



Parklane Place 40 Unit Apartment Building

Investment Analysis Rental Units Example

3523 East Vaness Ave

Vancouver, BC v8R 1M2
Canada



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Property Description

Medium quality, well cared for apartment building

Address

3523 East Vaness Ave
Vancouver, BC v8R 1M2
Canada

Location Description

Close access to bus and 15 minutes to downtown Vancouver

Purchase Price

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

Legal

Legal

12160 DL12989 Plan 2634

Zoning

Multi family

Encumbrances

\$2,000,000 first mortgage in Favor of RBC Morgage Inc.



Property Information

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March 23, 2008
Investor Pro
Rental Apartment Building

Property Taxes Information

Assessment Date Jan 2007
Property Taxes \$ 78,000
Roll or Identification Number 223731 89MN 8051

Assessed Value

Land 890,000
Improvements 2,300,000
\$ 3,190,000

Land

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

Building

Age 15 Years
No of Floors 3

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

Parking

Uncovered 12
Covered 45
Other -
Total Parking 57

Utilities. Tenant pays for:

Heat

Heat

Heat
Gas
Individual air conditioning units

Construction

Wood Frame

Building Equipment & Systems

Elevators

No. of Elevators 1
Three stop hydraulic elevator

Mechanical Equipment

Central heating system for common area

Electrical System

Central system



Property Information
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Client Information

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

March 23, 2008
Investor Pro
Rental Apartment Building

Peter Gibbs

Audon Estates
1674 Oak St

Vancouver, BC V6r1M1
Canada

Contact Information

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

March 23, 2008
 Investor Pro
 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	280,800	291,900	303,600	315,900	328,500	341,700	355,200	369,600	384,300	399,600
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	7,560	7,939	8,333	8,750	9,187	9,648	10,133	10,637	11,170	11,726
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	519,480	540,499	562,379	585,482	609,157	634,068	659,741	686,597	714,580	743,462
Less: Vacancy & Credit Loss Allowance	11,556	12,020	12,502	13,002	13,530	14,071	14,640	15,227	15,838	16,477	17,135
Effective Gross Income	487,644	507,460	527,997	549,377	571,952	595,086	619,428	644,514	670,759	698,102	726,327
Operating Expenses											
Property Taxes	35,000	36,400	37,856	39,370	40,945	42,583	44,286	46,058	47,900	49,816	51,809
Insurance	12,000	12,600	13,230	13,892	14,586	15,315	16,081	16,885	17,729	18,616	19,547
Maintenance	26,000	27,040	28,122	29,246	30,416	31,633	32,898	34,214	35,583	37,006	38,486
Resident Caretaker	36,000	37,440	38,938	40,495	42,115	43,800	45,552	47,374	49,269	51,239	53,289
Property Management	19,506	20,298	21,120	21,975	22,878	23,803	24,777	25,781	26,830	27,924	29,053
Other Expenses	39,936	41,558	43,240	44,990	46,839	48,733	50,725	52,779	54,928	57,166	59,477
	168,442	175,337	182,505	189,969	197,779	205,867	214,320	223,091	232,239	241,768	251,661
Net Operating Income	319,202	332,123	345,492	359,408	374,173	389,220	405,108	421,423	438,520	456,335	474,667



Income & Expense Statement Yearly Snapshot
 Parklane Place 40 Unit Apartment Building
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	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
REVENUE											
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Less: Vacancy & Credit Loss Allowance	11,556	12,020	12,502	13,002	13,530	14,071	14,640	15,227	15,838	16,477	17,135
Effective Gross Income	487,644	507,460	527,997	549,377	571,952	595,086	619,428	644,514	670,759	698,102	726,327
Operating Expenses	168,442	175,337	182,505	189,969	197,779	205,867	214,320	223,091	232,239	241,768	251,661
Net Operating Income	319,202	332,123	345,492	359,408	374,173	389,220	405,108	421,423	438,520	456,335	474,667



