



Parklane Place 40 Unit Apartment Building

Investment Analysis Rental Units Example



Devon Development Inc Jack White
1324 Pasadena Ave, Glendale, California 12638 USA
Bus 523-567-6788 Jackw@earthlink.net



Property Description

Location Description

Purchase Price

Purchase Price	3,500,000	
Acquisition Costs	<u>70,000</u>	2.00%
Total Purchase Price	\$ 3,570,000	

Legal

Zoning

Encumbrances



Property Information

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008
Investor Express

Investment Analysis Rental Apartment Building

Property Taxes Information

Assessment Date
Property Taxes \$ 0
Roll or Identification Number

Assessed Value

Land -
Improvements -

-

Land

Dimensions
Frontage 320 Ft
Land Area 46,000 Sq. Ft

Building

Age 0 Years
No of Floors 0

Building Area 38,000 Sq. Ft
Units. Rentable Area 36,000 Sq. Ft
Total No. of Units 40

Parking

Uncovered -
Covered -
Other -

Total Parking -

Construction

Building Equipment & Systems

Elevators

No. of Elevators 0



Client Information

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008
Investor Express

Investment Analysis Rental Apartment Building

Frank Williams

Williams Investments LLC
1234 West 17th

Acradia, California 23527
USA

Contact Information

Office Tel: 626-988-9978
Mobile: 626-781-2967
Home Tel: NA
Fax: 626-988-9979

E-mail: Fwilliams@global.com



Income & Expense Statement Yearly
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
REVENUE											
One bedroom Units	270,000	278,100	286,500	294,900	303,900	312,900	322,500	332,100	342,000	352,200	363,000
Two bedroom Units	198,000	205,920	214,200	222,660	231,660	240,840	250,560	260,640	270,900	281,880	293,040
Laundry	7,200	7,680	8,160	8,160	8,640	9,120	9,600	10,080	10,560	11,040	11,520
Parking	24,000	25,200	26,460	27,786	29,172	30,630	32,160	33,768	35,460	37,230	39,096
Potential Gross Income	499,200	516,900	535,320	553,506	573,372	593,490	614,820	636,588	658,920	682,350	706,656
Less: Vacancy & Credit Loss Allowance	14,256	14,751	15,266	15,772	16,326	16,886	17,480	18,085	18,704	19,354	20,027
Effective Gross Income	484,944	502,149	520,054	537,734	557,046	576,604	597,340	618,503	640,216	662,996	686,629
Operating Expenses											
Property Taxes	90,000	93,600	97,344	100,264	103,272	106,370	109,562	112,848	116,234	119,721	123,312
Insurance	45,000	47,250	49,613	52,093	54,698	57,433	60,304	63,320	66,485	69,810	73,300
Maintenance	16,000	16,640	17,320	18,000	18,720	19,480	20,240	21,040	21,880	22,760	23,680
Resident Caretaker	36,000	37,440	38,940	40,500	42,120	43,800	45,552	47,376	49,272	51,240	53,292
Property Manager	19,398	20,086	20,802	21,509	22,282	23,064	23,894	24,740	25,609	26,520	27,465
Other Expenses	14,976	15,507	16,060	16,605	17,201	17,805	18,445	19,098	19,768	20,471	21,200
	221,374	230,523	240,079	248,972	258,293	267,952	277,996	288,422	299,247	310,521	322,249
Net Operating Income	263,570	271,626	279,975	288,763	298,753	308,652	319,344	330,082	340,969	352,475	364,380



Income & Expense Statement Yearly Snapshot
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
REVENUE											
Potential Gross Income	499,200	516,900	535,320	553,506	573,372	593,490	614,820	636,588	658,920	682,350	706,656
Less: Vacancy & Credit Loss Allowance	14,256	14,751	15,266	15,772	16,326	16,886	17,480	18,085	18,704	19,354	20,027
Effective Gross Income	484,944	502,149	520,054	537,734	557,046	576,604	597,340	618,503	640,216	662,996	686,629
Operating Expenses	221,374	230,523	240,079	248,972	258,293	267,952	277,996	288,422	299,247	310,521	322,249
Net Operating Income	263,570	271,626	279,975	288,763	298,753	308,652	319,344	330,082	340,969	352,475	364,380



Operating Cash Flow Yearly
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CASH FLOW BEFORE TAX										
Potential Gross Income	499,200	516,900	535,320	553,506	573,372	593,490	614,820	636,588	658,920	682,350
Less: Vacancy & Credit Loss Allow.	14,256	14,751	15,266	15,772	16,326	16,886	17,480	18,085	18,704	19,354
Effective Gross Income	484,944	502,149	520,054	537,734	557,046	576,604	597,340	618,503	640,216	662,996
Operating Expenses	221,374	230,523	240,079	248,972	258,293	267,952	277,996	288,422	299,247	310,521
Net Operating Income	263,570	271,626	279,975	288,763	298,753	308,652	319,344	330,082	340,969	352,475
Less: Principle Payments	28,318	30,517	32,886	35,439	38,190	41,155	44,350	47,793	51,503	55,501
Interest payments	149,040	146,841	144,472	141,919	139,168	136,203	133,008	129,565	125,855	121,857
CASH FLOW BEFORE TAX	86,212	94,268	102,617	111,405	121,395	131,294	141,986	152,724	163,611	175,117
Less: Income Tax at 35.00%	8,051	10,265	14,017	17,986	22,446	26,948	31,808	36,772	41,881	48,681
CASH FLOW AFTER TAX	78,162	84,003	88,601	93,419	98,950	104,346	110,178	115,952	121,730	126,436
INCOME TAX CALCULATIONS										
Net Operating Income	263,570	271,626	279,975	288,763	298,753	308,652	319,344	330,082	340,969	352,475
Less: Interest Payments	149,040	146,841	144,472	141,919	139,168	136,203	133,008	129,565	125,855	121,857
Depreciation & Amortization	91,529	95,455	95,455	95,455	95,455	95,454	95,455	95,454	95,455	91,529
Taxable Income	23,002	29,330	40,048	51,389	64,130	76,995	90,881	105,062	119,659	139,089
Income Tax at 35.00%	8,051	10,265	14,017	17,986	22,446	26,948	31,808	36,772	41,881	48,681



