

## Property Summary

1548 32nd St  
Des Moines, Ia 50311



### Overview

Finished Area (Square Feet)	1264
Initial Market Value	\$139,900
Purchase Price	\$139,900
Downpayment	\$139,900
Closing Costs	\$1,805
<b>Initial Cash Invested</b>	<b>\$141,705</b>

Income & Expenses	Monthly	Annual
Gross Rent	\$1,295	\$15,540
Vacancy Losses	\$65	\$777
<b>Operating Income</b>	<b>\$1,230</b>	<b>\$14,763</b>
<b>Operating Expenses</b>	<b>\$524</b>	<b>\$6,285</b>

Net Performance	Monthly	Annual
<b>Net Operating Income</b>	<b>\$707</b>	<b>\$8,478</b>
- Mortgage Payments	\$0	\$0
<b>= Cash Flow</b>	<b>\$707</b>	<b>\$8,478</b>
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$350	\$4,197
<b>= Gross Equity Income</b>	<b>\$1,056</b>	<b>\$12,675</b>

### Financial Indicators (Year 1)

Capitalization Rate	6.1%
Cash on Cash Return	6.0%
<b>Total Return on Investment</b>	<b>8.9%</b>
<b>Total ROI with Tax Savings</b>	<b>9.7%</b>

### 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

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### Overview

Finished Area (Square Feet)	1264
Initial Market Value	\$139,900
Purchase Price	\$139,900
Downpayment	\$139,900
Loan Origination Fees	\$634
Depreciable Closing Costs	\$1,171
Other Closing Costs and Fixup	\$0
<b>Initial Cash Invested</b>	<b>\$141,705</b>
Cost per Square Foot	\$111
Monthly Rent per Square Foot	\$1.02

Income	Monthly	Annual
Gross Rent	\$1,295	\$15,540
Vacancy Losses	-\$65	-\$777
<b>Operating Income</b>	<b>\$1,230</b>	<b>\$14,763</b>

Expenses	Monthly	Annual
Property Taxes	-\$238	-\$2,857
Insurance	-\$58	-\$700
Management Fees	-\$111	-\$1,329
Leasing/Advertising Fees	-\$19	-\$233
Association Fees	\$0	\$0
Maintenance	-\$97	-\$1,166
Other	\$0	\$0
<b>Operating Expenses</b>	<b>-\$524</b>	<b>-\$6,285</b>

Net Performance	Monthly	Annual
<b>Net Operating Income</b>	<b>\$707</b>	<b>\$8,478</b>
- Mortgage Payments	\$0	\$0
<b>= Cash Flow</b>	<b>\$707</b>	<b>\$8,478</b>
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$350	\$4,197
<b>= Gross Equity Income</b>	<b>\$1,056</b>	<b>\$12,675</b>
+ Tax Savings	\$85	\$1,017
<b>= GEI w/Tax Savings</b>	<b>\$1,141</b>	<b>\$13,693</b>

### 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	9.0
Monthly Gross Rent Multiplier	108.0
Capitalization Rate	6.1%
Cash on Cash Return	6.0%
<b>Total Return on Investment</b>	<b>8.9%</b>
<b>Total ROI with Tax Savings</b>	<b>9.7%</b>

### 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	\$15,540	\$16,006	\$16,486	\$16,981	\$17,490	\$18,015	\$18,556	\$19,112	\$19,686	\$20,276
Vacancy Losses	-\$777	-\$800	-\$824	-\$849	-\$875	-\$901	-\$928	-\$956	-\$984	-\$1,014
<b>Operating Income</b>	<b>\$14,763</b>	<b>\$15,206</b>	<b>\$15,662</b>	<b>\$16,132</b>	<b>\$16,616</b>	<b>\$17,114</b>	<b>\$17,628</b>	<b>\$18,157</b>	<b>\$18,701</b>	<b>\$19,262</b>