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

March 23, 2008
 Investor Pro
 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	519,480	540,499	562,379	585,482	609,157	634,068	659,741	686,597	714,580
Less: Vacancy & Credit Loss Allow.	11,556	12,020	12,502	13,002	13,530	14,071	14,640	15,227	15,838	16,477
Effective Gross Income	487,644	507,460	527,997	549,377	571,952	595,086	619,428	644,514	670,759	698,102
Operating Expenses	168,442	175,337	182,505	189,969	197,779	205,867	214,320	223,091	232,239	241,768
Net Operating Income	319,202	332,123	345,492	359,408	374,173	389,220	405,108	421,423	438,520	456,335
Less: Principle Payments	53,530	57,066	60,835	64,854	69,138	73,705	78,574	83,764	89,297	95,196
Interest payments	203,683	200,147	196,377	192,359	188,075	183,508	178,639	173,449	167,915	162,017
CASH FLOW BEFORE TAX	61,990	74,910	88,280	102,196	116,960	132,007	147,896	164,211	181,307	199,122
Less: Income Tax at 42.00%	22,478	4,392	13,631	23,124	33,006	43,050	53,502	64,198	75,301	86,795
CASH FLOW AFTER TAX	39,512	70,519	74,648	79,072	83,955	88,958	94,394	100,012	106,006	112,327
INCOME TAX CALCULATIONS										
Net Operating Income	319,202	332,123	345,492	359,408	374,173	389,220	405,108	421,423	438,520	456,335
Less: Interest Payments	203,683	200,147	196,377	192,359	188,075	183,508	178,639	173,449	167,915	162,017
Depreciation & Amortization	62,000	121,520	116,659	111,993	107,513	103,213	99,084	95,121	91,316	87,663
Taxable Income	53,520	10,456	32,456	55,057	78,585	102,499	127,385	152,853	179,288	206,655
Income Tax at 42.00%	22,478	4,392	13,631	23,124	33,006	43,050	53,502	64,198	75,301	86,795



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

March 23, 2008
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 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	\$ (5,100,000)	\$ 3,200,000	-	\$ 61,990	-	\$ (1,838,010)
Year 2 Jan-Year 2 Dec	-	-	-	74,910	-	74,910
Year 3 Jan-Year 3 Dec	-	-	-	88,280	-	88,280
Year 4 Jan-Year 4 Dec	-	-	-	102,196	-	102,196
Year 5 Jan-Year 5 Dec	-	-	-	116,960	-	116,960
Year 6 Jan-Year 6 Dec	-	-	-	132,007	-	132,007
Year 7 Jan-Year 7 Dec	-	-	-	147,896	-	147,896
Year 8 Jan-Year 8 Dec	-	-	-	164,211	-	164,211
Year 9 Jan-Year 9 Dec	-	-	-	181,307	-	181,307
Year 10 Jan-Year 10 Dec	-	-	(2,474,042)	199,122	6,432,908	4,157,988
					Total	\$ 3,327,745

Financial Returns (Before Tax) with Financing

Internal Rate of Return (IRR)	12.09%
Net Present Value (NPV) at 11.00%	\$ 166,248
Modified Internal Rate of Return (MIRR)	10.95%
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)	9.04%
Net Present Value (NPV) at 11.00%	(\$ 647,649)
Modified Internal Rate of Return (MIRR)	7.79%
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

March 23, 2008
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 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	\$ (5,100,000)	\$ 3,200,000	-	\$ 39,512	-	\$ (1,860,488)
Year 2 Jan-Year 2 Dec	-	-	-	70,519	-	70,519
Year 3 Jan-Year 3 Dec	-	-	-	74,648	-	74,648
Year 4 Jan-Year 4 Dec	-	-	-	79,072	-	79,072
Year 5 Jan-Year 5 Dec	-	-	-	83,955	-	83,955
Year 6 Jan-Year 6 Dec	-	-	-	88,958	-	88,958
Year 7 Jan-Year 7 Dec	-	-	-	94,394	-	94,394
Year 8 Jan-Year 8 Dec	-	-	-	100,012	-	100,012
Year 9 Jan-Year 9 Dec	-	-	-	106,006	-	106,006
Year 10 Jan-Year 10 Dec	-	-	(2,474,042)	112,327	5,734,642	3,372,928
					Total	\$ 2,210,003

Financial Returns (After Tax) with Financing

Internal Rate of Return (IRR)	8.95%
Net Present Value (NPV) at 6.38%	\$ 446,385
Modified Internal Rate of Return (MIRR)	8.18%
Short Term Financing Rate (After Tax)	4.640%
Short Term Reinvestment Rate (After Tax)	1.740%

