

Executive Summary

Property Information

Type	Apartment Complex
Number of Units	14
Square Footage	n/a

Sources of Funds

Cash Investment	464,100	30.84%
First Mortgage (20 year term, 4.50% rate)	1,040,900	69.16%

Annualized 1st Year Income & Expenses

Gross Income	177,500	Total:	1,505,000
Vacancy & Credit Allowance	14,200		
Gross Operating Income	163,300		
Operating Expenses	38,690		
Net Operating Income	124,610		

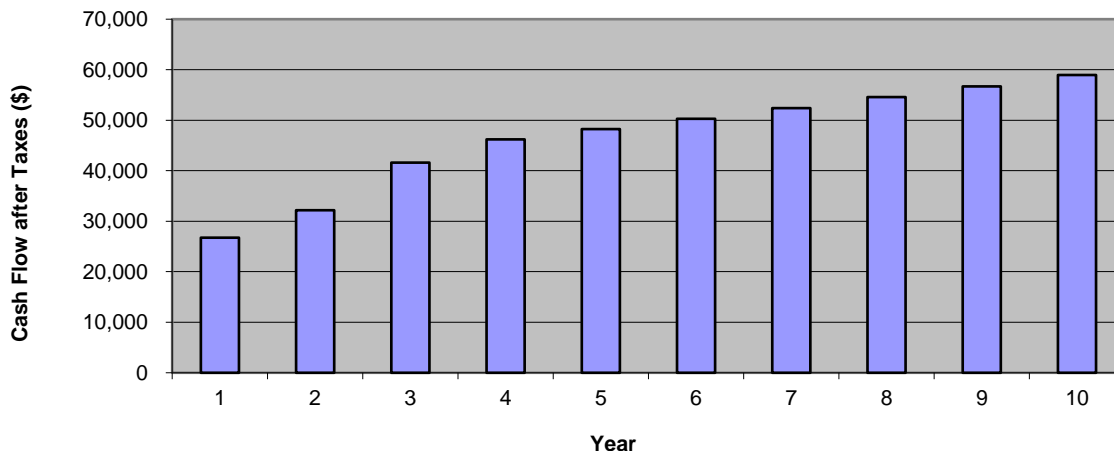
Assumptions

Discount Rate for PV	10.00%
Capitalization Rate for Resale	8.00%
Holding Period (Years)	10
Depreciable Basis	0
Depreciation Type	27.5-Year
1st Year Marginal Tax Rate	24.00%

Uses of Funds

Purchase Price, Real Property	1,487,000	98.80%
Closing Costs	18,000	1.20%
Points	0	0.00%
1st Year Capital Improvements	0	0.00%
Total:	1,505,000	

10-Year Projected Cash Flow After Taxes



Financial Measures

	Year 1	Year 5	Year 10
Capitalization Rate	8.38%	9.44%	10.52%
Debt Coverage Ratio	1.58	2.13	2.37
Cash on Cash Return	9.82%	16.18%	19.67%
IRR before Taxes	4.74%	21.36%	20.07%
IRR after Taxes	0.84%	16.80%	15.83%
Return on Equity	6.07%	6.27%	5.07%

	Year 1	Year 5	Year 10
Gross Income Multiplier	8.80	9.25	9.33
Gross Income/SF	n/a	n/a	n/a
Operating Expense Ratio	23.69%	22.32%	21.63%
Operating Expenses/SF	n/a	n/a	n/a
PV, NOI+Reversion	1,430,162	1,531,465	1,570,727
PV, CFAT+Sale Proceeds	425,458	608,730	700,888