

# PROPERTY INFO

PROPERTY INFORMATION	
Apartment Name	Cleveland, OH
Number of Units	8
Year Constructed	1950
Type of Buildings	SFR
Parking	Asphalt
Metering	
	Individual
HVAC	Individual
Hot Water/gas	Individual
Roofs	Pitched
Exterior	Siding
Acreage of Site	20
Density (units/acre)	0.4

INVESTMENT INFORMATION			
Asking Price		\$326,000	
Purchase Price			\$320,000
Rehab Costs			\$13,200
Initial Turns (Units/Cost)	0	\$1,000	\$0
Closing Costs, est.			\$27,934
Price-all in			<b>\$361,134</b>
Price / Unit		\$40,000	
Price / SF		\$29.59	
Pro Forma Cap Rate (Yrs 1-5)		11.34%	12.52%
Proposed Loan Amount			\$0
Proposed Down Payment	100%	\$320,000	
Annual Interest Rate		7.00%	
Total # of Payments	25	\$300	
Loan Amount			\$0
Monthly Payment (P+I) =			\$0
Interest Only			\$0

UNIT MIX & RENT SCHEDULE								
Units	Type	Style	Sq. Footage	Total Sq Feet	Scheduled Rent-Year 1	Monthly Scheduled Rent	Total Scheduled Rent	Rent/SF
1	3/1	SFR	1188	1,188	\$700	\$700	\$8,400	\$0.59
1	4/2	DUP	1,584	1,584	\$1,000	\$1,000	\$12,000	\$0.63
1	3/2	DUP	2,210	2,210	\$1,000	\$1,000	\$12,000	\$0.45
1	3/1	SFR	1,193	1,193	\$650	\$650	\$7,800	\$0.54
1	4/1	SFR	1,776	1,776	\$630	\$630	\$7,560	\$0.35
1	2/1	SFR	1,076	1,076	\$500	\$500	\$6,000	\$0.46
1	4/1	SFR	1,709	1,709	\$550	\$550	\$6,600	\$0.32
1	3/1	SFR	1,468	1,468	\$1,000	\$1,000	\$12,000	\$0.68
0	0	0	0	0	\$0	\$0	\$0	
0	0	0	0	0	\$0	\$0	\$0	
0	0	0	0	0	\$0	\$0	\$0	
0	0	0	0	0	\$0	\$0	\$0	
<b>Totals/ ( Average)</b>								
8			1,526	12,204	\$754	\$6,030	\$72,360	\$0.49

Scheduled Rent:								
	Units	Sq. Footage	Sq Feet	Yearly Scheduled	Monthly Scheduled Rent	Total Scheduled Rent	Rent/SF	
Year I	8	1,526	12,204	\$754	\$6,030	\$72,360	\$0.49	
Year II	8	1,526	12,204	\$769	\$6,151	\$73,807	\$0.50	
Year III	8	1,526	12,204	\$784	\$6,274	\$75,283	\$0.51	
Year IV	8	1,526	12,204	\$800	\$6,399	\$76,789	\$0.52	
Year V	8	1,526	12,204	\$816	\$6,527	\$78,325	\$0.53	

# PRO FORMA FIVE YEAR PROJECTED BUDGET

Cleveland, OH						
		Year I	Year II	Year III	Year IV	Year V
Income with assumed change per year			2%	2%	2%	2%
Scheduled Rent		\$72,360	\$73,807	\$75,283	\$76,789	\$78,325
Other Income and Utility Reimbursement		\$0	\$0	\$0	\$0	\$0
		\$72,360	\$73,807	\$75,283	\$76,789	\$78,325
Vacancy/Concessions with assumed change		0%	0%	0%	0%	0%
Less: Vacancy*		\$0	\$0	\$0	\$0	\$0
Total Income		\$72,360	\$73,807	\$75,283	\$76,789	\$78,325
Expenses with assumed increase per year			2%	2%	2%	2%
Administrative (/unit)	\$0	\$0	\$0	\$0	\$0	\$0
Advertising & Promotion (total)	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (yr 1 prepaid /unit)	\$550	\$4,400	\$4,488	\$4,578	\$4,669	\$4,763
Payroll (/unit)	\$0	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance (/unit)	\$550	\$4,400	\$4,488	\$4,578	\$4,669	\$4,763
Contract Services (/unit)	\$0	\$0	\$0	\$0	\$0	\$0
Replacement Reserves (/unit)	\$550	\$4,400	\$4,488	\$4,578	\$4,669	\$4,763
Management Fee	10.0%		\$7,381	\$7,528	\$7,679	\$7,832
Real Property Taxes (yr 1 ppd/unit)	\$1,373	\$10,985	\$10,985	\$10,985	\$10,985	\$10,985
Utilities (/unit)	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expense	\$3,928	\$31,421	\$31,830	\$32,247	\$32,672	\$33,106
Net Operating Income		\$40,939	\$41,977	\$43,037	\$44,117	\$45,219
Less: Debt Service		\$0	\$0	\$0	\$0	\$0
Projected Net Cash Flow		\$40,939	\$41,977	\$43,037	\$44,117	\$45,219
Total Cash-on-Cash Return**		11.34%	11.62%	11.92%	12.22%	12.52%
Return to Managing Member		\$14,329	\$14,692	\$15,063	\$15,441	\$15,827
Return to Investor		\$26,610	\$27,285	\$27,974	\$28,676	\$29,392
INVESTOR CASH ON CASH RETURN		7.37%	7.56%	7.75%	7.94%	8.14%
Debt Coverage Ratio		0.00	0.00	0.00	0.00	0.00
Expense Ratio		43.42%	43.13%	42.83%	42.55%	42.27%