Financial Returns (After Tax) without Financing

Internal Rate of Return (IRR)	6.05%
Net Present Value (NPV) at 6.38%	(\$ 128,814)
Modified Internal Rate of Return (MIRR)	5.35%
Short Term Financing Rate (After Tax)	4.640%
Short Term Reinvestment Rate (After Tax)	1.740%



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

March 23, 2008
 Investor Pro
 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	280,800	291,900	303,600	315,900	328,500	341,700	355,200	369,600	384,300
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	7,560	7,939	8,333	8,750	9,187	9,648	10,133	10,637	11,170
Parking	24,000	25,200	26,460	27,786	29,172	30,630	32,160	33,768	35,460	37,230
Total	499,200	519,480	540,499	562,379	585,482	609,157	634,068	659,741	686,597	714,580



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

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Rental Apartment Building

Year 11

REVENUE

One bedroom units	399,600
Two bedroom Units	293,040
Laundry	11,726
Parking	39,096
Total	743,462



Expense Calculations Yearly
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	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Property Taxes	35,000	36,400	37,856	39,370	40,945	42,583	44,286	46,058	47,900	49,816	51,809
Insurance	12,000	12,600	13,230	13,892	14,586	15,315	16,081	16,885	17,729	18,616	19,547
Maintenance	26,000	27,040	28,122	29,246	30,416	31,633	32,898	34,214	35,583	37,006	38,486
Resident Caretaker	36,000	37,440	38,938	40,495	42,115	43,800	45,552	47,374	49,269	51,239	53,289
Property Management	19,506	20,298	21,120	21,975	22,878	23,803	24,777	25,781	26,830	27,924	29,053
Other Expenses	39,936	41,558	43,240	44,990	46,839	48,733	50,725	52,779	54,928	57,166	59,477
Total	168,442	175,337	182,505	189,969	197,779	205,867	214,320	223,091	232,239	241,768	251,661



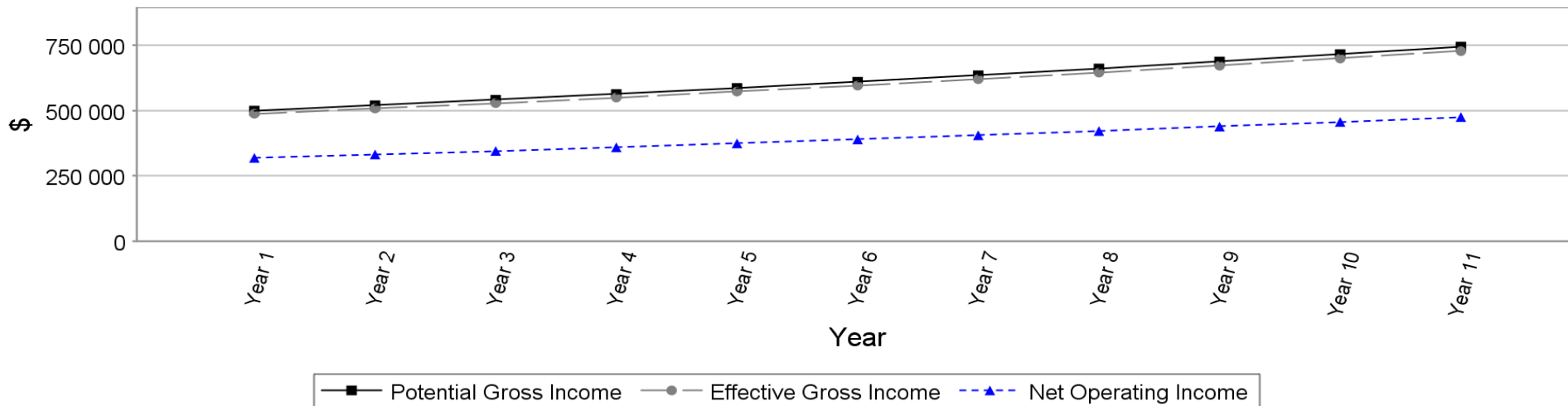
Vacancy & Credit Loss. Yearly
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

