

## DETAILED FIVE YEAR INVESTMENT REPORT

<b>123 Elm Street</b>	Low Bank Rate	<b>3.5250%</b>	High Bank Rate	<b>5.2500%</b>	
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Property Information	2007	2008	2009	2010	2011	Notes
Property Purchase / List Price	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	use this space for notes
Closing Costs and Prepays	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Total Final Investment	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	
Annual Loan Payments	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	
Down Payment	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	

Income						
Gross Scheduled Income	\$ 18,000.00	\$ 18,600.00	\$ 19,200.00	\$ 19,800.00	\$ 20,400.00	use this space for notes
Other Misc. Income	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
Total Income	\$ 19,000.00	\$ 19,600.00	\$ 20,200.00	\$ 20,800.00	\$ 21,400.00	
Less Vacancy	10.00%	10.00%	10.00%	10.00%	10.00%	
Gross Operating Income	\$ 17,100.00	\$ 17,640.00	\$ 18,180.00	\$ 18,720.00	\$ 19,260.00	

Expenses						
Accounting and Legal Fees	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	use this space for notes
Advertising, Licenses and Permits	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	
Property Insurance	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
Offsite Property Management	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	
Payroll - Onsite Manager	\$ -	\$ -	\$ -	\$ -	\$ -	
Payroll - Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	
Payroll - Workers Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	
Payroll - Social Security	\$ -	\$ -	\$ -	\$ -	\$ -	
Payroll - Medicare	\$ -	\$ -	\$ -	\$ -	\$ -	
Payroll - Misc	\$ -	\$ -	\$ -	\$ -	\$ -	
Leasing Commissions	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	
Real Estate Taxes	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
Repairs and Maintenance	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	
Services - Janitorial / Cleaning	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	
Services - Lawn / Landscaping	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	
Services - Pool	\$ -	\$ -	\$ -	\$ -	\$ -	
Services - Trash Removal	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	
Supplies	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	
Utilities - Owner Paid Electric	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	
Utilities - Owner Paid Gas / Oil	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	
Utilities - Owner Pd. Water / Sewer	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	
Utilities - Owner Paid Telephone	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	
Utilities - Owner Paid Other 1	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	

Expenses (continued)						
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	use this space for notes
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	
Misc.	\$ 532.88	\$ 209.32	\$ 2,098.66	\$ 434.01	\$ 139.00	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	

Expense Calculations						
Gross Operating Income (+)	\$ 17,100.00	\$ 17,640.00	\$ 18,180.00	\$ 18,720.00	\$ 19,260.00	use this space for notes
Total Operating Expenses	\$ 8,382.88	\$ 8,059.32	\$ 9,948.66	\$ 8,284.01	\$ 7,989.00	
Net Operating Income (NOI)	\$ 8,717.12	\$ 9,580.68	\$ 8,231.34	\$ 10,435.99	\$ 11,271.00	
Annual Debt Service	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	
Before Tax Cash Flow (BTCS)	\$ (282.88)	\$ 580.68	\$ (768.66)	\$ 1,435.99	\$ 2,271.00	
Expenses % of Gross Opr. Income	44.120%	41.119%	49.251%	39.827%	37.332%	
Total Expenses + Vacancy	54.120%	51.119%	59.251%	49.827%	47.332%	
Total remaining before debt service	45.880%	48.881%	40.749%	50.173%	52.668%	
Debt Service Percentage	47.368%	45.918%	44.554%	43.269%	42.056%	
Total Remaining after debt service	-1.489%	2.963%	-3.805%	6.904%	10.612%	
Before Tax Cash Flow Percentage	-1.654%	3.292%	-4.228%	7.671%	11.791%	
Aggregate Gain or (LOSS)	\$ (282.88)	\$ 297.80	\$ (470.86)	\$ 965.13	\$ 3,236.13	

Investment Metrics						
Debt Service Coverage Ratio (DSCR)	0.968568889	1.06452	0.914593333	1.159554444	1.252333333	use this space for notes
Gross Rent Multiplier (GRM)	5.56	5.38	5.21	5.05	4.90	
GRM (with closing costs)	5.83	5.65	5.47	5.30	5.15	
Five Year Average				>>>>	<b>5.22</b>	
Five Year Average (with closing costs)				>>>>	<b>5.48</b>	
Capitalization Rate (CAP RATE)	8.717%	9.581%	8.231%	10.436%	11.271%	
CAP RATE (with closing costs)	8.302%	9.124%	7.839%	9.939%	10.734%	
Five Year Average				>>>>	<b>9.647%</b>	
Five Year Average (with closing costs)				>>>>	<b>9.188%</b>	
Cash-On-Cash Return	-2.83%	5.81%	-7.69%	14.36%	22.71%	
Five Year Average				>>>>	<b>6.47%</b>	

Tax Implications						
Your Tax Bracket	33.00%	33.00%	33.00%	33.00%	33.00%	use this space for notes
Taxes	\$ (93.35)	\$ 191.62	\$ (253.66)	\$ 473.88	\$ 749.43	
After Tax Cash Flow	\$ (189.53)	\$ 389.06	\$ (515.00)	\$ 962.11	\$ 1,521.57	
Final Aggregate Gain or (LOSS)	\$ (189.53)	\$ 199.53	\$ (315.48)	\$ 646.64	\$ 2,168.21	