

Pro Forma							Property Details		
Year	Year 1	Year 2	Year 3	Year 4	Year 5		Name	Orchard Hill Retreat	
Gross Potential Rent	\$288,000	\$296,640	\$305,539	\$314,705	\$324,147				
Vacancy	\$14,400	\$14,832	\$15,277	\$15,735	\$16,207		Occupancy Assumptions		
Effective Gross Income	\$273,600	\$281,808	\$290,262	\$298,970	\$307,939		Vacancy Rate	0.05	
Operating Expenses	\$39,744	\$40,648	\$41,574	\$42,522	\$43,492		Number of Units	20	
Net Operating Income	\$233,856	\$241,160	\$248,688	\$256,449	\$264,448		Base Rent	\$1,200	
Debt Service	\$54,507.74	\$54,507.74	\$54,507.74	\$54,507.74	\$54,507.74		Annual Rent Increase	0.03	
Cash Flow Before Taxes	\$179,348	\$186,652	\$194,180	\$201,941	\$209,940				
Sale Price					\$4,407,460		Operating Expense Assumptions		
Exit Loan Balance					\$739,685		Expense Item	Base Amount	Growth Rate
Net Sale Proceeds					\$3,447,402		Property Taxes	\$12,000	2%
Total Cash Flow to Investor	\$179,348	\$186,652	\$194,180	\$201,941	\$3,657,342		Insurance	\$3,600	2%
							Repairs & Maintenance	\$4,800	2%
Gross Potential Rent							Utilities	\$6,000	2%
Year	Year 1	Year 2	Year 3	Year 4	Year 5		Miscellaneous	\$2,400	2%
# of Units	20	20	20	20	20		Mgmt Fee (% of EGI)	4%	
Rent per Unit per Month	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351				
Gross Potential Rent	\$288,000	\$296,640	\$305,539	\$314,705	\$324,147		Other Assumptions		
							Terminal Cap Rate	6%	
Operating Expenses							Selling Cost (% of Sale)	5%	
Year	Year 1	Year 2	Year 3	Year 4	Year 5				
Property Taxes	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989		Debt Assumptions		
Insurance	\$3,600	\$3,672	\$3,745	\$3,820	\$3,897		Loan Amount	\$800,000	
Repairs & Maintenance	\$4,800	\$4,896	\$4,994	\$5,094	\$5,196		Interest Rate	5.50%	
Utilities	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495		Amortization Term (years)	30	
Miscellaneous	\$2,400	\$2,448	\$2,497	\$2,547	\$2,598				
Management Fees	\$10,944	\$11,272	\$11,610	\$11,959	\$12,318				
Total Operating Expenses	\$39,744	\$40,648	\$41,574	\$42,522	\$43,492				