

Property

Name	The RealData Building
Type	Apartment Building
Location	878 Main St. South Haven, CT 06999 14,000 sf

Assumptions

Safe Rate for MIRR	1.00%
Reinvestment Rate for MIRR	5.00%
Discount Rate for PV	10.00%
Capitalization Rate for Resale	10.00%

Income & Expenses

Gross Scheduled Income	184,150
+ 1.62% every year	
Vacancy & Credit Loss (3%)	5,525
Operating Expenses	
Insurance	4,500
+ 4.00% every year	
Taxes	10,096
+ 4.00% every year	
Other Operating Expenses	26,349
+ 2.80% every year	
Total Operating Expenses	40,945
Net Operating Income	137,681

Capital Improvements

	Year 1	Year 2	Year 3	Year 7
	10,000	8,000	2,000	5,000

Financial Measures

	Year 1	Year 7	Year 13	Year 20
Capitalization Rate	13.63%	14.36%	15.27%	16.31%
Debt Coverage Ratio	1.89	1.92	1.96	2.05
Internal Rate of Return	85.52%	24.70%	20.93%	19.49%
Modified Internal Rate of Return	85.52%	19.85%	14.78%	12.37%
Present Value, at 10.00%	1,289,186	1,392,600	1,452,296	1,490,167
Gross Income Multiplier	7.48	7.26	7.01	6.69
Cash-on-Cash Return	17.05%	17.15%	20.14%	22.51%
Gross Income per RSF	13.15	14.49	15.95	17.85
Operating Expense Ratio	22.92%	25.20%	27.73%	31.05%
Operating Expenses per RSF	2.92	3.54	4.29	5.38

Purchase

Price, Real Property	1,000,000
	71.43 per sf
Cash Investment (38%)	381,000
Closing Costs	8,000

Financing

Loan Amount	(65% LTV)	650,000
		20 year term
Interest Rate		9.50%
	+ 0.15% every year	

Cash Flow

Net Operating Income	137,681
Debt Service	72,706
Cash Flow Before Taxes	64,974
Cash-on-Cash Return	17.05%

Resale

Sale at end of year	Year 20
Cost of sale	116,991
Selling price	1,671,300