

Property Summary

805 Clinton Ave
Des Moines, Ia 50313



Overview

Finished Area (Square Feet)	1416
Initial Market Value	\$131,900
Purchase Price	\$131,900
Downpayment	\$131,900
Closing Costs	\$1,805
Initial Cash Invested	\$133,705

Income & Expenses	Monthly	Annual
Gross Rent	\$1,325	\$15,900
Vacancy Losses	\$66	\$795
Operating Income	\$1,259	\$15,105
Operating Expenses	\$503	\$6,040

Net Performance	Monthly	Annual
Net Operating Income	\$755	\$9,065
- Mortgage Payments	\$0	\$0
= Cash Flow	\$755	\$9,065
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$330	\$3,957
= Gross Equity Income	\$1,085	\$13,022

Financial Indicators (Year 1)

Capitalization Rate	6.9%
Cash on Cash Return	6.8%
Total Return on Investment	9.7%
Total ROI with Tax Savings	10.5%

Assumptions

Real Estate Appreciation Rate	3.0%
Vacancy Rate	5.0%
Management Fee	9.0%

*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

805 Clinton Ave
Des Moines, Ia 50313



Overview

Finished Area (Square Feet)	1416
Initial Market Value	\$131,900
Purchase Price	\$131,900
Downpayment	\$131,900
Loan Origination Fees	\$634
Depreciable Closing Costs	\$1,171
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$133,705
Cost per Square Foot	\$93
Monthly Rent per Square Foot	\$0.94

Income	Monthly	Annual
Gross Rent	\$1,325	\$15,900
Vacancy Losses	-\$66	-\$795
Operating Income	\$1,259	\$15,105

Expenses	Monthly	Annual
Property Taxes	-\$221	-\$2,649
Insurance	-\$50	-\$600
Management Fees	-\$113	-\$1,359
Leasing/Advertising Fees	-\$20	-\$239
Association Fees	\$0	\$0
Maintenance	-\$99	-\$1,193
Other	\$0	\$0
Operating Expenses	-\$503	-\$6,040

Net Performance	Monthly	Annual
Net Operating Income	\$755	\$9,065
- Mortgage Payments	\$0	\$0
= Cash Flow	\$755	\$9,065
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$330	\$3,957
= Gross Equity Income	\$1,085	\$13,022
+ Tax Savings	\$80	\$959
= GEI w/Tax Savings	\$1,165	\$13,981

Mortgage Info

Loan-to-Value Ratio	0%
Loan Amount	\$0
Monthly Payment	\$0
Loan Type	Fully Amortizing Fixed Rate
Term (Years)	30
Interest Rate	3.19%

Financial Indicators

Debt Coverage Ratio	#DIV/0!
Annual Gross Rent Multiplier	8.3
Monthly Gross Rent Multiplier	99.5
Capitalization Rate	6.9%
Cash on Cash Return	6.8%
Total Return on Investment	9.7%
Total ROI with Tax Savings	10.5%

Assumptions

Real Estate Appreciation Rate	3.0%
Vacancy Rate	5.0%
Management Fee	9.0%
Maintenance Percentage	7.5%

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10 Year Performance Projection

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Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$15,900	\$16,377	\$16,868	\$17,374	\$17,896	\$18,432	\$18,985	\$19,555	\$20,142	\$20,746
Vacancy Losses	-\$795	-\$819	-\$843	-\$869	-\$895	-\$922	-\$949	-\$978	-\$1,007	-\$1,037
Operating Income	\$15,105	\$15,558	\$16,025	\$16,506	\$17,001	\$17,511	\$18,036	\$18,577	\$19,135	\$19,709

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,649	-\$2,729	-\$2,811	-\$2,895	-\$2,982	-\$3,071	-\$3,164	-\$3,258	-\$3,356	-\$3,457
Insurance	-\$600	-\$618	-\$637	-\$656	-\$675	-\$696	-\$716	-\$738	-\$760	-\$783
Management Fees	-\$1,359	-\$1,400	-\$1,442	-\$1,486	-\$1,530	-\$1,576	-\$1,623	-\$1,672	-\$1,722	-\$1,774
Leasing/Advertising Fees	-\$239	-\$246	-\$253	-\$261	-\$268	-\$276	-\$285	-\$293	-\$302	-\$311
Association Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	-\$1,193	-\$1,228	-\$1,265	-\$1,303	-\$1,342	-\$1,382	-\$1,424	-\$1,467	-\$1,511	-\$1,556
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	-\$6,040	-\$6,221	-\$6,408	-\$6,600	-\$6,798	-\$7,002	-\$7,212	-\$7,428	-\$7,651	-\$7,881