March 23, 2008
 Investor Pro
 Rental Apartment Building

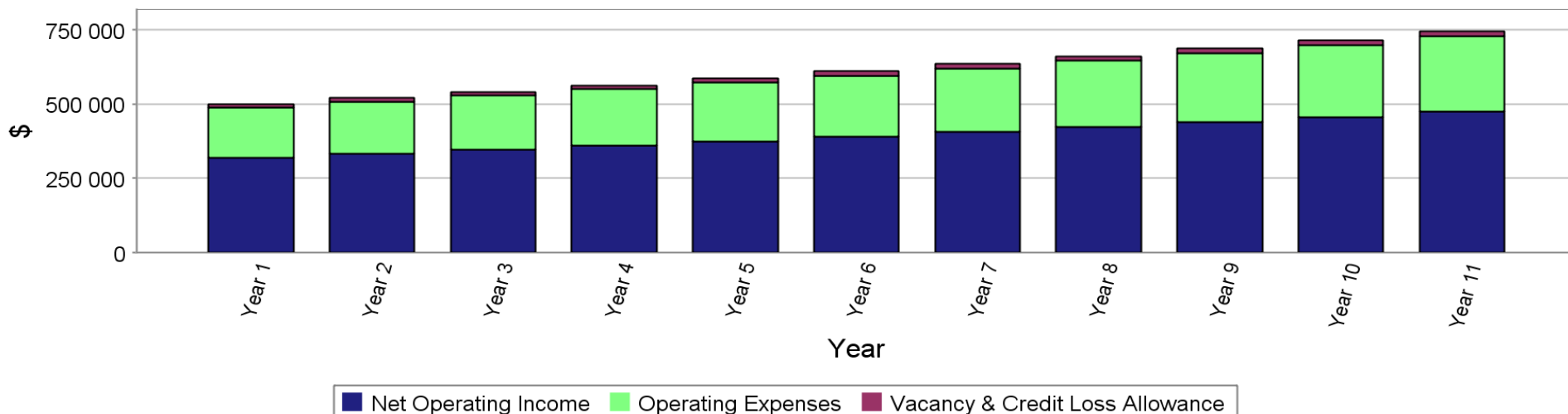
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
VACANCY & CREDIT LOSS											
One bedroom units	5,400	5,616	5,838	6,072	6,318	6,570	6,834	7,104	7,392	7,686	7,992
Two bedroom Units	5,940	6,178	6,426	6,680	6,950	7,225	7,517	7,819	8,127	8,456	8,791
Laundry	216	227	238	250	263	276	289	304	319	335	352
Parking	-	-	-	-	-	-	-	-	-	-	-
TOTAL VACANCY	11,556	12,020	12,502	13,002	13,530	14,071	14,640	15,227	15,838	16,477	17,135



Income & Expenses



Income Distribution





Financial Returns.

Cap Rate using the investment in Year 1 of \$ 5,100,000 6.26%

		With Financing	Without Financing
Internal Rate of Return (IRR)	Before Tax	12.09%	9.04%
	After Tax	8.95%	6.05%
Net Present Value (NPV)	Before Tax	\$ 166,248 at 11.00%	(\$ 647,649) at 11.00%
	After Tax	\$ 446,385 at 6.38%	(\$ 128,814) at 6.38%
Modified Internal Rate of Return (MIRR)	Before Tax	10.95%	7.79%
	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	8.18%	5.35%
	Short Term Financing Rate (After Tax)	4.64%	4.64%
	Short Term Reinvestment Rate (Before Tax)	1.74%	1.74%

Financial Operating Ratios

Year	Debt Coverage Ratio	Default Ratio (Breakeven) (Using PGI)	Overall Operating Expense Ratio (Using PGI)
Year 1	1.24	85.27%	33.74%
Year 2	1.29	83.27%	33.75%
Year 3	1.34	81.35%	33.77%
Year 4	1.40	79.52%	33.78%
Year 5	1.45	77.71%	33.78%
Year 6	1.51	76.02%	33.80%
Year 7	1.57	74.37%	33.80%
Year 8	1.64	72.80%	33.81%
Year 9	1.70	71.29%	33.82%
Year 10	1.77	69.83%	33.83%



