

Purchase Price 1,150,000  
Cash Investment 616,608

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>GROSS INCOME</b>	200,161	201,025	267,562	274,864	284,842	289,131	291,894	294,039	298,043	299,788
- Vacancy & Credit Allowance	6,005	6,031	8,027	8,246	8,545	8,674	8,757	8,821	8,941	8,994
- Operating Expenses	41,566	44,319	48,086	49,596	51,251	52,729	54,193	55,680	57,287	58,857
<b>NET OPERATING INCOME</b>	152,590	150,675	211,449	217,022	225,046	227,728	228,944	229,539	231,815	231,937
- Interest, All Loans	34,254	30,754	31,724	30,542	29,307	28,014	50,505	48,854	47,127	45,320
- Depreciation and Amortization	36,595	43,377	48,434	51,383	55,132	63,434	50,576	49,709	49,709	47,615
+ Interest, Funded Reserves	4,000	1,641	0	0	0	0	0	0	0	0
<b>INCOME OR (LOSS)</b>	85,741	78,185	131,291	135,097	140,607	136,279	127,864	130,976	134,979	139,003
<b>(LOSS) UTILIZED THIS YEAR</b>	0	0	0	0	0	0	0	0	0	0
<b>TAXABLE INCOME</b>	85,741	78,185	131,291	135,097	140,607	136,279	127,864	130,976	134,979	139,003
<b>NET OPERATING INCOME</b>	152,590	150,675	211,449	217,022	225,046	227,728	228,944	229,539	231,815	231,937
- Debt Service, All Mortgages	133,694	271,516	57,441	57,441	57,441	57,441	86,445	86,445	86,445	86,445
+ Proceeds of Mortgages, Less Points	265,233	34,134	0	0	0	0	537,175	0	0	0
- Capital Expenditures and Funded Reserves	347,100	17,700	91,787	46,240	10,473	0	0	0	0	0
<b>CASH FLOW BEFORE TAXES</b>	(62,971)	(104,407)	62,222	113,341	157,133	170,287	679,674	143,093	145,370	145,492
Reserves Utilized	62,971	42,670	0	0	0	0	0	0	0	0
Reserves Remaining	41,029	0	0	0	0	0	0	0	0	0
<b>NET CASH FLOW AFTER UTILIZING RESERVES</b>	0	(61,737)	62,222	113,341	157,133	170,287	679,674	143,093	145,370	145,492
- Estimated Income Tax Attributable to Property	20,578	18,764	31,510	32,423	33,746	32,707	30,687	31,434	32,395	33,361
<b>CASH FLOW AFTER TAXES AND RESERVES</b>	(20,578)	(80,501)	30,712	80,918	123,387	137,580	648,987	111,659	112,975	112,132
<b>GAIN OR (LOSS) ON SALE, Real Estate</b>	(194,814)	(187,155)	288,043	341,873	457,345	527,652	585,496	638,133	704,998	753,636
<b>GAIN ON SALE, Personal Property</b>	0	0	0	0	0	0	0	0	0	0
<b>PROJECTED SELLING PRICE, incl. personal prop.</b>	1,387,200	1,369,800	1,922,300	1,972,900	2,045,900	2,070,300	2,081,300	2,086,700	2,107,400	2,108,500
- Costs of Sale	97,104	95,886	134,561	138,103	143,213	144,921	145,691	146,069	147,518	147,595
- Mortgage Payoffs	918,293	711,665	685,948	659,050	630,916	601,490	1,102,725	1,065,133	1,025,814	984,690
+ Balance of Reserve Fund	41,029	0	0	0	0	0	0	0	0	0
<b>BEFORE-TAX SALE PROCEEDS</b>	412,832	562,249	1,101,791	1,175,747	1,271,771	1,323,889	832,884	875,498	934,068	976,215
- Estimated Total Federal Tax on Sale	(3,971)	(3,530)	49,802	61,695	82,596	101,224	114,897	127,581	142,398	153,979
<b>AFTER-TAX SALE PROCEEDS</b>	416,802	565,779	1,051,989	1,114,052	1,189,174	1,222,665	717,987	747,917	791,669	822,236
<b>Internal Rate of Return, Before Tax</b>	-33.05%	-9.90%	20.89%	19.91%	20.21%	19.82%	19.20%	19.37%	19.56%	19.58%
<b>Modified Internal Rate of Return, Before Tax</b>	-33.05%	-9.90%	19.79%	18.92%	19.01%	18.30%	17.32%	16.64%	16.10%	15.52%
<b>Internal Rate of Return, After-Tax</b>	-35.74%	-12.94%	15.97%	15.35%	15.83%	15.61%	15.15%	15.42%	15.69%	15.78%
<b>Modified Internal Rate of Return, After Tax</b>	-35.74%	-12.72%	14.79%	14.42%	14.86%	14.52%	13.88%	13.51%	13.23%	12.88%
<b>PV, Net Operating Inc. &amp; Sale Price less Costs of Sale</b>	1,311,532	1,316,064	1,765,262	1,823,527	1,891,491	1,925,445	1,949,377	1,968,503	1,992,678	2,006,933
<b>PV, CFAT and Sale Proceeds after Taxes</b>	360,204	382,349	728,212	754,018	808,103	837,542	848,853	881,411	916,160	940,654
<b>EQUITY (deducting Costs of Sale)</b>	542,036	562,249	1,101,791	1,175,747	1,271,771	1,323,889	832,884	875,498	934,068	976,215
<b>Equity Multiple (total cash distributions/initial equity)</b>	0.67	0.81	1.79	2.09	2.50	2.86	3.17	3.47	3.80	4.10
<b>RETURN ON EQUITY (CFAT/Equity)</b>	-15.41%	-21.91%	2.79%	6.88%	9.70%	10.39%	13.42%	12.75%	12.09%	11.49%

