

FINANCIAL ASSUMPTIONS		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8								
Annual Rent Escalator		0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%								
Annual Expense Escalator		0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%								
							REFINANCE!										
							SALE!										
INCOME		1	Units Added	2	Units Added	3	Units Added	4	Units Added	5	Units Added	6	Units Added	7	Units Added	8	Units Added
	Average Monthly Rent	\$641	600	\$769	0	\$769	500	\$816	500	\$843		\$843		\$843		\$843	
Gross Potential Income		\$6,489,870		\$13,329,870		\$13,329,870		\$19,029,870		\$24,729,870		\$24,729,870		\$24,729,870		\$24,729,870	
- Vacancy		(\$843,683)	13.00%	(\$933,091)	7.00%	(\$799,792)	6.00%	(\$1,141,792)	6.00%	(\$1,236,494)	5.00%	(\$1,236,494)	5.00%	(\$1,236,494)	5.00%	(\$1,236,494)	5.00%
- Concessions, Loss to Lease, Bad Debt		(\$648,987)	10.00%	(\$666,494)	5.00%	(\$399,896)	3.00%	(\$570,896)	3.00%	(\$494,597)	2.00%	(\$494,597)	2.00%	(\$494,597)	2.00%	(\$494,597)	2.00%
Effective Gross Income		\$4,997,200		\$11,730,286		\$12,130,182		\$17,317,182		\$22,998,779		\$22,998,779		\$22,998,779		\$22,998,779	
Other Income		\$810,240		\$830,496		\$851,258		\$872,540		\$894,353		\$916,712		\$939,630		\$963,121	
Total Net Income		\$5,807,440		\$12,560,782		\$12,981,440		\$18,189,722		\$23,893,132		\$23,915,491		\$23,938,409		\$23,961,900	
EXPENSES																	
Advertising		\$58,000	1.00%	\$59,160	0.46%	\$60,343	0.46%	\$61,550	0.34%	\$62,781	0.26%	\$64,037	0.27%	\$65,317	0.27%	\$66,624	0.28%
Contract Services		\$141,000	2.43%	\$143,820	1.14%	\$146,696	1.13%	\$149,630	0.82%	\$152,623	0.64%	\$155,675	0.65%	\$158,789	0.66%	\$161,965	0.68%
Gas & Electric		\$149,028	2.57%	\$152,009	1.21%	\$155,049	1.19%	\$158,150	0.87%	\$161,313	0.68%	\$164,539	0.69%	\$167,830	0.70%	\$171,186	0.71%
General/Admin		\$73,000	1.26%	\$74,460	0.59%	\$75,949	0.59%	\$77,468	0.43%	\$79,018	0.33%	\$80,598	0.34%	\$82,210	0.34%	\$83,854	0.35%
Insurance		\$228,900	3.94%	\$233,478	1.86%	\$238,148	1.83%	\$242,911	1.34%	\$247,769	1.04%	\$252,724	1.06%	\$257,779	1.08%	\$262,934	1.10%
Legal		\$56,000	0.96%	\$57,120	0.45%	\$58,262	0.45%	\$59,428	0.33%	\$60,616	0.25%	\$61,829	0.26%	\$63,065	0.26%	\$64,326	0.27%
Real Estate Taxes		\$510,000	8.78%	\$520,200	4.14%	\$530,604	4.09%	\$541,216	2.98%	\$552,040	2.31%	\$563,081	2.35%	\$574,343	2.40%	\$585,830	2.44%
Trash Removal		\$125,000	2.15%	\$127,500	1.02%	\$130,050	1.00%	\$132,651	0.73%	\$135,304	0.57%	\$138,010	0.58%	\$140,770	0.59%	\$143,586	0.60%
Management Fee		\$232,298	4.00%	\$502,431	4.00%	\$519,258	4.00%	\$727,589	4.00%	\$955,725	4.00%	\$956,620	4.00%	\$957,536	4.00%	\$958,476	4.00%