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	3.26%	3.26%	2.08%	2.08%	3.26%	3.26%	2.08%	2.08%
Year 2	3.94%	3.60%	3.71%	2.90%	3.94%	3.60%	3.71%	2.90%
Year 3	4.65%	3.95%	3.93%	3.24%	4.65%	3.95%	3.93%	3.24%
Year 4	5.38%	4.31%	4.16%	3.47%	5.38%	4.31%	4.16%	3.47%
Year 5	6.16%	4.68%	4.42%	3.66%	6.16%	4.68%	4.42%	3.66%
Year 6	6.95%	5.06%	4.68%	3.83%	6.95%	5.06%	4.68%	3.83%
Year 7	7.78%	5.45%	4.97%	3.99%	7.78%	5.45%	4.97%	3.99%
Year 8	8.64%	5.85%	5.26%	4.15%	8.64%	5.85%	5.26%	4.15%
Year 9	9.54%	6.26%	5.58%	4.31%	9.54%	6.26%	5.58%	4.31%
Year 10	10.48%	6.68%	5.91%	4.47%	10.48%	6.68%	5.91%	4.47%



SUMMARY

	Internal Rate of Return (IRR)	Buy	Sell	Compounding Appreciation Rate
BEFORE TAX				
With Financing				
Based on data entered	12.09%	\$ 5,100,000	\$ 6,780,955	2.89%
Goal seeking results for IRR	11.00%	\$ 5,266,248	\$ 6,780,955	2.56%
	11.00%	\$ 5,100,000	\$ 6,284,065	2.11%
Without Financing				
Based on data entered	9.04%	\$ 5,100,000	\$ 6,780,955	2.89%
Goal seeking results for IRR	11.00%	\$ 4,452,351	\$ 6,780,955	4.30%
	11.00%	\$ 5,100,000	\$ 8,716,687	5.51%
AFTER TAX				
With Financing				
Based on data entered	8.95%	\$ 5,100,000	\$ 6,780,955	2.89%
Goal seeking results for IRR	7.04%	\$ 5,465,585	\$ 6,780,955	2.18%
	7.04%	\$ 5,100,000	\$ 5,936,925	1.53%
Without Financing				
Based on data entered	6.05%	\$ 5,100,000	\$ 6,780,955	2.89%
Goal seeking results for IRR	7.04%	\$ 4,673,696	\$ 6,780,955	3.79%
	7.04%	\$ 5,100,000	\$ 7,765,168	4.29%



GOAL SEEKING RESULTS BEFORE TAX

With Financing

To achieve an Internal Rate of Return (IRR) of 11.00% before tax, you would have to either:

- a) Buy the property for \$ 5,266,248 and sell for \$ 6,780,955 in 10 years which is 2.56% compounding increase in value per year.
- b) Buy the property for \$ 5,100,000 and sell for \$ 6,284,065 in 10 years which is 2.11% compounding increase in value per year.

Without Financing

To achieve an Internal Rate of Return (IRR) of 11.00% before tax, you would have to either:

- a) Buy the property for \$ 4,452,351 and sell for \$ 6,780,955 in 10 years which is 4.30% compounding increase in value per year.
- b) Buy the property for \$ 5,100,000 and sell for \$ 8,716,687 in 10 years which is 5.51% compounding increase in value per year.

GOAL SEEKING RESULTS AFTER TAX

With Financing

To achieve an Internal Rate of Return (IRR) of 7.04% after tax, you would have to either:

- a) Buy the property for \$ 5,465,585 and sell for \$ 6,780,955 in 10 years which is 2.18% compounding increase in value per year.
- b) Buy the property for \$ 5,100,000 and sell for \$ 5,936,925 in 10 years which is 1.53% compounding increase in value per year.

Without Financing

To achieve an Internal Rate of Return (IRR) of 7.04% after tax, you would have to either:

- a) Buy the property for \$ 4,673,696 and sell for \$ 6,780,955 in 10 years which is 3.79% compounding increase in value per year.
- b) Buy the property for \$ 5,100,000 and sell for \$ 7,765,168 in 10 years which is 4.29% compounding increase in value per year.

