

Riverside Trl Park	1137 Alabama St., Carrollton	Monthly rent amt.	Property type
Pad 1		\$315	lot rent only
Pad 2		\$550	MH
Pad 3		\$550	MH
Pad 4		\$500	MH
Pad 5		\$600	MH
Pad 6		\$500	MH
Pad 7		\$500	MH
Pad 9		\$550	MH
Pad 10		\$550	MH
Pad 11		\$550	MH
Pad 12		\$500	MH
Pad 13		\$550	MH
Pad 14		\$500	MH
Pad 15		\$550	MH
Pad 16		\$650	MH
Pad 17		\$550	MH
Pad 18		\$550	MH
Pad 20		\$315	lot rent only
Pad 23		\$500	MH
Pad 30		\$550	MH
Pad 32		\$550	MH
Pad 33		\$550	MH
Pad 34		\$650	MH
		\$12,130	
Residential rentals	211 James St. Temple	\$550	House
	174 Lee Williams Rd., Carrollton	\$630	House
	184 A Lee Williams Rd., Carrollton	\$550	MH
	184 B Lee Williams Rd., Carrollton	\$600	MH
	178 A Lee Williams Rd., Carrollton	\$500	MH
	178 B Lee Williams Rd., Carrollton	\$500	MH
	16 A Twin Oak Dr., Carrollton	\$1,000	MH
	16 B Twin Oak Sr., Carrollton	\$500	MH
		\$4,830	
Total Portfolio		\$16,960	

ASSUMPTIONS

Operating Assumptions-

	<u>Year</u>	<u>Rates</u>	<u>Amounts</u>
Total Rental Square Footage		32,000	
Annual Revenue Increases		5.00%	
Average Economic Occupancy Percentage	1	95.00%	
	2	97.00%	
	3	98.00%	
	4	98.00%	
	5	100.00%	
Potential Gross Rental Income per Unit Mix Schedule & Rent Roll		203,160	
Operating Expense Inflationary Increases		1.50%	
Management Fees as Percentage Total Revenue		6.00%	
Capital Reserves Per Square Foot			

Acquisition & Disposition Assumptions-

Acquisition Cap Rate /Purchase Price	9.00%	1,509,644
Future Sale Cap Rate	8.50%	2,076,655
Loan to Value	65.00%	981,269
Loan Origination Fees	1.20%	11,775

Financing Assumptions-

Interest Rate	5.00%	
Number Monthly Payments	240	Amortization
Principal Amount	981,269	
Future Value After Last Payment Made	0	
When Payments Due (Assumes 1st Month)	1	
Annual Loan Payments (PMT)	77,389	
Number Payments Made	60	
Remaining Unpaid Loan Balance (CUMPRINC)	815,519	

FIVE YEAR PROFORMA AND INTERNAL RATE OF RETURN

Description	Prior	Year	Year	Year	Year	Year	Cumulative
	Year	1	2	3	4	5	IRR
Potential Gross Rental Income	203,160	213,318	223,984	235,183	246,942	259,289	
Vacancy, Discounts & Credit Loss	(4,500)	(10,666)	(6,720)	(4,704)	(4,939)	0	
Gross Rental Income	198,660	202,652	217,264	230,479	242,003	259,289	
Late Fees Income	3,500	3,675	3,859	4,052	4,254	4,467	
Retail Product Sales (locks, boxes, insurance, etc.)	0	0	0	0	0	0	
Other Revenues	0	0	0	0	0	0	
Effective Gross Revenue	202,160	206,327	221,123	234,531	246,258	263,756	
Marketing & Advertising	0	0	0	0	0	0	
Retail Product Costs	0	0	0	0	0	0	
Bank & Credit Card Charges	1,200	1,218	1,236	1,255	1,274	1,293	
Insurance	2,500	2,538	2,576	2,614	2,653	2,693	
Licenses & Permits	0	0	0	0	0	0	
Off-Site Management Fees	0	12,380	13,267	14,072	14,775	15,825	
Office Supplies & Expenses	400	406	412	418	425	431	
Postage & Handling	300	305	309	314	318	323	
Cost of On-Site Management & Payroll Costs	25,000	25,375	25,756	26,142	26,534	26,932	
Repairs & Maintenance	2,500	2,538	2,576	2,614	2,653	2,693	
Real Estate Taxes	5,796	5,883	5,971	6,061	6,152	6,244	
Telephone & Internet	0	0	0	0	0	0	
Utilities, Water for Park and Lee Williams, EMC security lights	28,596	29,025	29,460	29,902	30,351	30,806	
Other Expenses-							
	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	0	0	0	0	0	
Total Operating Expenses	66,292	79,666	81,563	83,392	85,135	87,241	
Capital Reserves	0	0	0	0	0	0	
Net Operating Cash Flow	135,868	126,661	139,560	151,139	161,122	176,516	
Going In Cap Rate	9.00%						
Unleveraged Financial Summary							
Net operating cash flow		126,661	139,560	151,139	161,122	176,516	
Acquisition	(1,509,644)						
Residual value Year 5						2,076,655	
Total Cash Flow Before Taxes	(1,509,644)	126,661	139,560	151,139	161,122	2,253,170	Unleveraged
Return on Investment		8.39%	9.24%	10.01%	10.67%	49.25%	15.31%
Leveraged Financial Summary							
Net operating cash flow		126,661	139,560	151,139	161,122	176,516	
Acquisition	(1,509,644)						
Loan principal		981,269					
Loan origination fees and costs	(11,775)						
Debt service (principal and interest)		(77,389)	(77,389)	(77,389)	(77,389)	(77,389)	
Residual value Year 5						2,076,655	
Residual remaining loan value						(815,519)	
Total Cash Flow Before Taxes	(540,151)	49,272	62,171	73,750	83,733	1,360,263	Leveraged
Return on Investment		9.12%	11.51%	13.65%	15.50%	151.83%	27.92%