Payroll		\$525,000	9.04%	\$535,500	4.26%	\$546,210	4.21%	\$557,134	3.06%	\$568,277	2.38%	\$579,642	2.42%	\$591,235	2.47%	\$603,060	2.52%
Repairs and Maintenance		\$230,000	3.96%	\$234,600	1.87%	\$239,292	1.84%	\$244,078	1.34%	\$248,959	1.04%	\$253,939	1.06%	\$259,017	1.08%	\$264,198	1.10%
Turnover		\$230,000	3.96%	\$234,600	1.87%	\$239,292	1.84%	\$244,078	1.34%	\$248,959	1.04%	\$253,939	1.06%	\$259,017	1.08%	\$264,198	1.10%
Water and Sewer		\$136,268	2.35%	\$138,993	1.11%	\$141,773	1.09%	\$144,609	0.80%	\$147,501	0.62%	\$150,451	0.63%	\$153,460	0.64%	\$156,529	0.65%
Deposit to Replacement Reserve		\$211,000	3.63%	\$211,000	1.68%	\$211,000	1.63%	\$211,000	1.16%	\$211,000	0.88%	\$211,000	0.88%	\$211,000	0.88%	\$211,000	0.88%
Total Expenses		\$2,905,494	50.03%	\$5,652,352	45.00%	\$5,841,648	45.00%	\$8,185,375	45.00%	\$10,751,910	45.00%	\$10,761,971	45.00%	\$10,772,284	45.00%	\$10,782,855	45.00%
Net Operating Income (NOI)		\$2,901,946		\$6,908,430		\$7,139,792		\$10,004,347		\$13,141,223		\$13,153,520		\$13,166,125		\$13,179,045	
Debt Service																	
Principal		\$0		\$0		\$0		\$0		\$0		\$0		\$2,292,738		\$2,410,039	
Interest		\$1,951,250		\$3,338,394.55		\$3,338,395		\$4,494,348		\$5,650,302		\$5,316,116		\$5,316,116		\$7,156,877	
Total Debt Service		\$1,951,250		\$3,338,395		\$3,338,395		\$4,494,348		\$5,650,302		\$5,316,116		\$7,608,855		\$9,566,916	
Cash Flow available for Distribution		\$950,696		\$3,570,035		\$3,801,398		\$5,509,999		\$7,490,921		\$7,837,404		\$5,557,270		\$3,612,129	
Distributions from Cash Flow																	
Asset Mgt Fee	2.0%	\$116,149		\$251,216		\$259,629		\$363,794		\$477,863		\$478,310		\$478,768		\$479,238	
Members Preferred Return Due		\$840,000		\$2,105,452		\$2,100,000		\$2,100,000		\$2,100,000		\$2,100,000		\$2,100,000		\$2,100,000	
Members Preferred Return Deficiency		\$5,452		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Members Preferred Return Paid	6%	\$834,548		\$2,105,452		\$2,100,000		\$2,100,000		\$2,100,000		\$2,100,000		\$2,100,000		\$2,100,000	
Excess Cash Flow to Members	80%	\$0		\$970,694		\$1,153,415		\$2,436,963		\$3,930,446		\$4,207,275		\$4,062,802		\$2,506,313	
Excess Cash Flow to Mgr	20%	\$0		\$242,673		\$288,354		\$609,241		\$982,612		\$1,051,819		\$1,015,700		\$626,578	
Total Distributions to Members		\$834,548		\$3,076,146		\$3,253,415		\$4,536,963		\$6,030,446		\$6,307,275		\$4,062,802		\$2,506,313	
Capital Account Balance (Begin of Year)		\$14,000,000		\$35,000,000		\$35,000,000		\$35,000,000		\$35,000,000		\$35,000,000		\$0		\$0	
Member Cash on Cash Return		5.96%		8.79%		9.30%		12.96%		17.23%		18.02%		INFINITY		INFINITY	