Investor returns in Property Pkg				Return \$	Return %
Investor net cash flow first 5 years				\$139,938	7.75%
Total CCR					59.61%
Investor Total CCR					38.75%
Investor equity at sale				\$47,431	13.13%
Total Return on Inv				\$187,369	51.88%

# FIVE YEAR PROJECTED BUDGET

## related data

Acquisition Expenses for Property Pkg	
Purchase price excluding other costs	\$320,000
Purchase loan amount	\$0
Downpayment	\$320,000

Legal-Third Party		\$0		
Lenders Fee		\$0	Points	0.00%
Insurance-prepaid, based on quote		\$0		
Lender Escrows-Prepaid Real Estate Taxes		\$1,834		
Survey		\$2,000		
Recording-Title Work		\$2,000		
Third Party Reports & \$5k appraisal, \$2,500 engineering, \$2,500 environmental			\$2,500	
Processing Fee-Title Work		\$2,000		
Other		\$0		
Funding Operating Accounts-approx. 1/12 of 2nd year		\$0		
Reserves for Capital Improvements required by bank per unit			\$0	\$0.00
Realtor's commission (to be paid by seller)		\$0		
Acquisition Fee for EMT	\$0	0.00%	plus, if applicable, soft down of	\$0.00
Closing Costs		\$27,934		

Est unit turn @ \$5k/unit for 32 units (30% vac)	\$0
Current bids est. plus 10%	\$13,200
Total closing costs	\$27,934

<b>Initial Investment Total</b>	<b>\$361,134.00</b>
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<b>Equity Return at Resale- CAP</b>	<b>10</b>
<b>Assumes sale after 5 years</b>	
Exit price	\$452,192
Sales expense	4.00% \$18,088
Loan principal bal at sale	\$0
Investor funds in deal upon sale	\$361,134
Net owner appreciation	\$72,970
Equity Investor	\$47,431
Managing LLC Return	\$25,540

<b>Capital Improvement Exterior Estimates:</b>	
Paint/parking/misc	\$0
Down units 5k each	\$0
Update units	\$12,000
Exterior work	\$0
Others	\$0
<b>Subtotal</b>	<b>\$12,000</b>
Added 10%	\$1,200
<b>Total</b>	<b>\$13,200</b>

Notes Both Duplexes need new roofs.

# FIVE YEAR PROJECTED BUDGET

## related data

Cash Requirements		
Total Needed (ALL-IN cost)		\$361,134
Sales Price		\$320,000
Loan Amount		\$0
Downpayment		\$320,000
Earnest Money	Soft with LOI	\$20,000
	Hard after DD	\$0
Balance at Close		\$21,134
Cash Requirements		\$361,134

OWNERSHIP %			
Investor	Capital	Equity	Vot. rights
	Contribution	% Interest	
Equity Investor	\$361,134	65.00%	0.00%
Managing LLC Return	\$0	35.00%	100.00%
0	\$0	0.00%	33.30%
0	\$0	0.00%	0.00%
0	\$0	0.00%	0.00%
0	\$0	0.00%	0.00%
0	\$0	0.00%	0.00%
0	\$0	0.00%	0.00%
0	\$0	0.00%	0.00%
Totals	\$361,134	100.00%	133.30%

Year 1 Projected Cash Flow				Year 2	
			\$40,939		\$41,977
Investor	Equity	Yearly	Monthly	Yearly	Monthly
	Investment	Cash Flow	Cash Flow	Cash Flow	Cash Flow
Equity Investor	\$361,134	\$26,610	\$2,218	\$27,285	\$2,274
Managing LLC Return	\$0	\$14,329	\$1,194	\$14,692	\$1,224
0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0
Totals	\$361,134	\$40,939	\$3,412	\$41,977	\$3,498

Year 3			Year 4		Year 5	
		\$43,037		\$44,117		\$45,219
Investor	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly
	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow
Equity Investor	\$27,974	\$2,331	\$28,676	\$2,390	\$29,392	\$2,449
Managing LLC Return	\$15,063	\$1,255	\$15,441	\$1,287	\$15,827	\$1,319
0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
Totals	\$43,037	\$3,586	\$44,117	\$3,676	\$45,219	\$3,768