

Purchase Analysis

Copper Pointe Buy and Hold Scenario

PURCHASE INFORMATION

Initial Market Value	\$ 32,000,000
Market Price Stabilized	\$ 32,000,000
- First Mortgage 60%	\$ 16,464,000
- Second Mortgage	\$ -
= Downpayment	\$ 15,536,000
+ Buying Costs 1%	\$ 164,640
+ Initial Improvements	\$ -
= Initial Cash Invested	\$ 27,440,000
LAND COST	\$ 3,300,000
Square Feet	129200
Market Price per Square Foot	\$ 248
Monthly Rent per Square Foot	\$ 1.75
Average Monthly Rent Per Unit	\$ 1,766.41
Total Rental Units	128

MORTGAGES

	First	Second
Loan -To-Cost Ratio	60%	0.00%
Loan -To-Value Ratio	49%	0.00%
Loan Amount	\$ 16,464,000	0.00%
Loan Type		
Term Years	10	
Interest Rate	6.25%	
Payment =	\$ 108,608	25

FINANCIAL METRIC [YEAR 1]

Annual Gross Rent Multiplier	10.11
Operating Expense Ratio	25.48%
Debt Coverage Ratio	1.45
Cap Rate (Market)	5.89%
Cash on Cash Return	3.54%
CAP on COST	6.87%

INCOME

	MONTHLY	ANNUAL
Gross Rental Revenues	\$ 226,100	\$ 2,713,200
Vacancy Loss	\$ (11,305)	\$ (135,660)
Tech Package/Internet	\$ -	\$ -
Operating Income =	\$ 214,795	\$ 2,577,540
Per unit	\$ 1,678.09	

EXPENSES [% of Income]

		MONTHLY	ANNUAL
Maintenance & Turnover	4.0%	\$ 8,592	\$ 103,102
Insurance & Management	9.0%	\$ 19,332	\$ 231,979
Utility Expense	3.0%	\$ 6,444	\$ 77,326
Admin Fee & Marketing	2.0%	\$ 4,296	\$ 51,551
Taxes	[a]	\$ 18,939	\$ 227,268
Association Fees	0.0%	\$ -	\$ -
Operating Expenses =	26.8%	\$ 57,602	\$ 691,225

NET PERFORMANCE

	MONTHLY	ANNUAL
Net Operating Income	\$ 157,193	\$ 1,886,315
Mortgage Payments	\$ (108,608)	\$ (1,303,296)
Year 1 Improvements	\$ -	\$ -
Cash Flow =	\$ 48,585	\$ 583,019
Debt Service Ratio	1.45	

PROPERTY TAX CALCULATION [a]

2024 Levy =	0.0078912
Total Purchase Price (Market Value)=	\$ 32,000,000
Assessed Value 90% of Market Price	\$ 28,800,000
Est Annual Property Taxes =	\$ 227,268
Est Monthly Property Taxes =	\$ 18,939
Property Tax - % of Monthly Gross Rent =	8.38%