

Assumptions	
Purchase Price	\$ 2,988,000
Property SF	2944 SF
Gross Potential Revenue/SF/Year	55 \$/SF/Year
Annual Revenue Growth	2.00%
Vacancy	8.00%
Sale Price	\$ 3,570,937
Holding Period	10 Years
LTV	80.00%
Interest Rate	3.58%
Amortization	30 Years
Expenses PSF	11 \$/SF/Year

Solutions	
Going-In Cap Rate (Forward 1 Year)	3.89%
Unlevered IRR	5.81%
Levered IRR	11%
Average Unlevered Cash-on-Cash	4.37%
Average Levered Cash-on-Cash	-0.13%
Unlevered Equity Multiple	1.63 x
Levered Equity Multiple	2.74 x
Going-In DSCR (Forward 1 Year)	0.89

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Year	Acquisition	Year 1	Year 2	Year 3
		\$ 2,988,000	\$ 3,047,760	\$ 3,108,715
Gross Potential Revenue		\$161,920	\$165,158	\$168,462
Vacancy Cost		(\$12,954)	(\$13,213)	(\$13,477)
<b>Effective Gross Income</b>		<b>\$148,966</b>	<b>\$151,946</b>	<b>\$154,985</b>
<b>Expenses</b>		<b>(\$32,590)</b>	<b>(\$32,590)</b>	<b>(\$32,590)</b>
<b>NOI</b>		<b>\$116,376</b>	<b>\$119,356</b>	<b>\$122,395</b>
Purchase Price	(\$2,988,000)			
Sales Proceeds				
<b>Total Unlevered Cash Flow</b>	<b>(\$2,988,000)</b>	<b>\$116,376</b>	<b>\$119,356</b>	<b>\$122,395</b>
Loan Proceeds	\$2,390,400			
Loan Payoff				
Interest Payment		(\$85,576)	(\$83,940)	(\$82,246)
Principal Payment		(\$45,699)	(\$47,335)	(\$49,029)
<b>Total Levered Cash Flow</b>	<b>(\$597,600)</b>	<b>(\$14,899)</b>	<b>(\$11,920)</b>	<b>(\$8,881)</b>
Unlevered Cash-on-Cash		3.89%	3.99%	4.10%
Levered Cash-on-Cash		-2.49%	-1.99%	-1.49%

Monthly rent	\$13,493.33	\$13,763.20	\$14,038.46
Market average monthly rent	\$ 4,000.00	\$ 4,080.00	\$ 4,161.60
Higher than market by	\$9,493.33	\$9,683.20	\$9,876.86

	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
\$	3,170,890	\$ 3,234,307	\$ 3,298,993	\$ 3,364,973	\$ 3,432,273	\$ 3,500,918
	\$171,831	\$175,267	\$178,773	\$182,348	\$185,995	\$189,715
	(\$13,746)	(\$14,021)	(\$14,302)	(\$14,588)	(\$14,880)	(\$15,177)
	\$158,084	\$161,246	\$164,471	\$167,760	\$171,116	\$174,538
	(\$32,590)	(\$32,590)	(\$32,590)	(\$32,590)	(\$32,590)	(\$32,590)
	<b>\$125,494</b>	<b>\$128,656</b>	<b>\$131,881</b>	<b>\$135,170</b>	<b>\$138,525</b>	<b>\$141,948</b>

<b>\$125,494</b>	<b>\$128,656</b>	<b>\$131,881</b>	<b>\$135,170</b>	<b>\$138,525</b>	<b>\$141,948</b>
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(\$80,490)	(\$78,672)	(\$76,789)	(\$74,839)	(\$72,818)	(\$70,725)
(\$50,785)	(\$52,603)	(\$54,486)	(\$56,437)	(\$58,457)	(\$60,550)
<b>(\$5,781)</b>	<b>(\$2,619)</b>	<b>\$606</b>	<b>\$3,895</b>	<b>\$7,250</b>	<b>\$10,673</b>

4.20%	4.31%	4.41%	4.52%	4.64%	4.75%
-0.97%	-0.44%	0.10%	0.65%	1.21%	1.79%

\$14,319.23	\$14,605.62	\$14,897.73	\$15,195.68	\$15,499.60	\$15,809.59
\$ 4,244.83	\$ 4,329.73	\$ 4,416.32	\$ 4,504.65	\$ 4,594.74	\$ 4,686.64
\$10,074.40	\$10,275.89	\$10,481.41	\$10,691.04	\$10,904.86	\$11,122.95

Year 10
\$ 3,570,937
\$193,509
(\$15,481)
\$178,029
(\$32,590)
<b>\$145,439</b>
\$3,570,937
<b>\$3,716,375</b>
(\$1,852,302)
(\$68,558)
(\$62,717)
<b>\$1,732,798</b>
4.87%
2.37%

\$16,125.78

\$ 4,780.37

\$11,345.41