Net Cash Flow (Before Tax)
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

Year	Investment	Financing		Operating Cash Flow (Before Tax)	Sale Proceeds (Before Tax)	Net Cash Flow (Before Tax)
		Borrow	Paid Back			
Year 1 Jan-Year 1 Dec	\$ (3,590,000)	\$ 2,000,000	-	\$ 86,212	-	\$ (1,503,788)
Year 2 Jan-Year 2 Dec	-	-	-	94,268	-	94,268
Year 3 Jan-Year 3 Dec	-	-	-	102,617	-	102,617
Year 4 Jan-Year 4 Dec	-	-	-	111,405	-	111,405
Year 5 Jan-Year 5 Dec	-	-	-	121,395	-	121,395
Year 6 Jan-Year 6 Dec	-	-	-	131,294	-	131,294
Year 7 Jan-Year 7 Dec	-	-	-	141,986	-	141,986
Year 8 Jan-Year 8 Dec	-	-	-	152,724	-	152,724
Year 9 Jan-Year 9 Dec	-	-	-	163,611	-	163,611
Year 10 Jan-Year 10 Dec	-	-	(1,594,349)	175,117	4,936,162	3,516,930
					Total	\$ 3,032,443

Financial Returns (Before Tax) with Financing

Internal Rate of Return (IRR)	13.32%
Net Present Value (NPV) at 13.00%	\$ 36,828
Modified Internal Rate of Return (MIRR)	11.64%
Short Term Financing Rate (Before Tax)	8.000%
Short Term Reinvestment Rate (Before Tax)	3.000%

Financial Returns (Before Tax) without Financing

Internal Rate of Return (IRR)	10.57%
Net Present Value (NPV) at 13.00%	(\$ 531,107)
Modified Internal Rate of Return (MIRR)	8.89%
Short Term Financing Rate (Before Tax)	8.000%
Short Term Reinvestment Rate (Before Tax)	3.000%



Net Cash Flow (After Tax)
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

Year	Investment	Financing		Operating Cash Flow (After Tax)	Sale Proceeds (After Tax)	Net Cash Flow (After Tax)
		Borrow	Paid Back			
Year 1 Jan-Year 1 Dec	\$ (3,590,000)	\$ 2,000,000	-	\$ 78,162	-	\$ (1,511,838)
Year 2 Jan-Year 2 Dec	-	-	-	84,003	-	84,003
Year 3 Jan-Year 3 Dec	-	-	-	88,601	-	88,601
Year 4 Jan-Year 4 Dec	-	-	-	93,419	-	93,419
Year 5 Jan-Year 5 Dec	-	-	-	98,950	-	98,950
Year 6 Jan-Year 6 Dec	-	-	-	104,346	-	104,346
Year 7 Jan-Year 7 Dec	-	-	-	110,178	-	110,178
Year 8 Jan-Year 8 Dec	-	-	-	115,952	-	115,952
Year 9 Jan-Year 9 Dec	-	-	-	121,730	-	121,730
Year 10 Jan-Year 10 Dec	-	-	(1,594,349)	126,436	4,499,564	3,031,650
					Total	\$ 2,336,990

Financial Returns (After Tax) with Financing

Internal Rate of Return (IRR)	11.07%
Net Present Value (NPV) at 8.45%	\$ 349,330
Modified Internal Rate of Return (MIRR)	9.70%
Short Term Financing Rate (After Tax)	5.200%
Short Term Reinvestment Rate (After Tax)	1.950%

Financial Returns (After Tax) without Financing

Internal Rate of Return (IRR)	8.08%
Net Present Value (NPV) at 8.45%	(\$ 95,327)
Modified Internal Rate of Return (MIRR)	6.93%
Short Term Financing Rate (After Tax)	5.200%
Short Term Reinvestment Rate (After Tax)	1.950%



Net Cash Flow for IRR & NPV Calculations (Before Tax)

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008

Investor Express

Investment Analysis Rental Apartment Building

Year	Investment	Financing		Operating Cash Flow (Before Tax)	Sale Proceeds (Before Tax)	Net Cash Flow (Before Tax)
		Borrow	Paid Back			
	\$ (3,590,000)	\$ 2,000,000	-	-	-	\$ (1,590,000)
Year 1 Jan-Year 1 Dec	-	-	-	86,212	-	86,212
Year 2 Jan-Year 2 Dec	-	-	-	94,268	-	94,268
Year 3 Jan-Year 3 Dec	-	-	-	102,617	-	102,617
Year 4 Jan-Year 4 Dec	-	-	-	111,405	-	111,405
Year 5 Jan-Year 5 Dec	-	-	-	121,395	-	121,395
Year 6 Jan-Year 6 Dec	-	-	-	131,294	-	131,294
Year 7 Jan-Year 7 Dec	-	-	-	141,986	-	141,986
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					Total	\$ 3,032,443

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Net Cash Flow for IRR & NPV Calculations (After Tax)

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008

Investor Express

Investment Analysis Rental Apartment Building

Year	Investment	Financing		Operating Cash Flow (After Tax)	Sale Proceeds (After Tax)	Net Cash Flow (After Tax)
		Borrow	Paid Back			
	\$ (3,590,000)	\$ 2,000,000	-	-	-	\$ (1,590,000)
Year 1 Jan-Year 1 Dec	-	-	-	78,162	-	78,162
Year 2 Jan-Year 2 Dec	-	-	-	84,003	-	84,003
Year 3 Jan-Year 3 Dec	-	-	-	88,601	-	88,601
Year 4 Jan-Year 4 Dec	-	-	-	93,419	-	93,419
Year 5 Jan-Year 5 Dec	-	-	-	98,950	-	98,950
Year 6 Jan-Year 6 Dec	-	-	-	104,346	-	104,346
Year 7 Jan-Year 7 Dec	-	-	-	110,178	-	110,178
Year 8 Jan-Year 8 Dec	-	-	-	115,952	-	115,952
Year 9 Jan-Year 9 Dec	-	-	-	121,730	-	121,730
Year 10 Jan-Year 10 Dec	-	-	(1,594,349)	126,436	4,499,564	3,031,650
					Total	\$ 2,336,990

