

10 Year Performance Projection

Willow Ridge Duplex
Lawton, OK 73501

| Income | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Gross Rent | \$36,000 | \$37,080 | \$38,192 | \$39,338 | \$40,518 | \$41,734 | \$42,986 | \$44,275 | \$45,604 | \$46,972 |
| Vacancy Losses | -\$2,880 | -\$2,966 | -\$3,055 | -\$3,147 | -\$3,241 | -\$3,339 | -\$3,439 | -\$3,542 | -\$3,648 | -\$3,758 |
| Operating Income | \$33,120 | \$34,114 | \$35,137 | \$36,191 | \$37,277 | \$38,395 | \$39,547 | \$40,733 | \$41,955 | \$43,214 |

| Expenses | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|-----------|
| Property Taxes | -\$5,406 | -\$5,568 | -\$5,735 | -\$5,908 | -\$6,085 | -\$6,267 | -\$6,455 | -\$6,649 | -\$6,848 | -\$7,054 |
| Insurance | -\$2,033 | -\$2,094 | -\$2,157 | -\$2,221 | -\$2,288 | -\$2,357 | -\$2,427 | -\$2,500 | -\$2,575 | -\$2,652 |
| Management Fees | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| Leasing/Advertising Fees | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| Association Fees | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| Maintenance | -\$720 | -\$742 | -\$764 | -\$787 | -\$810 | -\$835 | -\$860 | -\$886 | -\$912 | -\$939 |
| Other | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| Operating Expenses | -\$8,159 | -\$8,404 | -\$8,656 | -\$8,916 | -\$9,183 | -\$9,459 | -\$9,742 | -\$10,035 | -\$10,336 | -\$10,646 |

| 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 | \$24,961 | \$25,710 | \$26,481 | \$27,276 | \$28,094 | \$28,937 | \$29,805 | \$30,699 | \$31,620 | \$32,568 |
| - Mortgage Payments | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 | -\$23,313 |
| = Cash Flow | \$1,648 | \$2,397 | \$3,169 | \$3,963 | \$4,781 | \$5,624 | \$6,492 | \$7,386 | \$8,307 | \$9,256 |
| + Principal Reduction | \$3,991 | \$4,237 | \$4,497 | \$4,774 | \$5,068 | \$5,380 | \$5,712 | \$6,063 | \$6,437 | \$6,833 |
| + Appreciation | \$25,950 | \$27,507 | \$29,157 | \$30,907 | \$32,761 | \$34,727 | \$36,811 | \$39,019 | \$41,360 | \$43,842 |
| = Gross Equity Income | \$31,589 | \$34,141 | \$36,823 | \$39,644 | \$42,611 | \$45,731 | \$49,014 | \$52,469 | \$56,104 | \$59,931 |
| Capitalization Rate | 5.4% | 5.3% | 5.1% | 5.0% | 4.9% | 4.7% | 4.6% | 4.5% | 4.3% | 4.2% |
| Cash on Cash Return | 1.3% | 1.8% | 2.4% | 3.1% | 3.7% | 4.3% | 5.0% | 5.7% | 6.4% | 7.1% |
| Return on Equity | 22.9% | 20.1% | 18.1% | 16.6% | 15.4% | 14.4% | 13.6% | 13.0% | 12.4% | 11.9% |

| Loan Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Market Value | \$458,450 | \$485,957 | \$515,114 | \$546,021 | \$578,783 | \$613,510 | \$650,320 | \$689,339 | \$730,700 | \$774,542 |
| - Loan Balance | -\$320,384 | -\$316,148 | -\$311,650 | -\$306,876 | -\$301,808 | -\$296,427 | -\$290,716 | -\$284,652 | -\$278,216 | -\$271,383 |
| = Equity | \$138,066 | \$169,809 | \$203,464 | \$239,145 | \$276,975 | \$317,082 | \$359,605 | \$404,687 | \$452,484 | \$503,159 |
| Loan-to-Value Ratio | 69.9% | 65.1% | 60.5% | 56.2% | 52.1% | 48.3% | 44.7% | 41.3% | 38.1% | 35.0% |
| Potential Cash-Out Refi | \$23,453 | \$48,320 | \$74,686 | \$102,640 | \$132,279 | \$163,705 | \$197,025 | \$232,352 | \$269,809 | \$309,524 |

| Sale Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Equity | \$138,066 | \$169,809 | \$203,464 | \$239,145 | \$276,975 | \$317,082 | \$359,605 | \$404,687 | \$452,484 | \$503,159 |
| - Closing Costs | -\$32,092 | -\$34,017 | -\$36,058 | -\$38,221 | -\$40,515 | -\$42,946 | -\$45,522 | -\$48,254 | -\$51,149 | -\$54,218 |
| = Proceeds After Sale | \$105,974 | \$135,792 | \$167,406 | \$200,924 | \$236,460 | \$274,137 | \$314,082 | \$356,433 | \$401,335 | \$448,941 |
| + Cumulative Cash Flow | \$1,648 | \$4,046 | \$7,214 | \$11,177 | \$15,959 | \$21,583 | \$28,075 | \$35,461 | \$43,769 | \$53,025 |
| - Initial Cash Invested | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 | -\$129,750 |
| = Net Profit | -\$22,127 | \$10,088 | \$44,871 | \$82,351 | \$122,669 | \$165,970 | \$212,407 | \$262,145 | \$315,354 | \$372,216 |
| Internal Rate of Return | -17.1% | 3.8% | 10.5% | 13.3% | 14.6% | 15.2% | 15.4% | 15.5% | 15.4% | 15.3% |
| Return on Investment | -17.1% | 7.8% | 34.6% | 63.5% | 94.5% | 127.9% | 163.7% | 202.0% | 243.0% | 286.9% |

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