

Property Summary

911 Frazier Ave
Des Moines, Ia 50315



Overview

Finished Area (Square Feet)	744
Initial Market Value	\$107,700
Purchase Price	\$107,700
Downpayment	\$107,700
Closing Costs	\$1,805
Initial Cash Invested	\$109,505

Income & Expenses	Monthly	Annual
Gross Rent	\$950	\$11,400
Vacancy Losses	\$48	\$570
Operating Income	\$903	\$10,830
Operating Expenses	\$355	\$4,261

Net Performance	Monthly	Annual
Net Operating Income	\$547	\$6,569
- Mortgage Payments	\$0	\$0
= Cash Flow	\$547	\$6,569
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$269	\$3,231
= Gross Equity Income	\$817	\$9,800

Financial Indicators (Year 1)

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

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

911 Frazier Ave
Des Moines, Ia 50315



Overview

Finished Area (Square Feet)	744
Initial Market Value	\$107,700
Purchase Price	\$107,700
Downpayment	\$107,700
Loan Origination Fees	\$634
Depreciable Closing Costs	\$1,171
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$109,505
Cost per Square Foot	\$145
Monthly Rent per Square Foot	\$1.28



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

Expenses	Monthly	Annual
Property Taxes	-\$147	-\$1,760
Insurance	-\$42	-\$500
Management Fees	-\$81	-\$975
Leasing/Advertising Fees	-\$14	-\$171
Association Fees	\$0	\$0
Maintenance	-\$71	-\$855
Other	\$0	\$0
Operating Expenses	-\$355	-\$4,261

Net Performance	Monthly	Annual
Net Operating Income	\$547	\$6,569
- Mortgage Payments	\$0	\$0
= Cash Flow	\$547	\$6,569
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$269	\$3,231
= Gross Equity Income	\$817	\$9,800
+ Tax Savings	\$65	\$783
= GEI w/Tax Savings	\$882	\$10,583

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	9.4
Monthly Gross Rent Multiplier	113.4
Capitalization Rate	6.1%
Cash on Cash Return	6.0%
Total Return on Investment	8.9%
Total ROI with Tax Savings	9.7%

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	\$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	-\$1,760	-\$1,813	-\$1,867	-\$1,923	-\$1,981	-\$2,041	-\$2,102	-\$2,165	-\$2,230	-\$2,297
Insurance	-\$500	-\$515	-\$530	-\$546	-\$563	-\$580	-\$597	-\$615	-\$633	-\$652
Management Fees	-\$975	-\$1,004	-\$1,034	-\$1,065	-\$1,097	-\$1,130	-\$1,164	-\$1,199	-\$1,235	-\$1,272
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	-\$855	-\$881	-\$907	-\$934	-\$962	-\$991	-\$1,021	-\$1,052	-\$1,083	-\$1,116
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	-\$4,261	-\$4,389	-\$4,520	-\$4,656	-\$4,796	-\$4,940	-\$5,088	-\$5,240	-\$5,398	-\$5,560

