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				Memphis			5399 Maiden Grass Drive, Memphis TN				
				Property Info			Assumptions				
				Purchase Price		\$172,500	Down Payment		20%		
				Down Payment		\$34,500	Closing Costs		4%		
				Estimated Closing Costs		\$6,900	Interest Rate		5.250%		
				Rehab Expenses		\$3,500	PM Fee		8%		
				Acquisition Fee		\$3,995	Vacancy/Repairs		8%		
				Total Property Investment		\$48,895	Annual Apprec. (YR 1-2)		6%		
				PM Setup		\$2,000	Annual Apprec. (YR 3-5)		4%		
				Financed Income Breakdown			Annual Apprec. (YR 6+)			3%	
				Monthly Rent		\$1,400	Annual Rent Increase		4%		
Monthly Principal & Interest		\$762	Closing Costs on Future Sale		6%						
Montly Taxes		\$93	Cash on Cash ROI								
Monthly Insurance		\$92	Annual Average	5 Year	7 Year	10 Year					
PITI Monthly		\$947	Cash on Cash ROI	8.33%	9.38%	11.21%					
Year Built	Square Feet	Bedrooms	Bathrooms	Returns			C on C + PR	12.71%	13.88%	15.88%	
2002	2020	3	2.5	Cap Rate		7.67%	C on C + PR + Apprec.	26.29%	27.23%	29.36%	
Income / Expenses											
Year	1	2	3	4	5	6	7	8	9	10	
Gross Rent	\$16,800	\$17,472	\$18,171	\$18,898	\$19,654	\$20,440	\$21,257	\$22,108	\$22,992	\$23,912	
Taxes	\$1,121	\$1,188	\$1,260	\$1,297	\$1,336	\$1,376	\$1,418	\$1,460	\$1,504	\$1,549	
Insurance	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	
HOA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Property Management	\$1,344	\$1,398	\$1,454	\$1,512	\$1,572	\$1,635	\$1,701	\$1,769	\$1,839	\$1,913	
Vacancy/Repairs	\$0	\$1,398	\$1,454	\$1,512	\$1,572	\$1,635	\$1,701	\$1,769	\$1,839	\$1,913	
Net Operating Income	\$13,235	\$12,388	\$12,904	\$13,477	\$14,073	\$14,693	\$15,339	\$16,010	\$16,709	\$17,437	
Annual Principal and Interest	\$9,144	\$9,144	\$9,144	\$9,144	\$9,144	\$9,144	\$9,144	\$9,144	\$9,144	\$9,144	
Gross Profits	\$4,091	\$3,244	\$3,759	\$4,332	\$4,928	\$5,549	\$6,194	\$6,866	\$7,565	\$8,292	
Monthly Cash Flow	\$341	\$270	\$313	\$361	\$411	\$462	\$516	\$572	\$630	\$691	
Property Investment	\$48,895	\$48,895	\$48,895	\$48,895	\$48,895	\$48,895	\$48,895	\$48,895	\$48,895	\$48,895	
C on C ROI	8.37%	6.63%	7.69%	8.86%	10.08%	11.35%	12.67%	14.04%	15.47%	16.96%	
PR Alone Year Over Year	4.18%	4.28%	4.38%	4.49%	4.61%	4.72%	4.83%	4.94%	5.06%	5.17%	
C on C + PR	12.54%	10.91%	12.07%	13.35%	14.69%	16.07%	17.50%	18.98%	20.53%	22.13%	
Annual Appreciation/ROI											
Year	1	2	3	4	5	6	7	8	9	10	
Principal Reduction	\$2,042	\$4,181	\$6,431	\$8,791	\$11,261	\$13,841	\$16,532	\$19,334	\$22,246	\$25,268	
Appreciation	\$0	\$10,350	\$7,314	\$7,607	\$7,911	\$6,170	\$6,356	\$6,546	\$6,743	\$6,945	
Apprecation ROI	0.00%	21.17%	14.96%	15.56%	16.18%	12.62%	13.00%	13.39%	13.79%	14.20%	
Cumulative Equity Gain	\$0	\$10,350	\$17,664	\$25,271	\$33,181	\$39,352	\$45,707	\$52,254	\$58,996	\$65,941	
Proceeds In Event of Sale	\$26,192	\$38,060.40	\$47,185	\$56,695	\$66,601	\$74,982	\$83,647	\$92,602	\$101,852	\$111,402	
