

10 Year Performance Projection

Charlotte Metro - Sale Leaseback
Stallings,, NC 28104

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$31,800	\$32,754	\$33,737	\$34,749	\$35,791	\$36,865	\$37,971	\$39,110	\$40,283	\$41,492
Vacancy Losses	-\$2,544	-\$2,620	-\$2,699	-\$2,780	-\$2,863	-\$2,949	-\$3,038	-\$3,129	-\$3,223	-\$3,319
Operating Income	\$29,256	\$30,134	\$31,038	\$31,969	\$32,928	\$33,916	\$34,933	\$35,981	\$37,061	\$38,172

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,348	-\$2,418	-\$2,491	-\$2,566	-\$2,643	-\$2,722	-\$2,804	-\$2,888	-\$2,974	-\$3,064
Insurance	-\$1,565	-\$1,612	-\$1,661	-\$1,711	-\$1,762	-\$1,815	-\$1,869	-\$1,925	-\$1,983	-\$2,042
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	-\$1,590	-\$1,638	-\$1,687	-\$1,737	-\$1,790	-\$1,843	-\$1,899	-\$1,955	-\$2,014	-\$2,075
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$5,503	-\$5,668	-\$5,839	-\$6,014	-\$6,194	-\$6,380	-\$6,571	-\$6,768	-\$6,972	-\$7,181

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	\$23,753	\$24,465	\$25,199	\$25,955	\$26,734	\$27,536	\$28,362	\$29,213	\$30,089	\$30,992
- Mortgage Payments	-\$22,262	-\$22,262	-\$22,262	-\$22,262	-\$22,262	-\$22,262	-\$22,262	-\$22,262	-\$22,262	-\$22,262
= Cash Flow	\$1,491	\$2,203	\$2,937	\$3,693	\$4,472	\$5,274	\$6,100	\$6,951	\$7,827	\$8,730
+ Principal Reduction	\$3,281	\$3,500	\$3,735	\$3,985	\$4,252	\$4,537	\$4,840	\$5,164	\$5,510	\$5,879
+ Appreciation	\$75,061	\$27,984	\$29,663	\$31,443	\$33,329	\$35,329	\$37,449	\$39,696	\$42,078	\$44,602
= Gross Equity Income	\$79,832	\$33,688	\$36,335	\$39,121	\$42,053	\$45,140	\$48,389	\$51,811	\$55,415	\$59,212
Capitalization Rate	5.1%	4.9%	4.8%	4.7%	4.5%	4.4%	4.3%	4.2%	4.0%	3.9%
Cash on Cash Return	1.3%	1.9%	2.5%	3.2%	3.8%	4.5%	5.2%	6.0%	6.7%	7.5%
Return on Equity	45.3%	16.2%	15.1%	14.1%	13.4%	12.8%	12.2%	11.7%	11.3%	11.0%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$466,400	\$494,384	\$524,047	\$555,490	\$588,819	\$624,148	\$661,597	\$701,293	\$743,371	\$787,973
- Loan Balance	-\$290,224	-\$286,723	-\$282,989	-\$279,004	-\$274,752	-\$270,215	-\$265,375	-\$260,211	-\$254,700	-\$248,821
= Equity	\$176,176	\$207,661	\$241,058	\$276,486	\$314,067	\$353,933	\$396,222	\$441,083	\$488,670	\$539,152
Loan-to-Value Ratio	62.2%	58.0%	54.0%	50.2%	46.7%	43.3%	40.1%	37.1%	34.3%	31.6%
Potential Cash-Out Refi	\$129,536	\$158,222	\$188,654	\$220,937	\$255,185	\$291,518	\$330,062	\$370,953	\$414,333	\$460,355

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$176,176	\$207,661	\$241,058	\$276,486	\$314,067	\$353,933	\$396,222	\$441,083	\$488,670	\$539,152
- Closing Costs	-\$32,648	-\$34,607	-\$36,683	-\$38,884	-\$41,217	-\$43,690	-\$46,312	-\$49,091	-\$52,036	-\$55,158
= Proceeds After Sale	\$143,528	\$173,054	\$204,375	\$237,602	\$272,850	\$310,243	\$349,910	\$391,992	\$436,635	\$483,994
+ Cumulative Cash Flow	\$1,491	\$3,694	\$6,632	\$10,325	\$14,797	\$20,071	\$26,171	\$33,122	\$40,949	\$49,679
- Initial Cash Invested	-\$116,423	-\$116,423	-\$116,423	-\$116,423	-\$116,423	-\$116,423	-\$116,423	-\$116,423	-\$116,423	-\$116,423
= Net Profit	\$28,596	\$60,325	\$94,583	\$131,503	\$171,223	\$213,890	\$259,658	\$308,690	\$361,160	\$417,250
Internal Rate of Return	24.6%	23.3%	22.2%	21.1%	20.3%	19.5%	18.9%	18.3%	17.8%	17.3%
Return on Investment	24.6%	51.8%	81.2%	113.0%	147.1%	183.7%	223.0%	265.1%	310.2%	358.4%

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