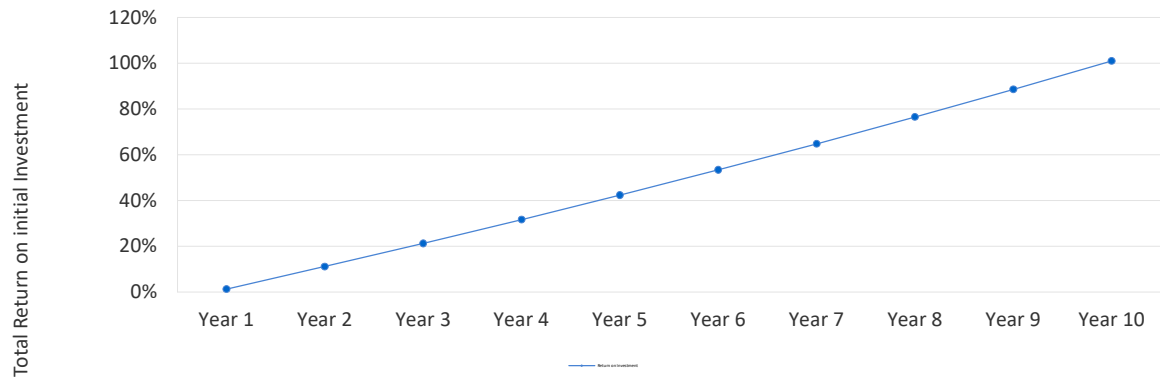
Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$9,065	\$9,337	\$9,617	\$9,906	\$10,203	\$10,509	\$10,824	\$11,149	\$11,483	\$11,828
- Mortgage Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Cash Flow	\$9,065	\$9,337	\$9,617	\$9,906	\$10,203	\$10,509	\$10,824	\$11,149	\$11,483	\$11,828
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$3,957	\$4,076	\$4,198	\$4,324	\$4,454	\$4,587	\$4,725	\$4,867	\$5,013	\$5,163
= Gross Equity Income	\$13,022	\$13,413	\$13,815	\$14,230	\$14,657	\$15,096	\$15,549	\$16,016	\$16,496	\$16,991
Capitalization Rate	6.9%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
Cash on Cash Return	6.8%	7.0%	7.2%	7.4%	7.6%	7.9%	8.1%	8.3%	8.6%	8.8%
Return on Equity	9.7%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$135,857	\$139,933	\$144,131	\$148,455	\$152,908	\$157,495	\$162,220	\$167,087	\$172,100	\$177,263
- Loan Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Equity	\$135,857	\$139,933	\$144,131	\$148,455	\$152,908	\$157,495	\$162,220	\$167,087	\$172,100	\$177,263
Loan-to-Value Ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Potential Cash-Out Refi	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

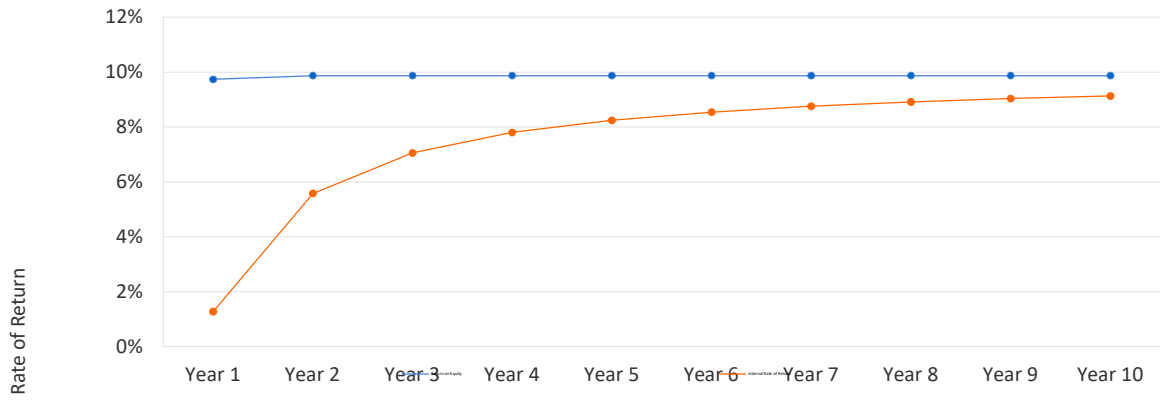
Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$135,857	\$139,933	\$144,131	\$148,455	\$152,908	\$157,495	\$162,220	\$167,087	\$172,100	\$177,263
- Closing Costs	-\$9,510	-\$9,795	-\$10,089	-\$10,392	-\$10,704	-\$11,025	-\$11,355	-\$11,696	-\$12,047	-\$12,408
= Proceeds After Sale	\$126,347	\$130,137	\$134,042	\$138,063	\$142,205	\$146,471	\$150,865	\$155,391	\$160,053	\$164,854
+ Cumulative Cash Flow	\$9,065	\$18,402	\$28,019	\$37,925	\$48,128	\$58,637	\$69,461	\$80,610	\$92,094	\$103,922
- Initial Cash Invested	-\$133,705	-\$133,705	-\$133,705	-\$133,705	-\$133,705	-\$133,705	-\$133,705	-\$133,705	-\$133,705	-\$133,705
= Net Profit	\$1,707	\$14,835	\$28,356	\$42,283	\$56,628	\$71,403	\$86,621	\$102,296	\$118,441	\$135,071
Internal Rate of Return	1.3%	5.6%	7.1%	7.8%	8.2%	8.5%	8.8%	8.9%	9.0%	9.1%
Return on Investment	1%	11%	21%	32%	42%	53%	65%	77%	89%	101%

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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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