

Pueblo Pro Forma - 85 cents per sqft

| | House 1 | House 2 | House 3 | House 4 | House 5 |
|--------------------------------------------------------------------|------------|------------|------------|------------|------------|
| Total Home Square Footage | 1791 | 1709 | 1169 | 1741 | 1260 |
| Total Property Square Footage | 7,797 | 5401 | 5706 | 9670 | 6098 |
| Heating Type | Forced Air | Forced Air | Forced Air | Forced Air | Forced Air |
| Year Built | 1941 | 1903 | 1900 | 1902 | 1900 |
| Number of Bedrooms | 3 | 3 | 3 | 2 | 2 |
| Number of Bathrooms | 1 | 2 | 1 | 1 | 1 |
| Sources | | | | | |
| Investor A | \$ 16,500 | \$ 14,400 | \$ 11,990 | \$ 11,000 | \$ 11,200 |
| Investor B | \$ 16,500 | \$ 14,400 | \$ 11,990 | \$ 11,000 | \$ 11,200 |
| Anticipated Revenue | | | | | |
| Monthly Revenue | \$ 1,522 | \$ 1,453 | \$ 994 | \$ 1,480 | \$ 1,071 |
| AGRI | \$ 18,268 | \$ 17,432 | \$ 11,924 | \$ 17,758 | \$ 12,852 |
| AGRI (7% Vacancy) | \$ 16,989 | \$ 16,212 | \$ 11,089 | \$ 16,515 | \$ 11,952 |
| Uses | | | | | |
| Total Acquisition Costs | \$ 150,000 | \$ 129,000 | \$ 104,900 | \$ 95,000 | \$ 97,000 |
| Down Payment | \$ 30,000 | \$ 25,800 | \$ 20,980 | \$ 19,000 | \$ 19,400 |
| Rehabilitation Construction Costs (Estimate) | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Soft Costs (20% of hard costs) | \$ 500 | \$ 500 | \$ 500 | \$ 500 | \$ 500 |
| Total Rehabilitation Costs | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 |
| Developer Fee (5% of total construction uses) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Development Uses | \$ 152,500 | \$ 131,500 | \$ 107,400 | \$ 97,500 | \$ 99,500 |
| Annual Expenses | | | | | |
| Annual Operating Expenses Per Unit | \$ 5,454 | \$ 5,454 | \$ 5,454 | \$ 5,454 | \$ 5,454 |
| Monthly Debt Service Payment | \$ 621 | \$ 536 | \$ 438 | \$ 398 | \$ 406 |
| Annual Debt Service | \$ 7,448 | \$ 6,427 | \$ 5,255 | \$ 4,773 | \$ 4,870 |
| NET OPERATING INCOME | \$ 11,535 | \$ 10,758 | \$ 5,635 | \$ 11,061 | \$ 6,498 |
| Capitalization Rate | 7.7% | 8.3% | 5.4% | 11.6% | 6.7% |
| 10 Yr Capitalization Rate (Revenue growth 15%, debt service fixed) | 13.0% | 14.5% | 12.2% | 20.0% | 14.2% |
| Cash on Cash Return (@ 20% Down) | 13.6% | 16.8% | 1.8% | 33.1% | 8.4% |
| Cash on Cash Return (@ full price) | 7.6% | 8.2% | 5.2% | 11.3% | 6.5% |
| DSCR | 1.55 | 1.67 | 1.07 | 2.32 | 1.33 |
| 10 Year DSCR (15% growth in revenue, 20% in costs) | 2.19 | 2.42 | 2.02 | 3.32 | 2.35 |