INVESTMENT TAB ENTRIES. Allocations of the Purchase Price between Land and Improvements to achieve the desired Internal Rate of Return (IRR)

	%	BEFORE TAX		AFTER TAX	
		With Financing	No Financing	With Financing	No Financing
	Allocation	11.00% IRR	11.00% IRR	7.040% IRR	7.040% IRR
Land	39.22%	2,065,195	1,746,020	2,143,367	1,832,822
Building	60.78%	3,201,053	2,706,331	3,322,219	2,840,874
Purchase Price (Year 1 Total)	100.00%	\$ 5,266,248	\$ 4,452,351	\$ 5,465,585	\$ 4,452,351

Notes:

The allocation of the Purchase Price between Land and Improvements uses the same % allocation used in the First Year of the Investment Folder grid.

The Purchase Price (Year 1 Total) excludes entries using the Depreciation methods "Amort. Mortgage Fees" and "Amortize"



Cash Flow from Sale (Before Tax)

Sale Price		\$	6,780,955
Less: Real Estate Commission			339,048
Selling Expenses			6,000
Legal Expenses			3,000
Net Sale Price			<u>6,432,908</u>
Less: Mortgage Repayment			<u>2,474,042</u>
Cash Flow from Sale (Before Tax)			<u>3,958,865</u>

Cash Flow from Sale (After Tax)

Net Sale Price			6,432,908
Less: Capital Gains Tax			
Net Sale Price	6,432,908		
Less Cost Basis	<u>5,100,000</u>		
Capital Gains	1,332,908	x 42.00% x 50.00%	279,911
Less: Recaptured Depreciation Tax			
Tax Value of Improvements on Sale	3,100,000		
Less Undepreciated Balance	<u>2,103,918</u>		
Recaptured Depreciation	996,082	x 42.00%	<u>418,354</u>
Net Proceeds (After Tax)			5,734,642
Less: Mortgage Repayment			<u>2,474,042</u>
Cash Flow from Sale (After Tax)			<u>3,260,600</u>



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

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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	42.00%
Capital Gain. 50.00% added to income	

Desired Return on Investment (Discount Rate)

Before Tax:	11.00%
After Tax:	6.38%

Short Term Reinvestment Rates

Before Tax:	3.000%
After Tax:	1.740%

Short Term Financing Rates

Before Tax:	8.000%
After Tax:	4.640%

Investment information



Input Data Summary
 Parklane Place 40 Unit Apartment Building
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Total Invested in Year 1 is \$ 5,100,000

	CCA Class	Date	Amount	CCA Rate	First Year	Claim CCA in Last Year
Land	Land	Jan, Year 1	\$ 2,000,000			
Building	Building	Jan, Year 1	\$ 3,100,000	4.00%	50.00%	Yes

Financing

First Mortgage
 Starts: January Year 1
 Type: Standard Mortgage
 Amount: \$ 3,200,000
 Interest Rate: Fixed
 Payment Frequency: Monthly
 Compounding Frequency: Semi-annually
 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	6.500%	25 yrs & 0 mos

Sale Information

Sale price at the end of 10 years is \$ 6,780,955 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

Allocation of Improvements on Sale Same ratio as on acquisition



Projection Descriptions
Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

March 23, 2008
Investor Pro
Rental Apartment Building

EXPENSES PROJECTIONS

Property Taxes

Entry Choice: \$ per Year

Year 1 Jun \$35,000.00 per Year paid every 12 months
Compounding at 4.00% per year for next 9 years and 7 months

Insurance

Entry Choice: \$ per Year

Year 1 Jan \$12,000.00 per Year paid every 12 months
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 Jan \$650.00 per Unit x Total No.of Units per Year paid monthly for 12 months
Compounding at 4.00% per year for next 10 years

Resident Caretaker

Entry Choice: \$ per Month

Year 1 Jan \$3,000.00 per Month paid monthly for 12 months
Compounding at 4.00% per year for next 10 years

Property Management

Entry Choice: % of Effective Gross Income

Year 1 Jan 4.00% of Effective Gross Income
Constant for next 10 years and 11 months

Other Expenses

Entry Choice: % of Potential Gross Income

Year 1 Jan 8.00% of Potential Gross Income
Constant for next 10 years and 11 months

