

Property Summary

3721 Williams St
Des Moines, IA 50317



Overview

Finished Area (Square Feet)	1171
Initial Market Value	\$148,800
Purchase Price	\$148,800
Downpayment	\$148,800
Closing Costs	\$1,805
Initial Cash Invested	\$150,605

Income & Expenses	Monthly	Annual
Gross Rent	\$1,295	\$15,540
Vacancy Losses	\$65	\$777
Operating Income	\$1,230	\$14,763
Operating Expenses	\$494	\$5,927

Net Performance	Monthly	Annual
Net Operating Income	\$736	\$8,836
- Mortgage Payments	\$0	\$0
= Cash Flow	\$736	\$8,836
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$372	\$4,464
= Gross Equity Income	\$1,108	\$13,300

Financial Indicators (Year 1)

Capitalization Rate	5.9%
Cash on Cash Return	5.9%
Total Return on Investment	8.8%
Total ROI with Tax Savings	9.5%

Assumptions

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

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Year 1 Performance Projection

3721 Williams St
Des Moines, IA 50317



Overview

Finished Area (Square Feet)	1171
Initial Market Value	\$148,800
Purchase Price	\$148,800
Downpayment	\$148,800
Loan Origination Fees	\$634
Depreciable Closing Costs	\$1,171
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$150,605
Cost per Square Foot	\$127
Monthly Rent per Square Foot	\$1.11

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

Expenses	Monthly	Annual
Property Taxes	-\$217	-\$2,600
Insurance	-\$50	-\$600
Management Fees	-\$111	-\$1,329
Leasing/Advertising Fees	-\$19	-\$233
Association Fees	\$0	\$0
Maintenance	-\$97	-\$1,166
Other	\$0	\$0
Operating Expenses	-\$494	-\$5,927

Net Performance	Monthly	Annual
Net Operating Income	\$736	\$8,836
- Mortgage Payments	\$0	\$0
= Cash Flow	\$736	\$8,836
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$372	\$4,464
= Gross Equity Income	\$1,108	\$13,300
+ Tax Savings	\$90	\$1,082
= GEI w/Tax Savings	\$1,198	\$14,382

Mortgage Info

Loan-to-Value Ratio	0%
Loan Amount	\$0
Monthly Payment	\$0
Loan Type	Fully Amortizing Fixed Rate
Term (Years)	30
Interest Rate	3.40%

Financial Indicators

Debt Coverage Ratio	#DIV/0!
Annual Gross Rent Multiplier	9.6
Monthly Gross Rent Multiplier	114.9
Capitalization Rate	5.9%
Cash on Cash Return	5.9%
Total Return on Investment	8.8%
Total ROI with Tax Savings	9.5%

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	\$15,540	\$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
Operating Income	\$14,763	\$15,206	\$15,662	\$16,132	\$16,616	\$17,114	\$17,628	\$18,157	\$18,701	\$19,262

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,600	-\$2,678	-\$2,758	-\$2,841	-\$2,926	-\$3,014	-\$3,105	-\$3,198	-\$3,294	-\$3,392
Insurance	-\$600	-\$618	-\$637	-\$656	-\$675	-\$696	-\$716	-\$738	-\$760	-\$783
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
Operating Expenses	-\$5,927	-\$6,105	-\$6,288	-\$6,477	-\$6,671	-\$6,871	-\$7,077	-\$7,290	-\$7,508	-\$7,734