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Revenue Calculations. Yearly
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
REVENUE										
One bedroom Units	270,000	278,100	286,500	294,900	303,900	312,900	322,500	332,100	342,000	352,200
Two bedroom Units	198,000	205,920	214,200	222,660	231,660	240,840	250,560	260,640	270,900	281,880
Laundry	7,200	7,680	8,160	8,160	8,640	9,120	9,600	10,080	10,560	11,040
Parking	24,000	25,200	26,460	27,786	29,172	30,630	32,160	33,768	35,460	37,230
Total	499,200	516,900	535,320	553,506	573,372	593,490	614,820	636,588	658,920	682,350



Revenue Calculations. Yearly
Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008
Investor Express
Investment Analysis Rental Apartment Building

Year 11

REVENUE

One bedroom Units	363,000
Two bedroom Units	293,040
Laundry	11,520
Parking	39,096
Total	706,656



Expense Calculations Yearly
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Property Taxes	90,000	93,600	97,344	100,264	103,272	106,370	109,562	112,848	116,234	119,721	123,312
Insurance	45,000	47,250	49,613	52,093	54,698	57,433	60,304	63,320	66,485	69,810	73,300
Maintenance	16,000	16,640	17,320	18,000	18,720	19,480	20,240	21,040	21,880	22,760	23,680
Resident Caretaker	36,000	37,440	38,940	40,500	42,120	43,800	45,552	47,376	49,272	51,240	53,292
Property Manager											
Potential Gross Income. Gen Revenue	499,200	516,900	535,320	553,506	573,372	593,490	614,820	636,588	658,920	682,350	706,656
Less: Vacancy Allowance	14,256	14,751	15,266	15,772	16,326	16,886	17,480	18,085	18,704	19,354	20,027
Effective Gross Income. Gen Revenue	484,944	502,149	520,054	537,734	557,046	576,604	597,340	618,503	640,216	662,996	686,629
% of Effective Gross Income. Gen Revenue	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
	19,398	20,086	20,802	21,509	22,282	23,064	23,894	24,740	25,609	26,520	27,465
Other Expenses											
Potential Gross Income. Gen Revenue	499,200	516,900	535,320	553,506	573,372	593,490	614,820	636,588	658,920	682,350	706,656
% of Potential Gross Income. Gen Revenue	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	14,976	15,507	16,060	16,605	17,201	17,805	18,445	19,098	19,768	20,471	21,200
Total	221,374	230,523	240,079	248,972	258,293	267,952	277,996	288,422	299,247	310,521	322,249



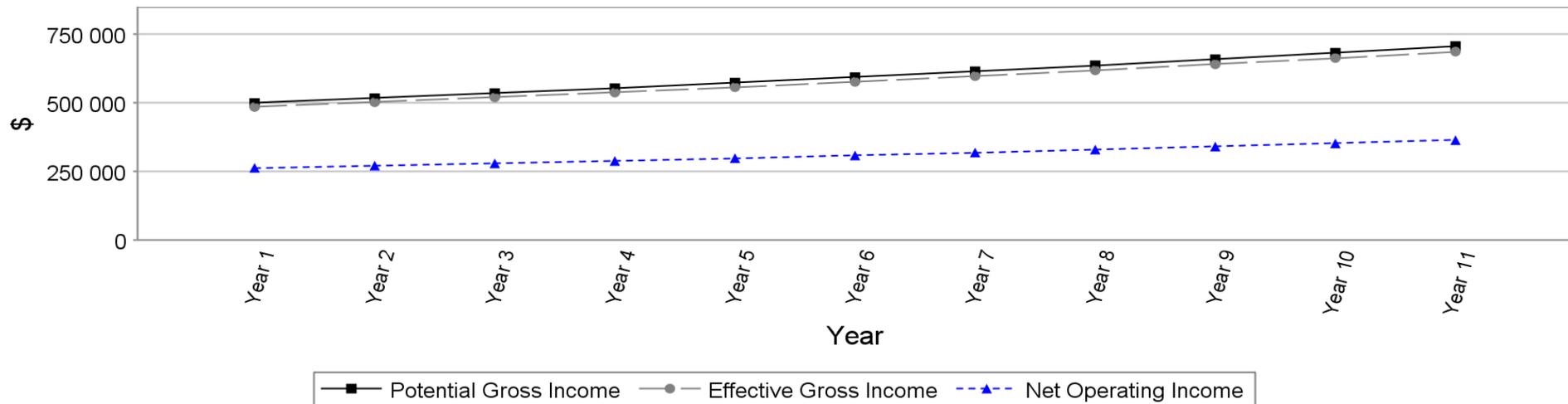
Vacancy & Credit Loss. Yearly
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