NOTE: If this analysis includes a partial first year, then the IRR, MIRR and PV calculations use estimated full year amounts for cash flow and NOI.  
Sale-year depreciation is adjusted within the calculation of resale tax and proceeds.

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	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
<b>GROSS INCOME</b>	300,994	302,235	308,953	310,270	311,625	313,021	314,459	315,940	317,466	319,038
- Vacancy & Credit Allowance	9,030	9,067	9,269	9,308	9,349	9,391	9,434	9,478	9,524	9,571
- Operating Expenses	60,458	62,114	64,038	65,811	67,645	69,542	71,506	73,538	75,640	77,816
<b>NET OPERATING INCOME</b>	231,506	231,054	235,646	235,151	234,631	234,088	233,519	232,924	232,302	231,651
- Interest, All Loans	43,431	41,455	39,388	37,226	34,965	32,600	30,127	27,539	24,833	22,003
- Depreciation and Amortization	47,615	47,615	47,615	47,615	47,615	47,615	47,615	47,615	47,615	47,615
+ Interest, Funded Reserves	0	0	0	0	0	0	0	0	0	0
<b>INCOME OR (LOSS)</b>	140,461	141,985	148,644	150,310	152,052	153,873	155,778	157,770	159,854	162,034
<b>(LOSS) UTILIZED THIS YEAR</b>	0	0	0	0	0	0	0	0	0	0
<b>TAXABLE INCOME</b>	140,461	141,985	148,644	150,310	152,052	153,873	155,778	157,770	159,854	162,034
<b>NET OPERATING INCOME</b>	231,506	231,054	235,646	235,151	234,631	234,088	233,519	232,924	232,302	231,651
- Debt Service, All Mortgages	86,445	86,445	86,445	86,445	86,445	86,445	86,445	86,445	86,445	86,445
+ Proceeds of Mortgages, Less Points	0	0	0	0	0	0	0	0	0	0
- Capital Expenditures and Funded Reserves	0	0	0	0	0	0	0	0	0	0
<b>CASH FLOW BEFORE TAXES</b>	145,061	144,609	149,201	148,705	148,186	147,643	147,074	146,479	145,857	145,206
Reserves Utilized	0	0	0	0	0	0	0	0	0	0
Reserves Remaining	0	0	0	0	0	0	0	0	0	0
<b>NET CASH FLOW AFTER UTILIZING RESERVES</b>	145,061	144,609	149,201	148,705	148,186	147,643	147,074	146,479	145,857	145,206
- Estimated Income Tax Attributable to Property	33,711	34,076	35,674	36,074	36,492	36,930	37,387	37,865	38,365	38,888
<b>CASH FLOW AFTER TAXES AND RESERVES</b>	111,351	110,533	113,527	112,631	111,694	110,713	109,687	108,614	107,492	106,318
<b>GAIN OR (LOSS) ON SALE, Real Estate</b>	797,623	841,425	927,821	971,250	1,014,494	1,057,551	1,100,330	1,142,922	1,185,236	1,227,363