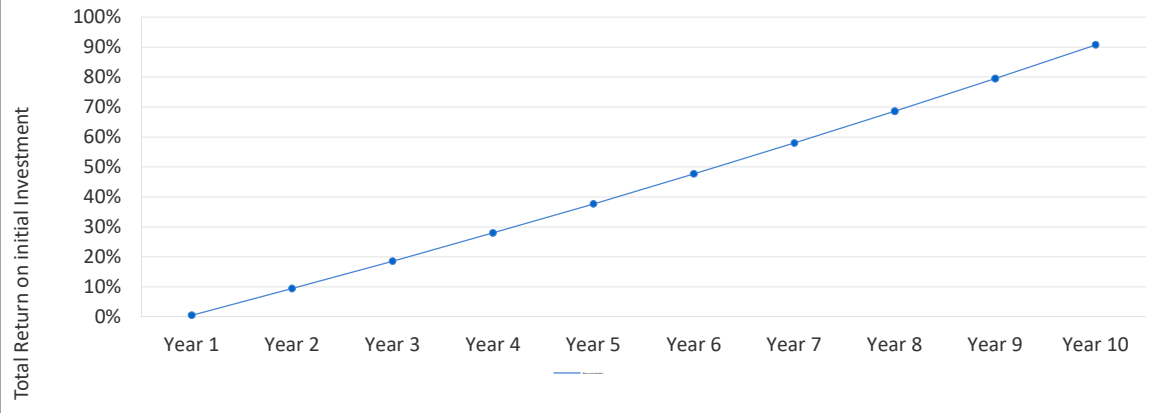
Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$8,836	\$9,101	\$9,374	\$9,655	\$9,945	\$10,243	\$10,550	\$10,867	\$11,193	\$11,529
- Mortgage Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Cash Flow	\$8,836	\$9,101	\$9,374	\$9,655	\$9,945	\$10,243	\$10,550	\$10,867	\$11,193	\$11,529
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$4,464	\$4,598	\$4,736	\$4,878	\$5,024	\$5,175	\$5,330	\$5,490	\$5,655	\$5,825
= Gross Equity Income	\$13,300	\$13,699	\$14,110	\$14,533	\$14,969	\$15,418	\$15,881	\$16,357	\$16,848	\$17,353
Capitalization Rate	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%
Cash on Cash Return	5.9%	6.0%	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.7%
Return on Equity	8.8%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$153,264	\$157,862	\$162,598	\$167,476	\$172,500	\$177,675	\$183,005	\$188,495	\$194,150	\$199,975
- Loan Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Equity	\$153,264	\$157,862	\$162,598	\$167,476	\$172,500	\$177,675	\$183,005	\$188,495	\$194,150	\$199,975
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

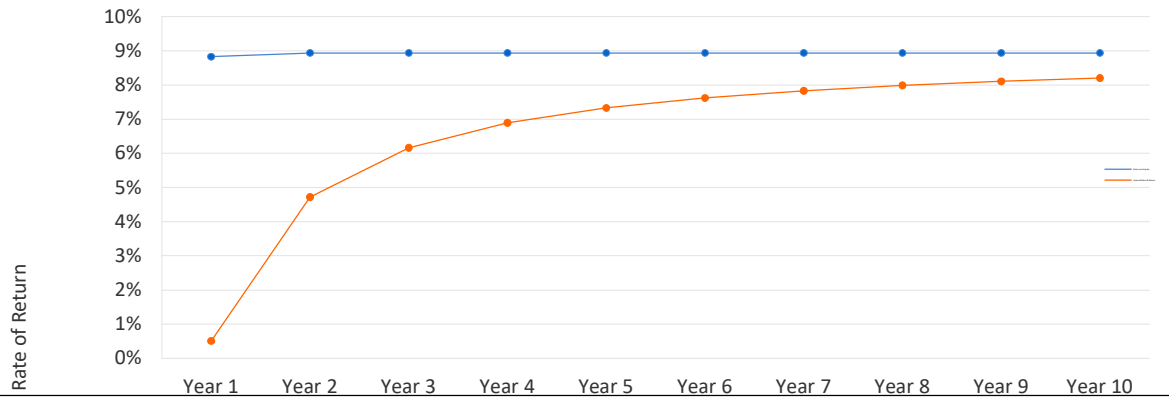
Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$153,264	\$157,862	\$162,598	\$167,476	\$172,500	\$177,675	\$183,005	\$188,495	\$194,150	\$199,975
- Closing Costs	-\$10,728	-\$11,050	-\$11,382	-\$11,723	-\$12,075	-\$12,437	-\$12,810	-\$13,195	-\$13,591	-\$13,998
= Proceeds After Sale	\$142,536	\$146,812	\$151,216	\$155,752	\$160,425	\$165,238	\$170,195	\$175,301	\$180,560	\$185,977
+ Cumulative Cash Flow	\$8,836	\$17,937	\$27,310	\$36,965	\$46,910	\$57,153	\$67,703	\$78,570	\$89,763	\$101,292
- Initial Cash Invested	-\$150,605	-\$150,605	-\$150,605	-\$150,605	-\$150,605	-\$150,605	-\$150,605	-\$150,605	-\$150,605	-\$150,605
= Net Profit	\$766	\$14,143	\$27,921	\$42,113	\$56,730	\$71,786	\$87,293	\$103,266	\$119,718	\$136,663
Internal Rate of Return	0.5%	4.7%	6.2%	6.9%	7.3%	7.6%	7.8%	8.0%	8.1%	8.2%
Return on Investment	1%	9%	19%	28%	38%	48%	58%	69%	79%	91%

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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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