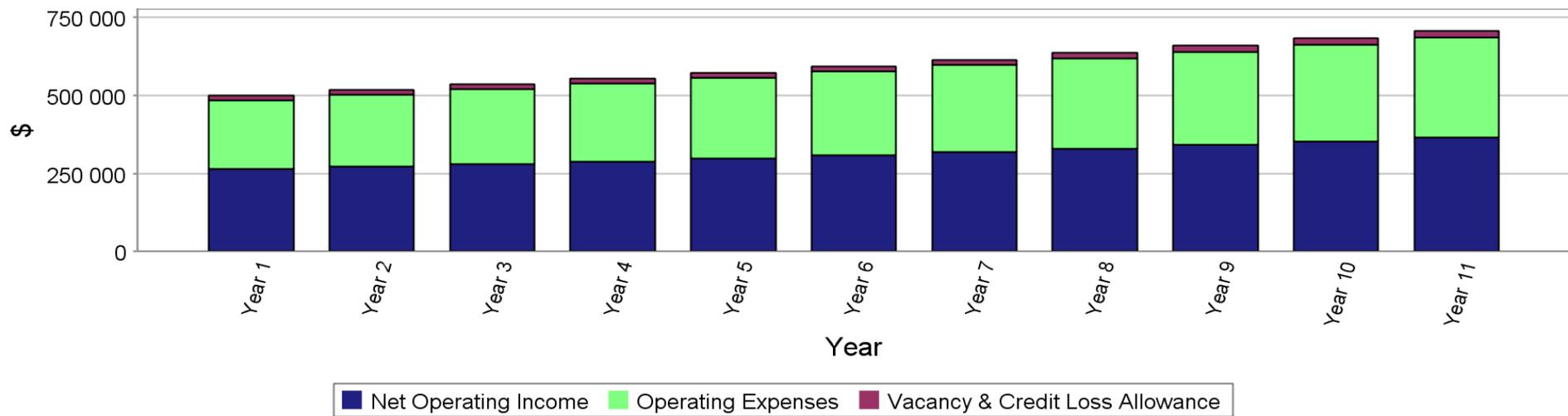
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
VACANCY & CREDIT LOSS											
One bedroom Units	270,000	278,100	286,500	294,900	303,900	312,900	322,500	332,100	342,000	352,200	363,000
	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	8,100	8,343	8,595	8,847	9,117	9,387	9,675	9,963	10,260	10,566	10,890
Two bedroom Units	198,000	205,920	214,200	222,660	231,660	240,840	250,560	260,640	270,900	281,880	293,040
	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	5,940	6,178	6,426	6,680	6,950	7,225	7,517	7,819	8,127	8,456	8,791
