

Property Summary

1430 Idaho St
Des Moines, IA



Overview

Finished Area (Square Feet)	880
Purchase Price	\$92,000
Initial Market Value	\$92,000
Downpayment	\$18,400
Closing Costs	\$1,805
Initial Cash Invested	\$20,205

Income & Expenses	Monthly	Annual
Gross Rent	\$950	\$11,400
Vacancy Losses	\$48	\$570
Operating Income	\$903	\$10,830
Operating Expenses	\$355	\$4,264

Net Performance	Monthly	Annual
Net Operating Income	\$547	\$6,566
- Mortgage Payments	\$384	\$4,607
= Cash Flow	\$163	\$1,959
+ Principal Reduction	\$96	\$1,156
+ First-Year Appreciation	\$230	\$2,760
= Gross Equity Income	\$490	\$5,875

Financial Indicators (Year 1)

Capitalization Rate	7.1%
Cash on Cash Return	9.7%
Total Return on Investment	29.1%
Total ROI with Tax Savings	32.4%

Assumptions

Real Estate Appreciation Rate	3.0%
Vacancy Rate	5.0%
Management Fee	10.0%

*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.



Year 1 Performance Projection

1430 Idaho St
Des Moines, IA



Overview

Finished Area (Square Feet)	880
Initial Market Value	\$92,000
Purchase Price	\$92,000
Downpayment	\$18,400
Loan Origination Fees	\$634
Depreciable Closing Costs	\$1,171
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$20,205
Cost per Square Foot	\$105
Monthly Rent per Square Foot	\$1.08



Income	Monthly	Annual
Gross Rent	\$950	\$11,400
Vacancy Losses	-\$48	-\$570
Operating Income	\$903	\$10,830

Expenses	Monthly	Annual
Property Taxes	-\$153	-\$1,840
Insurance	-\$50	-\$600
Management Fees	-\$90	-\$1,083
Leasing/Advertising Fees	-\$14	-\$171
Association Fees	\$0	\$0
Maintenance	-\$48	-\$570
Other	\$0	\$0
Operating Expenses	-\$355	-\$4,264

Net Performance	Monthly	Annual
Net Operating Income	\$547	\$6,566
- Mortgage Payments	-\$384	-\$4,607
= Cash Flow	\$163	\$1,959
+ Principal Reduction	\$96	\$1,156
+ First-Year Appreciation	\$230	\$2,760
= Gross Equity Income	\$490	\$5,875
+ Tax Savings	\$56	\$669
= GEI w/Tax Savings	\$545	\$6,544

Mortgage Info

Loan-to-Value Ratio	80%
Loan Amount	\$73,600
Monthly Payment	\$384
Loan Type	Fully Amortizing Fixed Rate
Term (Years)	30
Interest Rate	4.75%

Financial Indicators

Debt Coverage Ratio	1.4
Annual Gross Rent Multiplier	8.1
Monthly Gross Rent Multiplier	96.8
Capitalization Rate	7.1%
Cash on Cash Return	9.7%
Total Return on Investment	29.1%
Total ROI with Tax Savings	32.4%

Assumptions

Real Estate Appreciation Rate	3.0%
Vacancy Rate	5.0%
Management Fee	10.0%
Maintenance Percentage	5.0%

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10 Year Performance Projection

1430 Idaho St
Des Moines, IA



Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$11,400	\$11,742	\$12,094	\$12,457	\$12,831	\$13,216	\$13,612	\$14,021	\$14,441	\$14,874
Vacancy Losses	-\$570	-\$587	-\$605	-\$623	-\$642	-\$661	-\$681	-\$701	-\$722	-\$744
Operating Income	\$10,830	\$11,155	\$11,490	\$11,834	\$12,189	\$12,555	\$12,932	\$13,320	\$13,719	\$14,131