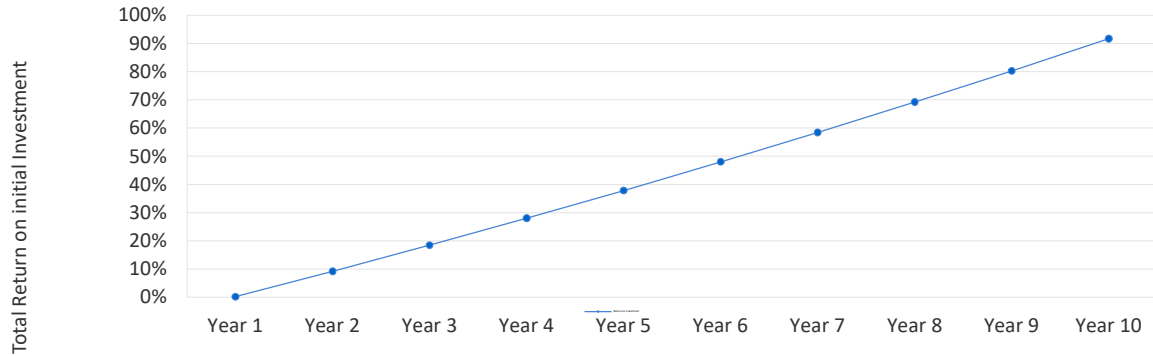
Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$6,569	\$6,766	\$6,969	\$7,178	\$7,394	\$7,615	\$7,844	\$8,079	\$8,322	\$8,571
- Mortgage Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Cash Flow	\$6,569	\$6,766	\$6,969	\$7,178	\$7,394	\$7,615	\$7,844	\$8,079	\$8,322	\$8,571
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$3,231	\$3,328	\$3,428	\$3,531	\$3,637	\$3,746	\$3,858	\$3,974	\$4,093	\$4,216
= Gross Equity Income	\$9,800	\$10,094	\$10,397	\$10,709	\$11,030	\$11,361	\$11,702	\$12,053	\$12,414	\$12,787
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%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%
Return on Equity	8.9%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$110,931	\$114,259	\$117,687	\$121,217	\$124,854	\$128,599	\$132,457	\$136,431	\$140,524	\$144,740
- Loan Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Equity	\$110,931	\$114,259	\$117,687	\$121,217	\$124,854	\$128,599	\$132,457	\$136,431	\$140,524	\$144,740
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

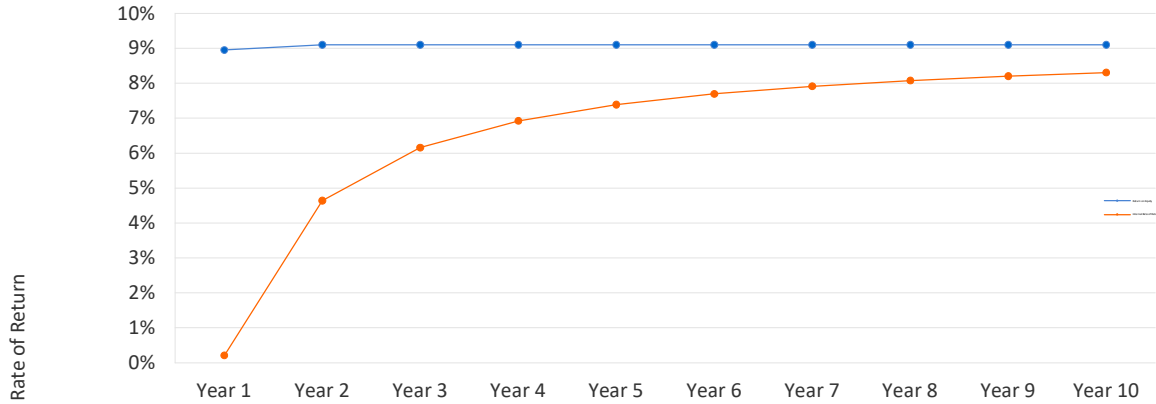
Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$110,931	\$114,259	\$117,687	\$121,217	\$124,854	\$128,599	\$132,457	\$136,431	\$140,524	\$144,740
- Closing Costs	-\$7,765	-\$7,998	-\$8,238	-\$8,485	-\$8,740	-\$9,002	-\$9,272	-\$9,550	-\$9,837	-\$10,132
= Proceeds After Sale	\$103,166	\$106,261	\$109,449	\$112,732	\$116,114	\$119,597	\$123,185	\$126,881	\$130,687	\$134,608
+ Cumulative Cash Flow	\$6,569	\$13,335	\$20,304	\$27,483	\$34,876	\$42,492	\$50,335	\$58,415	\$66,736	\$75,307
- Initial Cash Invested	-\$109,505	-\$109,505	-\$109,505	-\$109,505	-\$109,505	-\$109,505	-\$109,505	-\$109,505	-\$109,505	-\$109,505
= Net Profit	\$230	\$10,091	\$20,248	\$30,710	\$41,485	\$52,584	\$64,016	\$75,791	\$87,919	\$100,410
Internal Rate of Return	0.2%	4.6%	6.2%	6.9%	7.4%	7.7%	7.9%	8.1%	8.2%	8.3%
Return on Investment	0%	9%	18%	28%	38%	48%	58%	69%	80%	92%

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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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