Laundry	7,200	7,680	8,160	8,160	8,640	9,120	9,600	10,080	10,560	11,040	11,520
	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	216	230	245	245	259	274	288	302	317	331	346
Parking	24,000	25,200	26,460	27,786	29,172	30,630	32,160	33,768	35,460	37,230	39,096
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	-	-	-	-	-	-	-	-	-	-	-
TOTAL VACANCY	14,256	14,751	15,266	15,772	16,326	16,886	17,480	18,085	18,704	19,354	20,027



Income & Expenses



Income Distribution





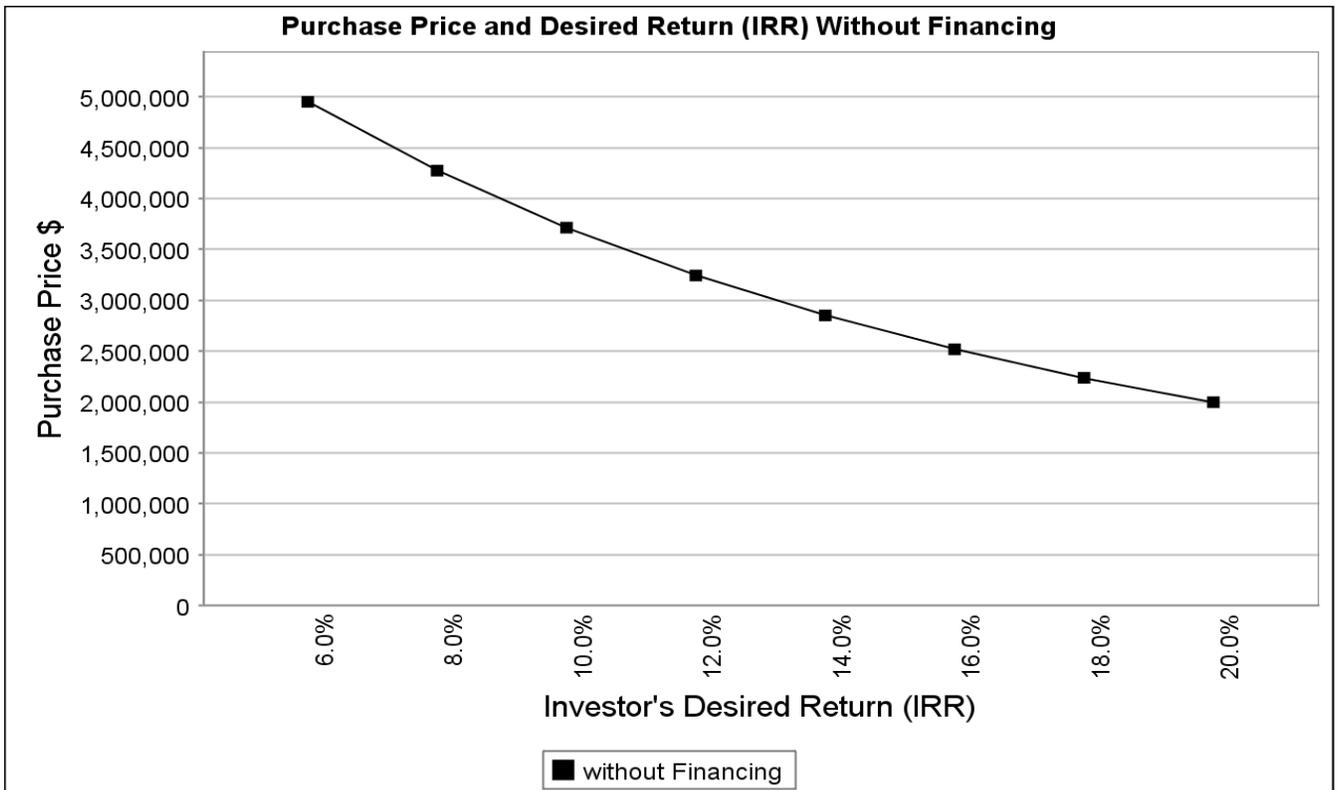
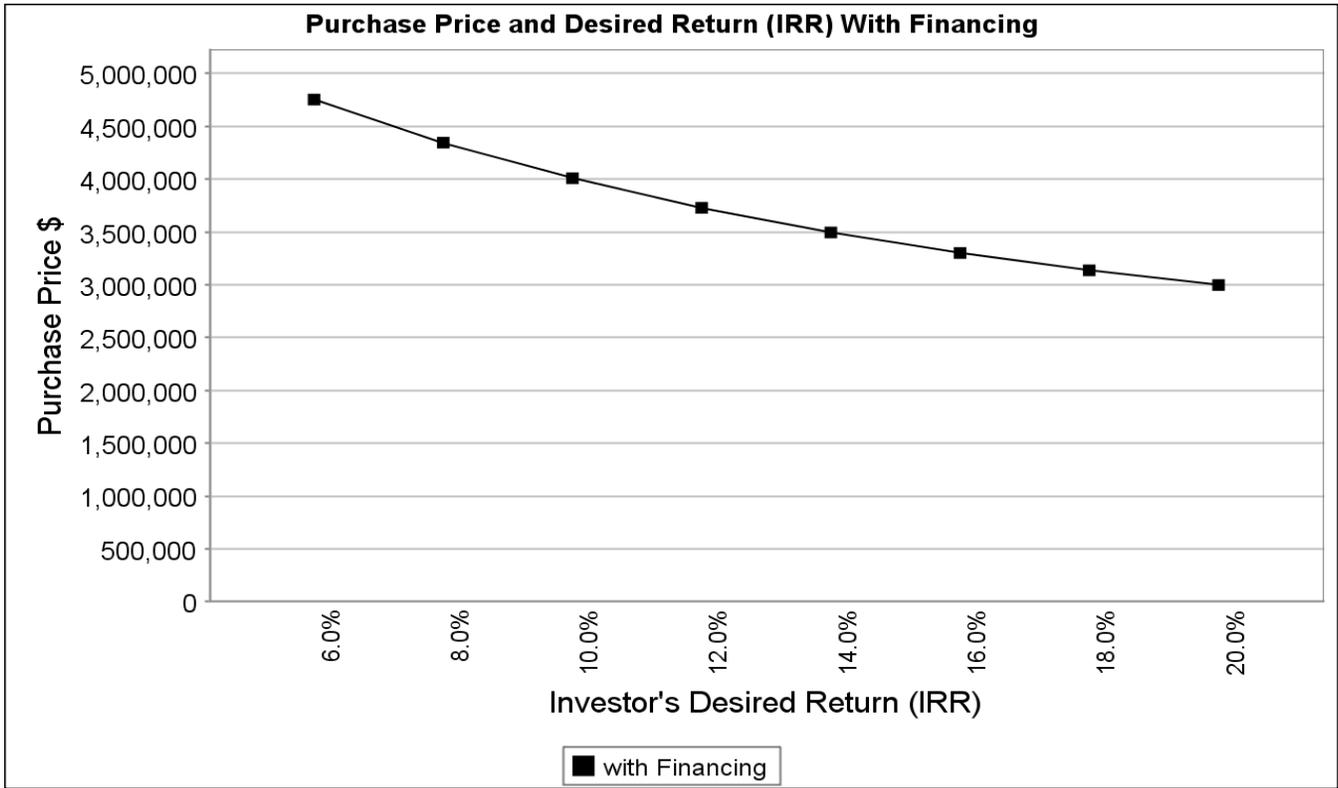
Graph. Purchase Price & Desired Return (Before Tax)

