

## 1 Year Performance Projection

Nice Investment Opportunity!  
Jackson, MS 39212  
3/2 - Built 1979



|                               |                 |
|-------------------------------|-----------------|
| Square Feet                   | 1,179           |
| Initial Market Value          | \$85,000        |
| Purchase Price                | \$85,000        |
| Downpayment                   | \$21,250        |
| Loan Origination Fees         | \$1,434         |
| Depreciable Closing Costs     | \$4,250         |
| Other Closing Costs and Fixup | \$0             |
| <b>Initial Cash Invested</b>  | <b>\$26,934</b> |
| Cost per Square Foot          | \$72            |
| Monthly Rent per Square Foot  | \$0.76          |

| Income                  | Monthly      | Annual         |
|-------------------------|--------------|----------------|
| Gross Rent              | \$900        | \$10,800       |
| Vacancy Losses          | -\$72        | -\$864         |
| <b>Operating Income</b> | <b>\$828</b> | <b>\$9,936</b> |

| Expenses                  | Monthly       | Annual          |
|---------------------------|---------------|-----------------|
| Property Taxes            | -\$92         | -\$1,105        |
| Insurance                 | -\$62         | -\$748          |
| Management Fees           | -\$66         | -\$795          |
| Leasing/Advertising Fees  | -\$0          | -\$0            |
| Association Fees          | -\$0          | -\$0            |
| Maintenance               | -\$72         | -\$864          |
| Other                     | -\$0          | -\$0            |
| <b>Operating Expenses</b> | <b>-\$293</b> | <b>-\$3,512</b> |

| Net Performance              | Monthly      | Annual         |
|------------------------------|--------------|----------------|
| <b>Net Operating Income</b>  | <b>\$535</b> | <b>\$6,424</b> |
| - Mortgage Payments          | -\$424       | -\$5,084       |
| <b>= Cash Flow</b>           | <b>\$112</b> | <b>\$1,340</b> |
| + Principal Reduction        | \$54         | \$649          |
| + First-Year Appreciation    | \$425        | \$5,100        |
| <b>= Gross Equity Income</b> | <b>\$591</b> | <b>\$7,089</b> |
| + Tax Savings                | \$18         | \$219          |
| <b>= GEI w/Tax Savings</b>   | <b>\$609</b> | <b>\$7,308</b> |

| Mortgage Info       | First            | Second |
|---------------------|------------------|--------|
| Loan-to-Value Ratio | 75%              | 0%     |
| Loan Amount         | \$63,750         | \$0    |
| Monthly Payment     | \$423.70         | \$0.00 |
| Loan Type           | Amortizing Fixed |        |
| Term                | 30 Years         |        |
| Interest Rate       | 6.990%           | 0.000% |
| Monthly PMI         | \$0              |        |

| Financial Indicators   |  |            |
|--|--|------------|
| Debt Coverage Ratio  |  | 1.26       |
| Annual Gross Rent Multiplier                                   |  | 8          |
| Monthly Gross Rent Multiplier                                  |  | 94         |
| Capitalization Rate  |  | 7.6%       |
| Cash on Cash Return  |  | 5%         |
| <b>Total Return on Investment</b>                              |  | <b>26%</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 |
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|          |

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