REVENUE PROJECTIONS

One bedroom units

Entry Choice: \$ per Unit per Month



Projection Descriptions

Parklane Place 40 Unit Apartment Building
Investment Analysis Rental Units Example

March 23, 2008
Investor Pro
Rental Apartment Building

Quantity: 25

Year 1 Jan \$900 per Unit per Month paid monthly for 12 months
Compounding at 4.00% per year for next 10 years

Two bedroom Units

Entry Choice: \$ per Unit per Month

Quantity: 15

Year 1 Jan \$1,100 per Unit per Month paid monthly for 12 months
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 Jan \$15.00 per Unit x Total No.of Units per Month paid monthly for 12 months
Compounding at 5.00% per year for next 10 years

Parking

Entry Choice: \$ per Space per Month

Quantity: 50

Year 1 Jan \$40.00 per Space per Month paid monthly for 12 months
Compounding at 5.00% per year for next 10 years



Building

Starting Date: Year 1 January
 Amount: \$ 3,100,000
 CCA Claim: Claim CCA up to Taxable Income
 CCA Method: Building
 CCA Rate: 4.0%
 First Year Rate: 50.0%
 Claim CCA in last Year: Yes

<u>Comencing</u>	<u>Value of Improvements</u>	<u>CCA Available</u>	<u>CCA Claimed</u>	<u>Undepreciated Balance</u>
Yr. 1 Jan-Yr. 1 Dec	\$ 3,100,000	\$ 62,000	\$ 62,000	\$ 3,038,000
Yr. 2 Jan-Yr. 2 Dec		121,520	121,520	2,916,480
Yr. 3 Jan-Yr. 3 Dec		116,659	116,659	2,799,821
Yr. 4 Jan-Yr. 4 Dec		111,993	111,993	2,687,828
Yr. 5 Jan-Yr. 5 Dec		107,513	107,513	2,580,315
Yr. 6 Jan-Yr. 6 Dec		103,213	103,213	2,477,102
Yr. 7 Jan-Yr. 7 Dec		99,084	99,084	2,378,018
Yr. 8 Jan-Yr. 8 Dec		95,121	95,121	2,282,897
Yr. 9 Jan-Yr. 9 Dec		91,316	91,316	2,191,581
Yr. 10 Jan-Yr. 10 Dec		87,663	87,663	2,103,918
Total	\$ 3,100,000		\$ 996,082	



Mortgage Schedule
 Parklane Place 40 Unit Apartment Building
 Investment Analysis Rental Units Example

March 23, 2008
 Investor Pro
 Rental Apartment Building

First Mortgage

Amount: \$3,200,000
 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: Semi-annually
 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	6.500 %	25	0

	Outstanding Balance	End of Year Accrued Interest	Mortgage Payout
Payout at end of Analysis Period: Dec Year 10	\$ 2,474,042.43	-	\$ 2,474,042.43
Payout at end of last Term: Dec Year 10	\$ 2,474,042.43	-	\$ 2,474,042.43

Time Period	Payment	Interest Payment	Principal Payment	Additional Payment or (Borrowing)	Outstanding Balance
Year 1 Jan-Year 1 Dec	257,212.44	203,682.63	53,529.81	-	3,146,470.19
Year 2 Jan-Year 2 Dec	257,212.44	200,146.65	57,065.79	-	3,089,404.40
Year 3 Jan-Year 3 Dec	257,212.44	196,377.11	60,835.33	-	3,028,569.07
Year 4 Jan-Year 4 Dec	257,212.44	192,358.54	64,853.90	-	2,963,715.17
Year 5 Jan-Year 5 Dec	257,212.44	188,074.54	69,137.90	-	2,894,577.27
Year 6 Jan-Year 6 Dec	257,212.44	183,507.55	73,704.89	-	2,820,872.38
Year 7 Jan-Year 7 Dec	257,212.44	178,638.89	78,573.55	-	2,742,298.83
Year 8 Jan-Year 8 Dec	257,212.44	173,448.59	83,763.85	-	2,658,534.98
Year 9 Jan-Year 9 Dec	257,212.44	167,915.48	89,296.96	-	2,569,238.02
Year 10 Jan-Year 10 Dec	257,212.44	162,016.85	95,195.59	-	2,474,042.43
	2,572,124.40	1,846,166.83	725,957.57	-	