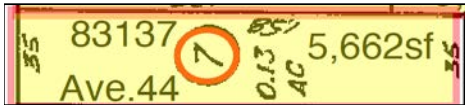


# Executive Summary

## North Indio Lot



83137 Avenue 44  
Indio, CA



### Income, Expenses & Cash Flow Property Overview

Gross Scheduled Income	\$ 70,800
Other Income	
Total Vacancy and Credits	(3,540)
Operating Expenses	(17,105)
<b>Net Operating Income (NOI)</b>	<b>\$ 50,155</b>
Debt Service:	(22,456)
<b>Cash Flow Before Taxes</b>	<b>\$ 27,699</b>

Purchase/Asking Price	\$ 641,607
Improvements	
Other	
Closing Costs	
Finance Points	3,208
<b>Total Acquisition Cost</b>	<b>\$ 644,815</b>
Mortgage (s)	\$ 320,804
Down Payment / Investment	<b>\$ 324,011</b>

Property Type	Single-Family
No. of Units	3
Price Per Unit	\$ 214,938
Total Sq Ft	3,200
Price Per Sq Ft	\$ 201.50
Income per Unit	\$ 23,600
Expenses per Unit	\$ (5,702)

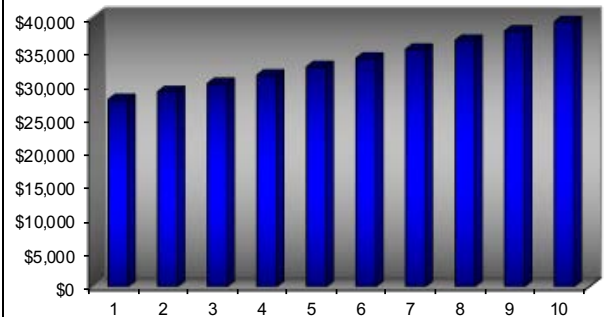
### Assumptions Loan Information

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:	\$ 324,011	50.50%	50.50%
Initial Loan Balance:	\$ 320,804	50.00%	50.00%
<u>Loan Amount</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Payment</u>
\$ 320,804	7.00%	30	\$1,871

### Financial Measurements Projected Cash Flow Before Taxes

Financial Measurements	Year 1	Year 5	Year 10	
Debt Coverage Ratio (DCR)	2.23	2.45	2.75	
Loan-to-Value Ratio (LVR)	41.6%	37.9%	33.8%	
Capitalization Rate Based on Cost	7.82%	8.57%	9.61%	
Capitalization Rate Based on Resale Price	6.50%	6.50%	6.50%	
Gross Rent Multiplier	9.06	11.04	11.21	
Net Present Value (NPV) - B/ Taxes	5.25%	101,308	185,482	279,651
Cash on Cash Return - Before Taxes	<b>8.55%</b>	<b>10.05%</b>	<b>12.10%</b>	
Internal Rate of Return - Before Taxes		<b>16.61%</b>	<b>14.09%</b>	
Modified Internal Rate of Return - Before Taxes		<b>14.66%</b>	<b>11.04%</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.