

INPUT DATA

Project Assumptions

Important Note: Only The Yellow Boxes are Input Fields. Other calculated fields are there for convenience only. Do not enter numbers in these fields.

Use Alternative Input Sheet (1=yes, 0=no)

GENERAL PROJECT INPUT

Scenario or Project Name:

Participation Percentage	<input type="text" value="100.00%"/>	Number of Apartments/Offices	<input type="text" value="8"/>
Opportunity Cost of Equity Capital	<input type="text" value="10.00%"/>	Number of Bedrooms/Rooms	<input type="text" value="20"/>
Market Capitalization Rate	<input type="text" value="9.00%"/>	Gross Leaseable Area (sq. ft.)	<input type="text" value="10,000"/>
Market Gross Income (rent) Multiplier	<input type="text" value="8.00"/>	Gross Building Area (sq. ft.)	<input type="text" value="12,000"/>
		Building Efficiency Ratio	83.33%

OPTIONAL

Description, Comments, Etc.

This property, located at 1234 Wilderness lane, is ideal for those who can visualize how to add value through judicious use of capital improvements. It has significant acreage, a country setting and easy access. But it needs some work - i.e. it has no curb appeal and could benefit greatly from some modest landscaping. In addition, some roof work is needed and possibly some siding. Ideal for student housing.

ASSUMPTIONS for ASSETS:

	ASSET # 1	ASSET # 2	ASSET # 3	ASSET # 4
In-Service Switch: 1=Use Asset, 0=Ignore it	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Year Placed in Service (0-15; 0 is at closing)	<input type="text" value="0"/>	<input type="text" value="3"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Value of Depreciable Asset	<input type="text" value="720,000"/>	<input type="text" value="10,000"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Value of Land (if asset is 27.5 or 39 yr property)	<input type="text" value="80,000"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Tax Life	<input type="text" value="27.50"/>	<input type="text" value="27.50"/>	<input type="text" value="5.00"/>	<input type="text" value="5.00"/>
Depr. Method: 1=straight line, 2=decl. balance	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="2"/>	<input type="text" value="2"/>
Declining Balance Rate if Method 2 is used	<input type="text" value="150.00%"/>	<input type="text" value="150.00%"/>	<input type="text" value="200.00%"/>	<input type="text" value="200.00%"/>

Reserved for Error Messages or Warnings Regarding Assets

ASSUMPTIONS for LOANS

	LOAN # 1	LOAN # 2	LOAN # 3	LOAN # 4
In-Service Switch: 1=Use Loan, 0=Ignore it	<input type="text" value="1"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Year Placed in Service (0-15; 0 is at closing)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Loan Type: 1 = straight term, 2 = amortized	<input type="text" value="2"/>	<input type="text" value="2"/>	<input type="text" value="2"/>	<input type="text" value="2"/>
Term of Loan in Years (yrs to maturity)	<input type="text" value="30"/>	<input type="text" value="20"/>	<input type="text" value="20"/>	<input type="text" value="20"/>
Amortization Period in Years (if dif. from Term)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Loan Amount	<input type="text" value="600,000"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Interest Rate	<input type="text" value="7.25%"/>	<input type="text" value="8.00%"/>	<input type="text" value="8.00%"/>	<input type="text" value="8.00%"/>
Discount Points-capitalized loan fee	<input type="text" value="12,000"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Other Loan Closing Costs	<input type="text" value="2,000"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Minimum Required DSC Ratio	<input type="text" value="1.25"/>			
Max. Debt Service (yrlly) Given Req. DCSR	50,496			
Max. Loan Given Required DSC Ratio	616,849			

Reserved for Error Messages or Warnings Regarding Loans

Add Picture Here if Desired.

Initial Working Capital Reserve at Closing
Cash Investments Account Deposit

Automatic Calculation of Equity Required Given the Above Capital Requirements & Debt Obligatio

Total Capital Required	814,000	100.00%
Loan Amount & % Loan / Capital Requirement	600,000	73.71%
Initial Equity Invested & % Equity / Cap Req	214,000	26.29%
Mkt Value of Asset & Loan to Value Ratio	800,000	75.00%

Capital Required is comprised of Assets
+ Capitalized Loan Fee's (from points)
+ Other Closing Costs
+ any initial Working Capital Reserve in Year 0 (closing).

Market Capitalization Rate	9.0%
Seller's Capitalization Rate	8.0%
Market Net Income Multiplier	11.11
Seller's Net Income Multiplier	12.46
Market Gross Income Multiplier	8.00
Seller's Gross Income Multiplier	8.77

Forecasted Years

[Input Tips]

PREPAYMENT ON LOANS

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Annual Prepayment for Loan # 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Prepayment for Loan # 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Prepayment for Loan # 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Prepayment for Loan # 4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

NEW INTEREST RATE (for variable rate loans)

New Interest Rate for Loan # 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
New Interest Rate for Loan # 2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
New Interest Rate for Loan # 3	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
New Interest Rate for Loan # 4	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

FUTURE EQUITY INFUSIONS

Additional Equity Capital Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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SALE ASSUMPTIONS

Asset Appreciation Rate	4.00%	4.00%	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Sales Commission Rate	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%

