

## 1 Year Performance Projection

Great ROI Potential! Ideal For Rental or Resale!  
 Kansas City, MO 64155  
 Five-Unit Commercial Property in the North



|                               |                  |
|-------------------------------|------------------|
| Square Feet                   | 3,480            |
| Initial Market Value          | \$485,000        |
| Purchase Price                | \$485,000        |
| Downpayment                   | \$121,250        |
| Loan Origination Fees         | \$3,638          |
| Depreciable Closing Costs     | \$14,550         |
| Other Closing Costs and Fixup | \$0              |
| <b>Initial Cash Invested</b>  | <b>\$139,438</b> |
| Cost per Square Foot          | \$139            |
| Monthly Rent per Square Foot  | \$1.15           |

| Income                  | Monthly        | Annual          |
|-------------------------|----------------|-----------------|
| Gross Rent              | \$4,000        | \$48,000        |
| Vacancy Losses          | -\$320         | -\$3,840        |
| <b>Operating Income</b> | <b>\$3,680</b> | <b>\$44,160</b> |

| Expenses                  | Monthly         | Annual           |
|---------------------------|-----------------|------------------|
| Property Taxes            | -\$614          | -\$7,372         |
| Insurance                 | -\$202          | -\$2,425         |
| Management Fees           | -\$294          | -\$3,533         |
| Leasing/Advertising Fees  | -\$0            | -\$0             |
| Association Fees          | -\$0            | -\$0             |
| Maintenance               | -\$320          | -\$3,840         |
| Other                     | -\$0            | -\$0             |
| <b>Operating Expenses</b> | <b>-\$1,431</b> | <b>-\$17,170</b> |

| Net Performance              | Monthly        | Annual          |
|------------------------------|----------------|-----------------|
| <b>Net Operating Income</b>  | <b>\$2,249</b> | <b>\$26,990</b> |
| - Mortgage Payments          | -\$2,299       | -\$27,590       |
| <b>= Cash Flow</b>           | <b>-\$50</b>   | <b>-\$600</b>   |
| + Principal Reduction        | \$339          | \$4,066         |
| + First-Year Appreciation    | \$2,425        | \$29,100        |
| <b>= Gross Equity Income</b> | <b>\$2,714</b> | <b>\$32,566</b> |
| + Tax Savings                | \$319          | \$3,832         |
| <b>= GEI w/Tax Savings</b>   | <b>\$3,033</b> | <b>\$36,398</b> |

| Mortgage Info       | First            | Second |
|---------------------|------------------|--------|
| Loan-to-Value Ratio | 75%              | 0%     |
| Loan Amount         | \$363,750        | \$0    |
| Monthly Payment     | \$2,299.15       | \$0.00 |
| Loan Type           | Amortizing Fixed |        |
| Term                | 30 Years         |        |
| Interest Rate       | 6.500%           | 0.000% |
| Monthly PMI         | \$0              |        |

| Financial Indicators   |            |
|--|------------|
| Debt Coverage Ratio  | 0.98       |
| Annual Gross Rent Multiplier                                   | 10         |
| Monthly Gross Rent Multiplier                                  | 121        |
| Capitalization Rate  | 5.6%       |
| Cash on Cash Return  | 0%         |
| <b>Total Return on Investment</b>                              | <b>23%</b> |
| <b>+ Tax Benefits: Deductions, Depreciation, 1031 Exchange</b> |            |

| Assumptions                   |    |
|-------------------------------|----|
| Real Estate Appreciation Rate | 6% |
| Vacancy Rate                  | 8% |
| Management Fee                | 8% |
| Maintenance Percentage        | 8% |

| Comments   |
|--|
| Remodeled and Fully Rented - Apartment Building - Five   |
| *Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing. |