<b>GAIN ON SALE, Personal Property</b>	0	0	0	0	0	0	0	0	0	0
<b>PROJECTED SELLING PRICE, incl. personal prop.</b>	2,104,600	2,100,500	2,142,200	2,137,700	2,133,000	2,128,100	2,122,900	2,117,500	2,111,800	2,105,900
- Costs of Sale	147,322	147,035	149,954	149,639	149,310	148,967	148,603	148,225	147,826	147,413
- Mortgage Payoffs	941,676	896,686	849,629	800,410	748,930	695,085	638,767	579,861	518,249	453,807
+ Balance of Reserve Fund	0	0	0	0	0	0	0	0	0	0
<b>BEFORE-TAX SALE PROCEEDS</b>	1,015,602	1,056,779	1,142,617	1,187,651	1,234,760	1,284,048	1,335,530	1,389,414	1,445,725	1,504,680
- Estimated Total Federal Tax on Sale	164,863	175,718	192,963	203,763	214,535	225,278	235,981	246,655	257,287	267,892
<b>AFTER-TAX SALE PROCEEDS</b>	850,740	881,061	949,654	983,888	1,020,225	1,058,769	1,099,550	1,142,759	1,188,438	1,236,788
<b>Internal Rate of Return, Before Tax</b>	19.55%	19.52%	19.58%	19.53%	19.47%	19.41%	19.36%	19.31%	19.26%	19.21%
<b>Modified Internal Rate of Return, Before Tax</b>	14.98%	14.50%	14.17%	13.76%	13.39%	13.05%	12.73%	12.44%	12.17%	11.91%
<b>Internal Rate of Return, After-Tax</b>	15.83%	15.85%	15.98%	15.97%	15.95%	15.92%	15.90%	15.86%	15.83%	15.80%
<b>Modified Internal Rate of Return, After Tax</b>	12.53%	12.21%	12.02%	11.75%	11.49%	11.24%	11.02%	10.81%	10.61%	10.43%
<b>PV, Net Operating Inc. &amp; Sale Price less Costs of Sale</b>	2,018,074	2,028,115	2,051,022	2,059,381	2,066,911	2,073,692	2,079,780	2,085,261	2,090,178	2,094,603
<b>PV, CFAT and Sale Proceeds after Taxes</b>	960,853	978,626	1,005,859	1,019,526	1,031,410	1,041,689	1,050,511	1,058,042	1,064,401	1,069,726
<b>EQUITY (deducting Costs of Sale)</b>	1,015,602	1,056,779	1,142,617	1,187,651	1,234,760	1,284,048	1,335,530	1,389,414	1,445,725	1,504,680
<b>Equity Multiple (total cash distributions/initial equity)</b>	4.40	4.71	5.09	5.40	5.72	6.04	6.36	6.68	7.01	7.34
<b>RETURN ON EQUITY (CFAT/Equity)</b>	10.96%	10.46%	9.94%	9.48%	9.05%	8.62%	8.21%	7.82%	7.44%	7.07%

NOTE: If this analysis includes a partial first year, then the IRR, MIRR and PV calculations use estimated full year amounts for cash flow and NOI.  
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