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,857	-\$2,943	-\$3,031	-\$3,122	-\$3,216	-\$3,313	-\$3,412	-\$3,514	-\$3,620	-\$3,728
Insurance	-\$700	-\$721	-\$743	-\$765	-\$788	-\$811	-\$836	-\$861	-\$887	-\$913
Management Fees	-\$1,329	-\$1,369	-\$1,410	-\$1,452	-\$1,495	-\$1,540	-\$1,587	-\$1,634	-\$1,683	-\$1,734
Leasing/Advertising Fees	-\$233	-\$240	-\$247	-\$255	-\$262	-\$270	-\$278	-\$287	-\$295	-\$304
Association Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	-\$1,166	-\$1,200	-\$1,236	-\$1,274	-\$1,312	-\$1,351	-\$1,392	-\$1,433	-\$1,476	-\$1,521
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Expenses</b>	<b>-\$6,285</b>	<b>-\$6,473</b>	<b>-\$6,667</b>	<b>-\$6,867</b>	<b>-\$7,073</b>	<b>-\$7,286</b>	<b>-\$7,504</b>	<b>-\$7,729</b>	<b>-\$7,961</b>	<b>-\$8,200</b>

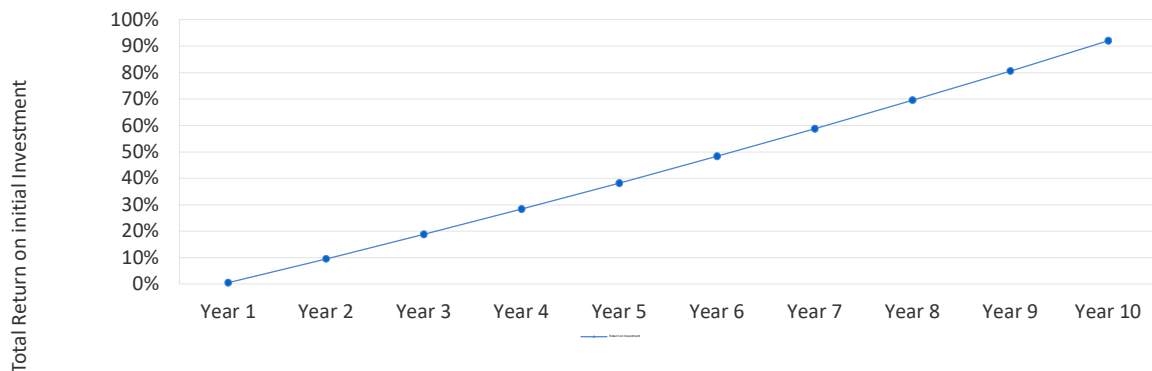
Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$8,478	\$8,733	\$8,995	\$9,265	\$9,542	\$9,829	\$10,124	\$10,427	\$10,740	\$11,062
- Mortgage Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Cash Flow	\$8,478	\$8,733	\$8,995	\$9,265	\$9,542	\$9,829	\$10,124	\$10,427	\$10,740	\$11,062
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$4,197	\$4,323	\$4,453	\$4,586	\$4,724	\$4,865	\$5,011	\$5,162	\$5,317	\$5,476
= Gross Equity Income	\$12,675	\$13,056	\$13,447	\$13,851	\$14,266	\$14,694	\$15,135	\$15,589	\$16,057	\$16,538
Capitalization Rate	6.1%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%
Cash on Cash Return	6.0%	6.2%	6.3%	6.5%	6.7%	6.9%	7.1%	7.4%	7.6%	7.8%
<b>Return on Equity</b>	<b>8.9%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.1%</b>

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Market Value</b>	<b>\$144,097</b>	<b>\$148,420</b>	<b>\$152,873</b>	<b>\$157,459</b>	<b>\$162,182</b>	<b>\$167,048</b>	<b>\$172,059</b>	<b>\$177,221</b>	<b>\$182,538</b>	<b>\$188,014</b>
- Loan Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Equity	\$144,097	\$148,420	\$152,873	\$157,459	\$162,182	\$167,048	\$172,059	\$177,221	\$182,538	\$188,014
Loan-to-Value Ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Potential Cash-Out Refi</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