Parklane Place 40 Unit Apartment Building

Investment Analysis Rental Units Example

June 08, 2008

Investor Express





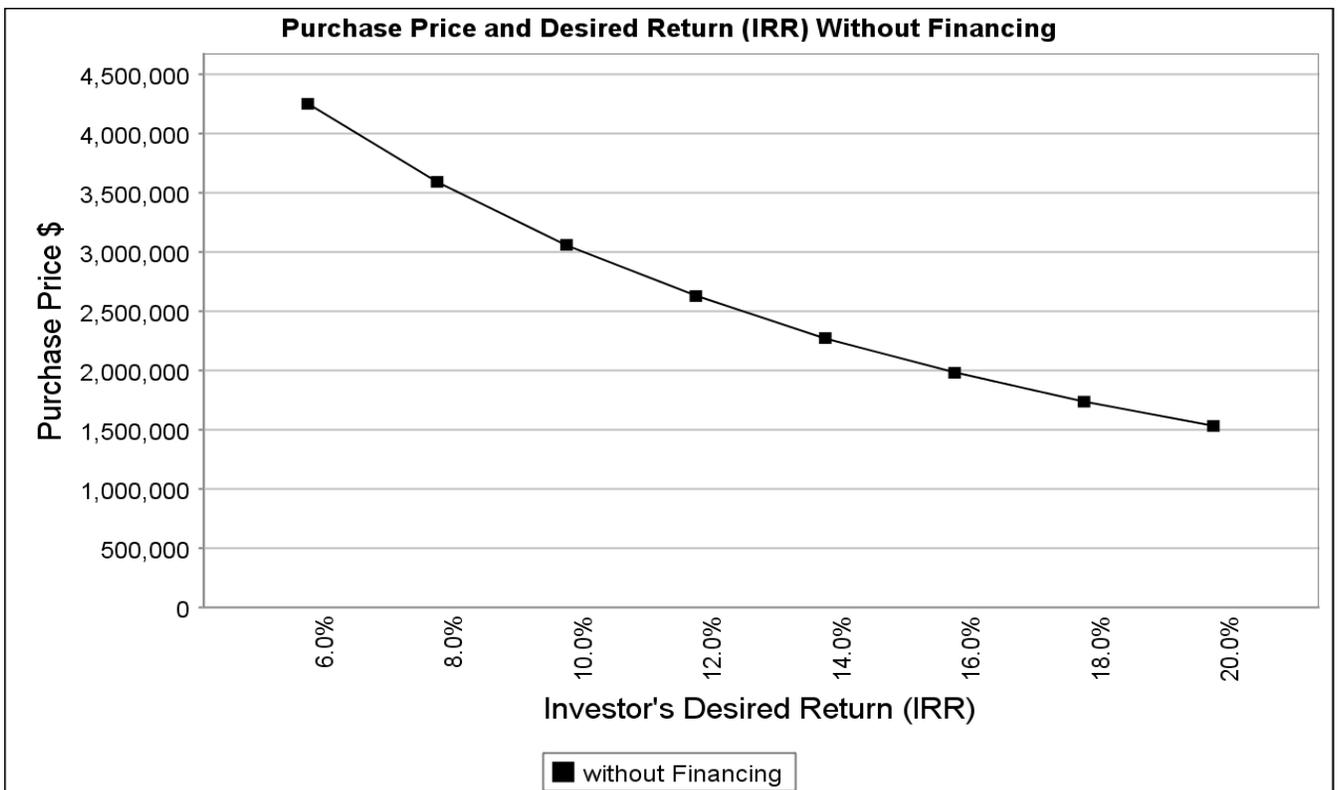
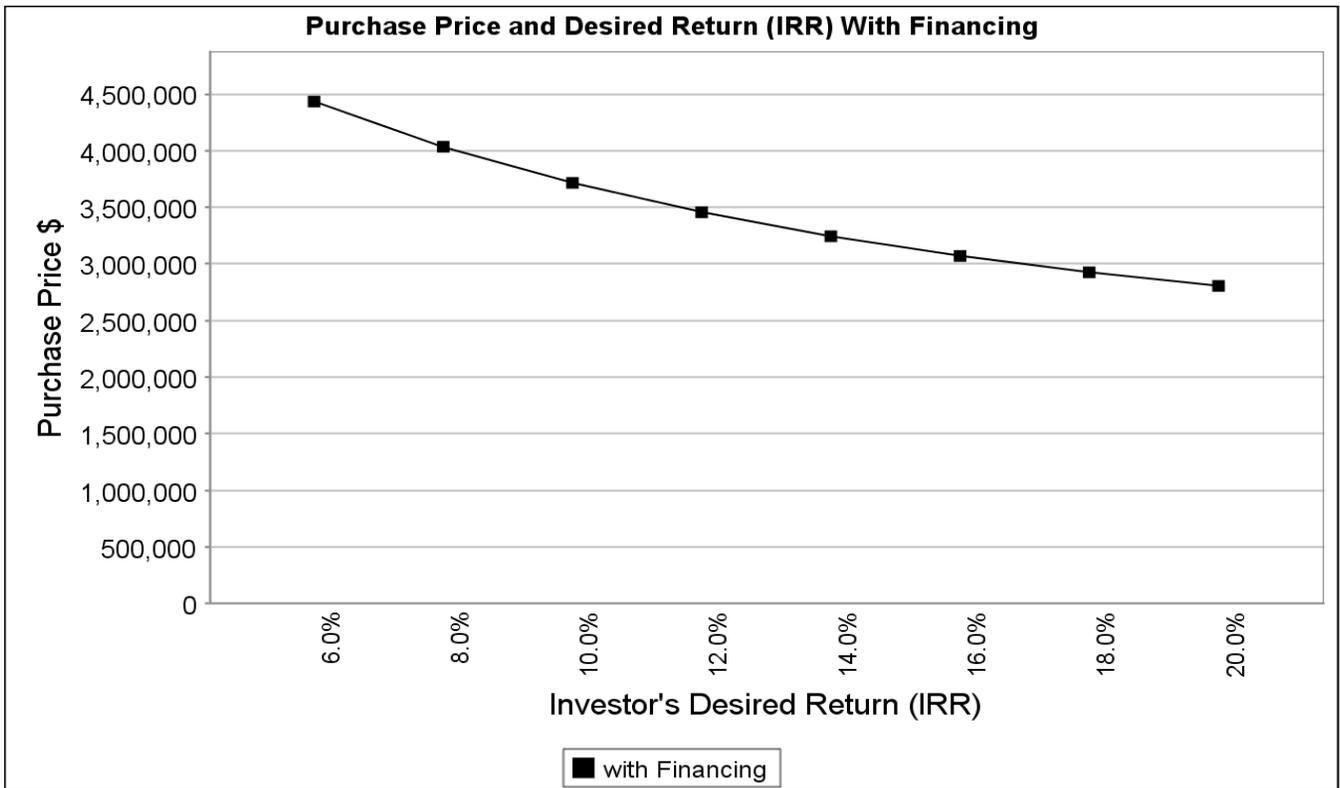
Graph. Purchase Price & Desired Return (After Tax)

Parklane Place 40 Unit Apartment Building

Investment Analysis Rental Units Example

June 08, 2008

Investor Express





Financial Returns.

Cap Rate using the investment in Year 1 of \$ 3,570,000 7.38%

		<u>With Financing</u>	<u>Without Financing</u>
Internal Rate of Return (IRR)	Before Tax	13.32%	10.57%
	After Tax	11.07%	8.08%
Net Present Value (NPV)	Before Tax	\$ 36,828 at 13.00%	(\$ 531,107) at 13.00%
	After Tax	\$ 349,330 at 8.45%	(\$ 95,327) at 8.45%
Modified Internal Rate of Return (MIRR)	Before Tax	11.64%	8.89%
	Short Term Financing Rate (Before Tax)	8.00%	8.00%
	Short Term Reinvestment Rate (Before Tax)	3.00%	3.00%
Modified Internal Rate of Return (MIRR)	After Tax	9.70%	6.93%
	Short Term Financing Rate (After Tax)	5.20%	5.20%
	Short Term Reinvestment Rate (Before Tax)	1.95%	1.95%

Financial Operating Ratios

<u>Year</u>	<u>Debt Coverage Ratio</u>	<u>Default Ratio (Breakeven) (Using PGI)</u>	<u>Overall Operating Expense Ratio (Using PGI)</u>
Year 1	1.49	79.87%	44.35%
Year 2	1.53	78.91%	44.60%
Year 3	1.58	77.98%	44.85%
Year 4	1.63	77.02%	44.98%
Year 5	1.68	75.98%	45.05%
Year 6	1.74	75.03%	45.15%
Year 7	1.80	74.06%	45.22%
Year 8	1.86	73.17%	45.31%
Year 9	1.92	72.33%	45.41%
Year 10	1.99	71.50%	45.51%