REVENUE ASSUMPTIONS

	Historical Base Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Potential Rental Income	96,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Growth Rate of Rental Income		0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Vacancy Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Other Non-Interest Oper. Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Potential Rental Income	96,000	96,000	99,840	103,834	107,987	112,306	116,799	121,471	126,329	131,383	136,638	142,103	147,788	153,699	159,847	166,241
Other Non-Interest Oper. Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Potential Gross Income	96,000	96,000	99,840	103,834	107,987	112,306	116,799	121,471	126,329	131,383	136,638	142,103	147,788	153,699	159,847	166,241
less Vacancy Allowance	4,800	4,800	4,992	5,192	5,399	5,615	5,840	6,074	6,316	6,569	6,832	7,105	7,389	7,685	7,992	8,312
Total Effective Gross Income	91,200	91,200	94,848	98,642	102,588	106,691	110,959	115,397	120,013	124,813	129,806	134,998	140,398	146,014	151,855	157,929
Seller's Gross Inc. Multiplier	8.77															

OPERATING EXPENSES

	Historical Base Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Maintenance	2,000	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847	2,960	3,079	3,202	3,330	3,463	3,602
Utilities	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801
Insurance	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801
Administrative & General	1,500	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	2,135	2,220	2,309	2,402	2,498	2,598	2,701
Advertising	500	520	541	562	585	608	633	658	684	712	740	770	801	833	866	900
Supplies	500	520	541	562	585	608	633	658	684	712	740	770	801	833	866	900
Property Management	3,000	3,120	3,245	3,375	3,510	3,650	3,796	3,948	4,106	4,270	4,441	4,618	4,803	4,995	5,195	5,403
Outside Services	500	520	541	562	585	608	633	658	684	712	740	770	801	833	866	900
Salaries and Commissions	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801
Property tax	16,000	16,640	17,306	17,998	18,718	19,466	20,245	21,055	21,897	22,773	23,684	24,631	25,617	26,641	27,707	28,815
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Total Operating Expenses	27,000	28,080	29,203	30,371	31,586	32,850	34,164	35,530	36,951	38,429	39,967	41,565	43,228	44,957	46,755	48,625
TI Oper Exp as % of Pot Rental Inc	28.12%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%	29.25%
Net Operating Income (NOI)	64,200	63,120	65,645	68,271	71,001	73,841	76,795	79,867	83,062	86,384	89,839	93,433	97,170	101,057	105,099	109,303
Seller's Capitalization Rate	8.02%															
Seller's Net Income Multiplier	12.46															

OPER EXP GROWTH ASSUM.

	Option (1 or 2)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Maintenance	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Utilities	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Insurance	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Administrative & General	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Advertising	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Supplies	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Property Management	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Outside Services	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Salaries and Commissions	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Property Tax	1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

SPECIAL NON-OPERATING EXP. & INC.

Extraordinary Non-Operating Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extraordinary Non-Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

WORKING CAPITAL ASSUMPTIONS

Accounts Receivable as % of Pot. Rental Inc.	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Accounts Payable as % of Pot. Rental Inc.	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

SHORT TERM DEBT AND CASH INVESTMENT

Short Term Debt Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Cash Investments (savings acct) Interest Rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Maximum Cash Investments Allowed	10,000	10,000	10,000	0	0	0	0	0	0	0	0	0	0	0	0

AUTOMATIC FINANCING PARAMETERS

Minimum Interest Cov. B4 Tax Allowed	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maximum Allowed Debt Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

GOAL SEEKING (Automatic Return Options):

Goal Seeking Options Are: (see Documentation K. for more information)
 0 = No Option is specified
 1 = Target a Minimum, but not Maximum Gross Operating Margin
 2 = Target an Exact Gross Operating Margin
 3 = Target a Minimum, but not Maximum Cash-On-Cash Return
 4 = Target an Exact Cash-On-Cash Return
 5 = Target a Minimum, but not Maximum Capitalization Rate
 6 = Target an Exact Capitalization Rate
 7 = Target a Minimum, but not Maximum Gross Inc. to Mkt Value Ratio
 8 = Target an Exact Gross Inc. to Mkt Value Ratio (1/Gr Inc. Multiplier)

Specified Goal Seeking Option Number	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specified Target Gross Operating Margin	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Specified Target Cash-On-Cash Return	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Specified Target Capitalization Rate	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Specified Target Gross Inc. to Mkt Value Ratio	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
Minimum Size of Revenue Adjustment Allowed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TAX ASSUMPTIONS (see note below)

Annual AGI (Income) of Investor	0															
Fed. Tax Loss Pass Thru Option	1															
Federal Income Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	
Federal Capital Gains Tax Rate	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	
Fed. Cap. Gains Tax Rate on Depr.	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	
State Tax Loss Pass Thru Option	1															
State Income Tax Rate	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	7.90%	
State Capital Gains Tax Rate	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	

The Tax Loss Pass-Thru Option can have only one of three values: 0, 1 or 2. The annual Adjusted Gross Income (personal income) is only used when the option is set to 2.
 Value of 0 = Passive Investor. Never allows losses to be passed thru to personal income. Losses will be accumulated and written off against property income or written off at sale.
 Value of 1 = For Real Estate Professional. Always passes losses thru to be written off against personal income. No limit.
 Value of 2 = Active Investor. Passes thru losses to personal income according to IRS rules explained below. Active Investors must have some involvement with property management.
 IRS limits losses to \$25,000 for Income less than \$100,000; \$0 if Income > \$150,000; Otherwise \$25,000 - (Personal Income -100,000)/2. Losses not passed thru will be accumulated.