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,840	-\$1,895	-\$1,952	-\$2,011	-\$2,071	-\$2,133	-\$2,197	-\$2,263	-\$2,331	-\$2,401
Insurance	-\$600	-\$618	-\$637	-\$656	-\$675	-\$696	-\$716	-\$738	-\$760	-\$783
Management Fees	-\$1,083	-\$1,115	-\$1,149	-\$1,183	-\$1,219	-\$1,255	-\$1,293	-\$1,332	-\$1,372	-\$1,413
Leasing/Advertising Fees	-\$171	-\$176	-\$181	-\$187	-\$192	-\$198	-\$204	-\$210	-\$217	-\$223
Association Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	-\$570	-\$587	-\$605	-\$623	-\$642	-\$661	-\$681	-\$701	-\$722	-\$744
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	-\$4,264	-\$4,392	-\$4,524	-\$4,659	-\$4,799	-\$4,943	-\$5,091	-\$5,244	-\$5,402	-\$5,564

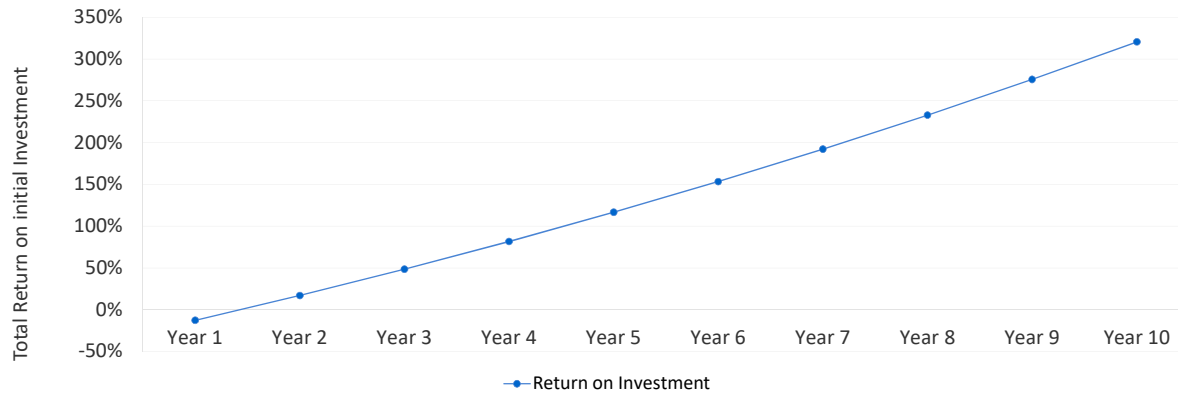
Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$6,566	\$6,763	\$6,966	\$7,175	\$7,390	\$7,612	\$7,840	\$8,075	\$8,318	\$8,567
- Mortgage Payments	-\$4,607	-\$4,607	-\$4,607	-\$4,607	-\$4,607	-\$4,607	-\$4,607	-\$4,607	-\$4,607	-\$4,607
= Cash Flow	\$1,959	\$2,156	\$2,359	\$2,568	\$2,783	\$3,005	\$3,233	\$3,468	\$3,710	\$3,960
+ Principal Reduction	\$1,156	\$1,211	\$1,269	\$1,329	\$1,392	\$1,458	\$1,527	\$1,600	\$1,676	\$1,756
+ Appreciation	\$2,760	\$2,843	\$2,928	\$3,016	\$3,106	\$3,200	\$3,296	\$3,394	\$3,496	\$3,601
= Gross Equity Income	\$5,875	\$6,210	\$6,555	\$6,913	\$7,281	\$7,662	\$8,056	\$8,463	\$8,883	\$9,317
Capitalization Rate	7.1%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%
Cash on Cash Return	9.7%	10.7%	11.7%	12.7%	13.8%	14.9%	16.0%	17.2%	18.4%	19.6%
Return on Equity	29.1%	27.8%	24.9%	22.6%	20.9%	19.4%	18.3%	17.3%	16.5%	15.8%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$94,760	\$97,603	\$100,531	\$103,547	\$106,653	\$109,853	\$113,148	\$116,543	\$120,039	\$123,640
- Loan Balance	-\$72,444	-\$71,233	-\$69,964	-\$68,635	-\$67,243	-\$65,785	-\$64,257	-\$62,657	-\$60,981	-\$59,226
= Equity	\$22,316	\$26,370	\$30,567	\$34,912	\$39,410	\$44,068	\$48,891	\$53,885	\$59,058	\$64,414
Loan-to-Value Ratio	76%	73%	70%	66%	63%	60%	57%	54%	51%	48%
Potential Cash-Out Refi	\$3,364	\$6,850	\$10,461	\$14,202	\$18,080	\$22,097	\$26,261	\$30,577	\$35,050	\$39,686