Cash on Cash Returns

Year	Based on Initial Equity in Year 1				Based on Adjusted Annual Equity			
	Cash on Cash Before Tax		Cash on Cash After Tax		Cash on Cash Before Tax		Cash on Cash After Tax	
	Annual	Average	Annual	Average	Annual	Average	Annual	Average
Year 1	5.42%	5.42%	4.92%	4.92%	5.42%	5.42%	4.92%	4.92%
Year 2	5.93%	5.68%	5.28%	5.10%	5.93%	5.68%	5.28%	5.10%
Year 3	6.45%	5.93%	5.57%	5.26%	6.45%	5.93%	5.57%	5.26%
Year 4	7.01%	6.20%	5.88%	5.41%	7.01%	6.20%	5.88%	5.41%
Year 5	7.63%	6.49%	6.22%	5.57%	7.63%	6.49%	6.22%	5.57%
Year 6	8.26%	6.78%	6.56%	5.74%	8.26%	6.78%	6.56%	5.74%
Year 7	8.93%	7.09%	6.93%	5.91%	8.93%	7.09%	6.93%	5.91%
Year 8	9.61%	7.40%	7.29%	6.08%	9.61%	7.40%	7.29%	6.08%
Year 9	10.29%	7.73%	7.66%	6.26%	10.29%	7.73%	7.66%	6.26%
Year 10	11.01%	8.05%	7.95%	6.43%	11.01%	8.05%	7.95%	6.43%



Cash Flow from Sale (Before Tax)

Sale Price		\$	5,205,434
Less: Real Estate Commission			260,272
Selling Expenses			6,000
Legal Expenses			3,000
Net Sale Price			<u>4,936,162</u>
Less: Mortgage Repayment			<u>1,594,349</u>
Cash Flow from Sale (Before Tax)			<u>3,341,813</u>

Cash Flow from Sale (After Tax)

Net Sale Price			4,936,162
Less: Capital Gains Tax			
Net Sale Price		4,936,162	
Less Cost Basis		<u>3,570,000</u>	
Capital Gains	1,366,162	x 15.00%	204,924
Less: Recaptured Depreciation Tax			
Tax Value of Improvements on Sale		2,570,000	
Less Adjusted Basis		<u>1,643,304</u>	
Recaptured Depreciation	926,696	x 25.00%	<u>231,674</u>
Net Proceeds (After Tax)			4,499,564
Less: Mortgage Repayment			<u>1,594,349</u>
Cash Flow from Sale (After Tax)			<u>2,905,214</u>



Input Data Summary
Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008
Investor Express
Investment Analysis Rental Apartment Building

Investment Analysis

Note

For information on Revenue, Expenses and Vacancy inputs and projections see the Revenue, Expense and Vacancy projection description reports.

Project Information

Analysis Period	10 years
Starting date	January Year 1
Purchase Price	\$ 3,500,000
Acquisition Cost	70,000 2.00%
Total Purchase Price	<u>\$ 3,570,000</u>
Building Area	38,000 Sq. Ft
Residential	
Rentable Area	36,000 Sq. Ft
No. of Units	40
Land Area	46,000 Sq. Ft
Frontage	320 Ft

Investor Information

Marginal Tax Rate	35.00%
Capital Gain Tax Rate	15.00%
Recaptured Deprec. Tax Rate	25.00%

Desired Return on Investment (Discount Rate)

Before Tax:	13.00%
After Tax:	8.45%

Short Term Reinvestment Rates

Before Tax:	3.000%
After Tax:	1.950%

Short Term Financing Rates

Before Tax:	8.000%
After Tax:	5.200%



Input Data Summary
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

June 08, 2008
 Investor Express
 Investment Analysis Rental Apartment Building

Investment information

Active Investor with no Loss limitation

Total Invested in Year 1 is \$ 3,570,000

	Investment Type	Date	Amount	Recovery Period Years
Land	Land (No Depreciation)	Jan, Year 1	\$ 1,000,000	-
Building	Residential Property. Straight Line	Jan, Year 1	\$ 2,570,000	27.50
Mortgage Fees and Points	Amortized Mortgage Fees	Jan, Year 1	\$ 20,000	10.00

Financing

First Mortgage

Starts: January Year 1
 Type: Standard Mortgage
 Amount: \$ 2,000,000
 Interest Rate: Fixed
 Payment Frequency: Monthly
 Compounding Frequency: Monthly
 Addit. Payments/Borrowing: No
 Rounding: Up to Nearest Cent
 No of Terms: 1

Term	Time Period	Nominal Annual Interest Rate	Amortization
1	10 yrs & 0 mos	7.500%	25 yrs & 0 mos

Sale Information

Sale price at the end of 10 years is \$ 5,205,434 based on the income for the year following sale and a Cap Rate of 7.00%

Selling Expenses

Selling Expenses \$ 6,000
 Legal Expenses \$ 3,000

Real Estate Commissions 5.00% of the Sale Price



Input Data Summary

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008

Investor Express

Investment Analysis Rental Apartment Building

Allocation of Improvements on Sale

Same ratio as on acquisition



EXPENSES PROJECTIONS

Property Taxes

Entry Choice: \$ per Year

Year 1 \$90,000 per Year
Compounding at 4.00% per year for next 2 years
then Compounding at 3.00% per year for next 8 years

Insurance

Entry Choice: \$ per Year

Year 1 \$45,000 per Year
Compounding at 5.00% per year for next 10 years

Maintenance

Entry Choice: \$ per Unit x Total No.of Units per Year

Quantity: 40

Year 1 \$400 per Unit x Total No.of Units per Year
Compounding at 4.00% per year for next 10 years

Resident Caretaker

Entry Choice: \$ per Month

Year 1 \$3,000 per Month for 1 year
Compounding at 4.00% per year for next 10 years

Property Manager

Entry Choice: % of Effective Gross Income

Year 1 4.00% of Effective Gross Income
Constant per year for next 10 years

Other Expenses

Entry Choice: % of Potential Gross Income

Year 1 3.00% of Potential Gross Income
Constant per year for next 10 years

REVENUE PROJECTIONS

One bedroom Units



Projection Descriptions

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008
Investor Express
Investment Analysis Rental Apartment Building