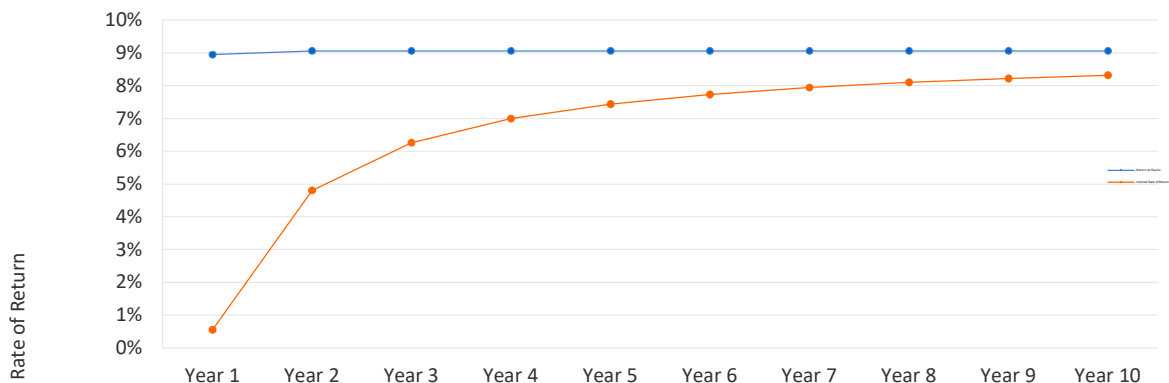
Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Equity</b>	<b>\$144,097</b>	<b>\$148,420</b>	<b>\$152,873</b>	<b>\$157,459</b>	<b>\$162,182</b>	<b>\$167,048</b>	<b>\$172,059</b>	<b>\$177,221</b>	<b>\$182,538</b>	<b>\$188,014</b>
- Closing Costs	-\$10,087	-\$10,389	-\$10,701	-\$11,022	-\$11,353	-\$11,693	-\$12,044	-\$12,405	-\$12,778	-\$13,161
= <b>Proceeds After Sale</b>	<b>\$134,010</b>	<b>\$138,031</b>	<b>\$142,171</b>	<b>\$146,437</b>	<b>\$150,830</b>	<b>\$155,355</b>	<b>\$160,015</b>	<b>\$164,816</b>	<b>\$169,760</b>	<b>\$174,853</b>
+ <b>Cumulative Cash Flow</b>	<b>\$8,478</b>	<b>\$17,211</b>	<b>\$26,206</b>	<b>\$35,470</b>	<b>\$45,013</b>	<b>\$54,841</b>	<b>\$64,965</b>	<b>\$75,392</b>	<b>\$86,132</b>	<b>\$97,195</b>
- Initial Cash Invested	-\$141,705	-\$141,705	-\$141,705	-\$141,705	-\$141,705	-\$141,705	-\$141,705	-\$141,705	-\$141,705	-\$141,705
= <b>Net Profit</b>	<b>\$784</b>	<b>\$13,537</b>	<b>\$26,672</b>	<b>\$40,202</b>	<b>\$54,137</b>	<b>\$68,491</b>	<b>\$83,275</b>	<b>\$98,503</b>	<b>\$114,187</b>	<b>\$130,342</b>
Internal Rate of Return	0.6%	4.8%	6.3%	7.0%	7.4%	7.7%	7.9%	8.1%	8.2%	8.3%
<b>Return on Investment</b>	<b>1%</b>	<b>10%</b>	<b>19%</b>	<b>28%</b>	<b>38%</b>	<b>48%</b>	<b>59%</b>	<b>70%</b>	<b>81%</b>	<b>92%</b>

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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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