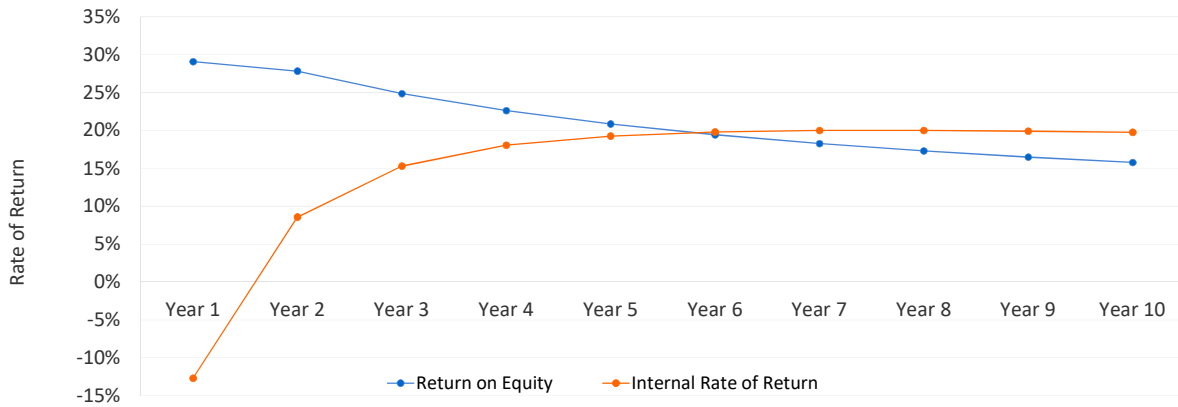
Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$22,316	\$26,370	\$30,567	\$34,912	\$39,410	\$44,068	\$48,891	\$53,885	\$59,058	\$64,414
- Closing Costs	-\$6,633	-\$6,832	-\$7,037	-\$7,248	-\$7,466	-\$7,690	-\$7,920	-\$8,158	-\$8,403	-\$8,655
= Proceeds After Sale	\$15,683	\$19,538	\$23,530	\$27,663	\$31,944	\$36,378	\$40,971	\$45,727	\$50,655	\$55,760
+ Cumulative Cash Flow	\$1,959	\$4,115	\$6,473	\$9,041	\$11,824	\$14,828	\$18,061	\$21,530	\$25,240	\$29,200
- Initial Cash Invested	-\$20,205	-\$20,205	-\$20,205	-\$20,205	-\$20,205	-\$20,205	-\$20,205	-\$20,205	-\$20,205	-\$20,205
= Net Profit	-\$2,563	\$3,448	\$9,798	\$16,499	\$23,563	\$31,002	\$38,827	\$47,052	\$55,690	\$64,755
Internal Rate of Return	-12.7%	8.6%	15.3%	18.1%	19.3%	19.8%	20.0%	20.0%	19.9%	19.8%
Return on Investment	-13%	17%	48%	82%	117%	153%	192%	233%	276%	320%

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10 Year Total Return on Investment Projection



10 Year Rate of Return Projection



Assumptions

Closing Costs at Sale	7.0%
Rent Appreciation Rate	3.0%
Property Tax Appreciation	3.0%
Insurance Appreciation	3.0%
Management fee Appreciation	3.0%
Leasing/Advertising Fees Appr	3.0%
Association Fees Appreciation	3.0%
Maintenance Appreciation	3.0%
Other Appreciation	3.0%

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