ROI w/C on C + PR + Est. Apprec.	12.54%	32.08%	27.03%	28.91%	30.86%	28.69%	30.50%	32.37%	34.32%	36.33%	
Deprec. / Tax Savings	\$1,756	\$1,756	\$1,756	\$1,375	\$1,756	\$1,756	\$1,375	\$1,756	\$1,756	\$1,756	
Deprec. ROI	3.59%	3.59%	3.59%	2.81%	3.59%	3.59%	2.81%	3.59%	3.59%	3.59%	
Hypothetical Appreciation 8%	\$0	\$13,800	\$14,904	\$16,096	\$17,384	\$18,775	\$20,277	\$21,899	\$23,651	\$25,543	
Hyp. Apprec. as ROI based on PI	0.00%	28.22%	30.48%	32.92%	35.55%	38.40%	41.47%	44.79%	48.37%	52.24%	
Cumulative EG with Hyp. Apprec.	\$0	\$13,800	\$28,704	\$44,800	\$62,184	\$80,959	\$101,236	\$123,135	\$146,785	\$172,328	
Proceeds if Sold w/ Hyp. Apprec.	\$26,192	\$41,303.40	\$57,563	\$75,053	\$93,864	\$114,093	\$135,844	\$159,230	\$184,374	\$211,406	
C on C + PR+ Hyp. Apprec.	12.54%	39.13%	42.55%	46.28%	50.24%	54.46%	58.97%	63.77%	68.90%	74.37%	
C on C + PR+ Hyp. Appr. + Deprec. of asset	16.14%	47.00%	54.91%	62.57%	72.26%	81.65%	90.76%	101.96%	112.93%	124.47%	

Glossary and Assumptions					
Appreciation	The Appreciation value is calculated cumulatively.				
Appreciation ROI	Return as calculated from Appreciation to Total Property Investment				
Cap Rate	Cap Rate is calculated by dividing the Net Operating Income by the Purchase Price.				
Cash on Cash Return	The Cash on Cash Return is calculated by dividing the Annual Net Cash Flow by the Total Property Investment (TPI)				
Closing Costs	Percentage of closing costs adjusts based on loan amount. 100K and below= 5.5%, 100-150K=5%, 150k-200K=4%, & over 200K=3.5%				
Depreciation ROI	Return based on depreciation to property investment				
Depreciation/Tax Savings	Assuming Average 28% tax bracket				
Principal Reduction	The Principal Reduction is calculated cumulatively based off a 30 year ammortization, fixed rate mortgage.				
Proceeds on Sale	The Proceeds on the Sale is calculated by taking the market value (Purchase Price and cumulative Appreciation), and subtracting Loan Amount, and Closing Costs on the Future Sale.				
Return on Investment (ROI)	Return on Investment				
Taxes	Taxes increase at same rate of property appreciation				
Total Property Invesment (TPI)	The Total Property Investment value is calculated by adding the Down Payment, Closing Costs, Rehab Expenses and Acquisition Fee				
Vacancies/Repairs	Vacancy/Repair expenses start in month 12 since the homes are typically rehabbed at the start of year 1.				
	Abbreviations		Property Value		
	PM	Property Management	2	\$172,500	\$10,350
	Apprec.	Appreciation	3	\$182,850	\$10,971
	Deprec.	Depreciation	4	\$193,821	\$11,629
	C on C	Cash on Cash	5	\$205,450	\$6,164
	V&R	Vacany and Repairs	6	\$211,614	\$6,348
	Hyp.	Hypothetical	7	\$217,962	\$6,539
	PR.	Prinicial Reduction	8	\$224,501	\$6,735
	PI.	Property Invesment	9	\$231,236	\$6,937
	EG	Equity Gain	10	\$238,173	\$7,145