Entry Choice: \$ per Unit per Month

Quantity: 25

Year 1 \$900 per Unit per Month for 1 year
 Compounding at 3.00% per year for next 10 years

Two bedroom Units

Entry Choice: \$ per Unit per Month

Quantity: 15

Year 1 \$1,100 per Unit per Month for 1 year
 Compounding at 4.00% per year for next 10 years

Laundry

Entry Choice: \$ per Unit x Total No.of Units per Month

Quantity: 40

Year 1 \$15 per Unit x Total No.of Units per Month for 1 year
 Compounding at 5.00% per year for next 10 years

Parking

Entry Choice: \$ per Space per Month

Quantity: 50

Year 1 \$40.00 per Space per Month for 1 year
 Compounding at 5.00% per year for next 10 years



Building

Starting Date: Year 1 January
 Depreciation Method: Residential Property. Straight Line
 Recovery Period: 27.5 Year(s)
 First Year Convention: Mid-Month 95.8%
 Last Year Convention: 95.8%
 Depreciation Bonus: 0%
 Amount \$ 2,570,000

Period	Cost Basis	Adjusted Cost Basis	Depreciation	Depreciation Bonus	Undepreciated Balance
Yr. 1 Jan-Yr. 1 Dec	\$ 2,570,000	\$ 2,570,000	\$ 89,529	-	\$ 2,480,471
Yr. 2 Jan-Yr. 2 Dec		2,480,471	93,455		2,387,016
Yr. 3 Jan-Yr. 3 Dec		2,387,016	93,455		2,293,561
Yr. 4 Jan-Yr. 4 Dec		2,293,561	93,455		2,200,106
Yr. 5 Jan-Yr. 5 Dec		2,200,106	93,455		2,106,651
Yr. 6 Jan-Yr. 6 Dec		2,106,651	93,454		2,013,197
Yr. 7 Jan-Yr. 7 Dec		2,013,197	93,455		1,919,742
Yr. 8 Jan-Yr. 8 Dec		1,919,742	93,454		1,826,288
Yr. 9 Jan-Yr. 9 Dec		1,826,288	93,455		1,732,833
Yr. 10 Jan-Yr. 10 Dec		1,732,833	89,529		1,643,304
Total	\$ 2,570,000		\$ 926,696	-	



Mortgage Fees and Points

Starting Date:	Year 1 January
Depreciation Method:	Amortized Mortgage Fees
Recovery Period:	10.0 Year(s)
First Year Convention: Monthly Prorata	100.0%
Last Year Convention:	100.0%
Amount	\$ 20,000

Period	Cost Basis	Adjusted Cost Basis	Depreciation	Unamortized Balance
Yr. 1 Jan-Yr. 1 Dec	\$ 20,000	\$ 20,000	\$ 2,000	\$ 18,000
Yr. 2 Jan-Yr. 2 Dec		18,000	2,000	16,000
Yr. 3 Jan-Yr. 3 Dec		16,000	2,000	14,000
Yr. 4 Jan-Yr. 4 Dec		14,000	2,000	12,000
Yr. 5 Jan-Yr. 5 Dec		12,000	2,000	10,000
Yr. 6 Jan-Yr. 6 Dec		10,000	2,000	8,000
Yr. 7 Jan-Yr. 7 Dec		8,000	2,000	6,000
Yr. 8 Jan-Yr. 8 Dec		6,000	2,000	4,000
Yr. 9 Jan-Yr. 9 Dec		4,000	2,000	2,000
Yr. 10 Jan-Yr. 10 Dec		2,000	2,000	-
Total	\$ 20,000		\$ 20,000	



Mortgage Schedule

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

June 08, 2008
Investor Express
Investment Analysis Rental Apartment Building

First Mortgage

Amount: \$2,000,000
Type: Standard Mortgage
Analysis Start Date: January Year 1
Mortgage Commences: January Year 1
Payment Frequency: Monthly
Payment Rounded: Up to Nearest Cent
Compounding Frequency: Monthly
Interest Rate: Fixed
Additional Payment or Borrowing: No

Term	Start Date of (Balloon) Term	Time Period		Nominal Annual Interest Rate	Amortization	
		Years	Months		Years	Months
1	Year 1 Jan	10	0	7.500 %	25	0

	Outstanding Balance	End of Year Accrued Interest	Mortgage Payout
Payout at end of Analysis Period: Dec Year 10	\$ 1,594,349.14	-	\$ 1,594,349.14
Payout at end of last Term: Dec Year 10	\$ 1,594,349.14	-	\$ 1,594,349.14

Time Period	Payment	Interest Payment	Principal Payment	Additional Payment or (Borrowing)	Outstanding Balance
Year 1 Jan-Year 1 Dec	177,357.96	149,039.71	28,318.25	-	1,971,681.75
Year 2 Jan-Year 2 Dec	177,357.96	146,841.29	30,516.67	-	1,941,165.08
Year 3 Jan-Year 3 Dec	177,357.96	144,472.19	32,885.77	-	1,908,279.31
Year 4 Jan-Year 4 Dec	177,357.96	141,919.20	35,438.76	-	1,872,840.55
Year 5 Jan-Year 5 Dec	177,357.96	139,167.98	38,189.98	-	1,834,650.57
Year 6 Jan-Year 6 Dec	177,357.96	136,203.18	41,154.78	-	1,793,495.79
Year 7 Jan-Year 7 Dec	177,357.96	133,008.24	44,349.72	-	1,749,146.07
Year 8 Jan-Year 8 Dec	177,357.96	129,565.27	47,792.69	-	1,701,353.38
Year 9 Jan-Year 9 Dec	177,357.96	125,854.99	51,502.97	-	1,649,850.41
Year 10 Jan-Year 10 Dec	177,357.96	121,856.69	55,501.27	-	1,594,349.14
	1,773,579.60	1,367,928.74	405,650.86	-	