3</b> |
| + Principal Reduction         | 104              | 1,250          |
| + First-Year Appreciation     | 210              | 2,520          |
| <b>= Gross Equity Income</b>  | <b>478.4</b>     | <b>5,741.2</b> |
| + Tax Savings                 | 0                | 0              |
| <b>= GEI w/Tax Savings</b>    | <b>478.4</b>     | <b>5,741.2</b> |
| General Assumptions           |                  |                |
| Real Estate Appreciation Rate |                  | 3%             |
| Vacancy Rate                  |                  | 5%             |
| Management Fee                |                  | 10%            |
| Maintenance Percentage        |                  | 7%             |
| Equity Share Percentage       |                  | 100%           |
| 0                             |                  |                |
| Mortgage                      | First            | Second         |
| Loan-to-Value Ratio           | 80%              | 0%             |
| Loan Amount                   | 67,200           | ---            |
| Monthly Payment               | 309              | ---            |
| Loan Type                     | Amortizing Fixed | ---            |
| Term                          | 30 Years         | ---            |
| Interest Rate                 | 3.683%           | ---            |
| <b>Monthly PMI</b>            |                  |                |
| <b>Comments</b>               | +                |                |
|                               |                  |                |