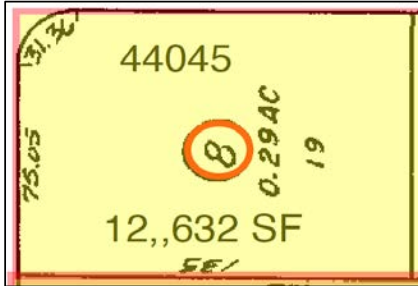


# Executive Summary



## North Indio Lot

44095 Faye Street  
Indio, CA



### Income, Expenses & Cash Flow Property Overview

Gross Scheduled Income	\$ 113,400
Other Income	
Total Vacancy and Credits	(5,670)
Operating Expenses	(21,703)
<b>Net Operating Income (NOI)</b>	<b>\$ 86,027</b>
Debt Service:	(37,856)
<b>Cash Flow Before Taxes</b>	<b>\$ 48,171</b>

Purchase/Asking Price	\$ 1,081,611
Improvements	
Other	
Closing Costs	
Finance Points	5,408
<b>Total Acquisition Cost</b>	<b>\$ 1,087,019</b>
Mortgage (s)	\$ 540,806
Down Payment / Investment	<b>\$ 546,213</b>

Property Type	Single-Family
No. of Units	4
Price Per Unit	\$ 271,755
Total Sq Ft	5,300
Price Per Sq Ft	\$ 205.10
Income per Unit	\$ 28,350
Expenses per Unit	\$ (5,426)

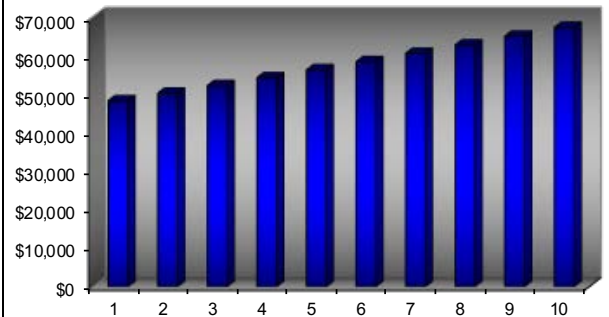
### Assumptions Loan Information

Rental Growth Rate:	2.00%
Expense Growth Rate:	1.00%
Capitalization Rate (Resale):	6.50%

		<u>% of Asking</u>	<u>% of Cost</u>
Down Payment:	\$ 546,213	50.50%	50.50%
Initial Loan Balance:	\$ 540,806	50.00%	50.00%
		<u>Loan Amount</u>	<u>Interest Rate</u>
	\$ 540,806	7.00%	<u>Term</u>
			<u>Payment</u>
			\$3,155

### Financial Measurements Projected Cash Flow Before Taxes

Financial Measurements	Year 1	Year 5	Year 10
Debt Coverage Ratio (DCR)	2.27	2.48	2.77
Loan-to-Value Ratio (LVR)	40.9%	37.4%	33.5%
Capitalization Rate Based on Cost	7.95%	8.69%	9.71%
Capitalization Rate Based on Resale Price	6.50%	6.50%	6.50%
Gross Rent Multiplier	9.54	11.78	11.92
Net Present Value (NPV) - B/ Taxes	5.25%	192,903	333,539
		160,987	176,431
Cash on Cash Return - Before Taxes		<b>8.82%</b>	<b>10.28%</b>
			<b>12.29%</b>
Internal Rate of Return - Before Taxes		<b>17.26%</b>	<b>14.40%</b>
Modified Internal Rate of Return - Before Taxes		<b>15.21%</b>	<b>11.24%</b>



**Disclaimer: All information presented is believed to be accurate.**

The information, calculations and data presented in this report are believed to be accurate but are not guaranteed. The information contained in this report shall not be considered as a substitution for legal, accounting or other professional advice. Please seek proper legal and tax advice as appropriate before making investments.