

1st Year Pro forma

City, State	Kansas City, MO
Street	3932 Lawn Ave
Property Type	Single family
Year Built	1959
Living Area Sq Ft	912
Bedrooms	3
Baths	1
Neighborhood Class	B

Price	\$135,000
Cost per Sq Ft	\$148.03
Monthly Rent per Sq Ft	\$1.32



Income	Monthly	Annual
Gross Rent	\$1,200	\$14,400
Vacancy Losses	\$60	\$720
Gross Operating Income	\$1,140	\$13,680

Expenses	Monthly	Annual
Property Taxes	\$54	\$653
Insurance	\$50	\$600
Management	\$69	\$828
Leasing/Advertising	\$0	\$0
Gas, electric, water	\$0	\$0
Maintenance	\$36	\$432
Lawcare/Snow removal	\$0	\$0
Operating Expenses	\$209	\$2,513

Net Performance	Monthly	Annual
Net Operating Income	\$931	\$11,167
Debt Service	\$640	\$7,680
Cash Flow	\$291	\$3,487
Principal Reduction	\$94	\$1,132
First Year Appreciation	\$338	\$4,050
Total Income & Equity Return	\$722	\$8,669

Financial Indicators	
Debt Cover Ratio	1.5
Annual Gross Rent Multiplier	9.4
Monthly Gross Rent Multiplier	113
Rent ratio	0.9%
Capitalization Rate	8.3%
Cash on Cash Return	10.3%
Total Return on Investment	25.7%

Assumptions	
Real Estate Appreciation Rate	3%
Vacancy Rate	5%
Management Fee	6%
Maintenance Percentage	3%
Rental Increase	2.0%

Mortgage Information	
Loan to Value	75.0%
Downpayment	\$33,750
Loan Amount	\$101,250
Terms	360
Interest Rate*	6.500%
Mortgage Payment	\$639.97

These are projections only and performance is not guaranteed. All investments have risk and investors should do their own due diligence

*Rates can vary and are subject to change Seller will credit \$2000 towards loan points for interest rate reduction

10 Year Performance Summary----Cash-flow & Equity

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
INCOME						
Gross Rent	\$14,400	\$14,688	\$14,982	\$15,281	\$15,587	\$17,209
Vacancy	\$720	\$734	\$749	\$764	\$779	\$860
Operating Income	\$13,680	\$13,954	\$14,233	\$14,517	\$14,808	\$16,349

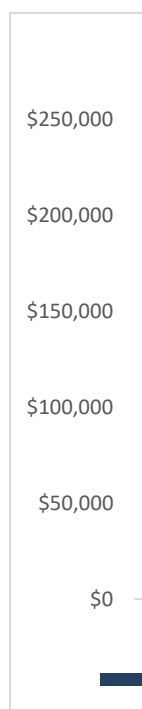
EXPENSES						
Property taxes	\$653	\$666	\$679	\$693	\$707	\$780
Insurance	\$600	\$612	\$624	\$637	\$649	\$717
Management	\$828	\$845	\$862	\$879	\$897	\$990
Maintenance	\$432	\$441	\$449	\$458	\$468	\$516
Water, electric, gas	\$0	\$0	\$0	\$0	\$0	\$0
Lawn care/Snow removal	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$2,513	\$2,564	\$2,615	\$2,667	\$2,721	\$3,004

Income Analyses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Net Operating Income	\$11,167	\$11,390	\$11,618	\$11,850	\$12,087	\$13,345
Debt Service	\$7,680	\$7,680	\$7,680	\$7,680	\$7,680	\$7,680
Cash Flow	\$3,487	\$3,710	\$3,938	\$4,170	\$4,407	\$5,665
Cash on Cash Return	10.3%	11.0%	11.7%	12.4%	13.1%	16.8%

Equity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Principal Reduction	\$1,132	\$1,207	\$1,288	\$1,375	\$1,467	\$2,050
Annual Appreciation	\$4,050	\$4,172	\$4,297	\$4,426	\$4,558	\$5,284
Total Annual Equity Gain	\$5,182	\$5,379	\$5,585	\$5,800	\$6,025	\$7,335
Total Equity Gain %	15.4%	15.9%	16.5%	17.2%	17.9%	21.73%

Income & Equity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Total Annual Income	\$3,487	\$3,710	\$3,938	\$4,170	\$4,407	\$5,665
Total Annual Equity	\$5,182	\$5,379	\$5,585	\$5,800	\$6,025	\$7,335
Total Income & Equity	\$8,669	\$9,089	\$9,523	\$9,971	\$10,432	\$13,000
Return from Income & Equity	25.7%	26.9%	28.2%	29.5%	30.9%	38.5%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Cummulative Cash flow	\$3,487	\$7,198	\$11,136	\$15,306	\$19,714	\$45,475
Cummulative Equity Gain	\$5,182	\$10,561	\$16,146	\$21,946	\$27,971	\$61,865
Total Cummulative Income & Equity	\$8,669	\$17,758	\$27,281	\$37,252	\$47,684	\$107,340
Income & Equity ROI	25.7%	26.9%	28.2%	29.5%	30.9%	38.5%



10 Year Cumulative Return

