

NET WORTH ANALYSIS

NET WORTH COMPONENTS:
 (an Income & Balance Sheet Approach)

This analysis looks at the components of Net Worth from an accounting point of view (see Balance Sheet restated at Market value).

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NET WORTH - from Sale (after tax)															
Market Value of Property	832,000	865,280	910,091	946,495	984,355	1,023,729	1,064,678	1,107,265	1,151,556	1,197,618	1,245,523	1,295,344	1,347,157	1,401,044	1,457,085
less Depreciable Property at Original Basis	720,000	720,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000
less Land at Original Cost	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Market Appreciation Gain	32,000	65,280	100,091	136,495	174,355	213,729	254,678	297,265	341,556	387,618	435,523	485,344	537,157	591,044	647,085
less Liability for Sales Commission	58,240	60,570	63,706	66,255	68,905	71,661	74,527	77,509	80,609	83,833	87,187	90,674	94,301	98,073	101,996
less Write-off of Unamort. Loan Points	11,600	11,200	10,800	10,400	10,000	9,600	9,200	8,800	8,400	8,000	7,600	7,200	6,800	6,400	6,000
less Write-off of Other Loan Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
less Liab. for Taxes related to Sale	-4,852	10,177	22,866	35,979	49,323	62,908	76,742	90,836	105,200	119,845	134,782	150,023	165,580	181,465	197,693
plus TI Accumulated Depreciation	25,091	51,273	77,621	104,167	130,712	157,258	183,803	210,348	236,894	263,439	289,985	316,530	343,076	369,621	396,167
Net Worth Due to Sale of Property	-7,898	34,606	80,340	128,028	176,839	226,818	278,012	330,469	384,241	439,379	495,939	553,977	613,552	674,726	737,563
NET WORTH - from Balance Sht (aftr tax)															
Retained Earnings	-12,368	-30,088	-40,088	-69,742	-88,851	-107,376	-125,272	-142,494	-158,990	-174,705	-189,583	-203,560	-216,568	-228,535	-239,384
Equity Investment	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000
Net Worth from Balance Sheet	201,632	183,912	173,912	144,258	125,149	106,624	88,728	71,506	55,010	39,295	24,417	10,440	-2,568	-14,535	-25,384
NET WORTH - from Investment Portfolio															
Cash Dividends to Investors	0	14,171	9,416	31,032	22,422	23,954	25,538	27,178	28,873	30,626	32,439	34,312	36,248	38,247	40,312
Plus Total Tax Savings on Personal Income	4,964	1,424	234	0	0	0	0	0	0	0	0	0	0	0	0
Spendable Cash (for investors)	4,964	15,595	9,650	31,032	22,422	23,954	25,538	27,178	28,873	30,626	32,439	34,312	36,248	38,247	40,312
After Tax Earnings on Investor Portfolio	45	230	461	834	1,329	1,770	2,246	2,760	3,313	3,906	4,543	5,224	5,951	6,727	7,553
Value of Investment Portfolio	5,009	20,834	30,945	62,811	86,562	112,286	140,070	170,007	202,193	236,726	273,707	313,243	355,442	400,417	448,282
TI Net Worth (Future Cash Value aft Sale)	198,743	239,351	285,197	335,097	388,550	445,728	506,809	571,983	641,444	715,400	794,063	877,661	966,427	1,060,608	1,160,461
EQUITY BUILD-UP (Incr. in NET WORTH)															
Equity Build-UP from Sale	-7,898	42,503	45,735	47,687	48,811	49,979	51,194	52,458	53,772	55,138	56,560	58,038	59,575	61,174	62,837
Equity Build-UP from Balance Sheet	-12,368	-17,720	-10,000	-29,653	-19,109	-18,525	-17,897	-17,221	-16,496	-15,716	-14,878	-13,977	-13,008	-11,967	-10,849
Equity Build-UP from Investment Portfolio	5,009	15,825	10,111	31,866	23,751	25,723	27,784	29,937	32,186	34,533	36,982	39,536	42,199	44,974	47,866
TI Equity Build-UP (after tax)	-15,257	40,609	45,846	49,900	53,453	57,177	61,082	65,173	69,462	73,955	78,664	83,597	88,766	94,181	99,854
Equity Growth Rate (after tax)	-7.1%	20.4%	19.2%	17.5%	16.0%	14.7%	13.7%	12.9%	12.1%	11.5%	11.0%	10.5%	10.1%	9.7%	9.4%

NET WORTH ANALYSIS

NET WORTH COMPONENTS:
 (an Economic (i.e. Cash) Approach)

This analysis looks at the components of Net Worth more from an economic (cash) viewpoint rather than from an accounting view point.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
TL MONEY MADE ON THE PROJECT															
TI Net Worth (Future Cash Value aft Sale)	198,743	239,351	285,197	335,097	388,550	445,728	506,809	571,983	641,444	715,400	794,063	877,661	966,427	1,060,608	1,160,461
- Total Accumulated Contributed Equity	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000
Total Money (cash) Made on The Project	-15,257	25,351	71,197	121,097	174,550	231,728	292,809	357,983	427,444	501,400	580,063	663,661	752,427	846,608	946,461
MONEY MADE from ASSET Appreciation															
Market Value of Property	832,000	865,280	910,091	946,495	984,355	1,023,729	1,064,678	1,107,265	1,151,556	1,197,618	1,245,523	1,295,344	1,347,157	1,401,044	1,457,085
less Sales Commissions	58,240	60,570	63,706	66,255	68,905	71,661	74,527	77,509	80,609	83,833	87,187	90,674	94,301	98,073	101,996
Realized Cash Proceeds from Sale	773,760	804,710	846,385	880,240	915,450	952,068	990,151	1,029,757	1,070,947	1,113,785	1,158,336	1,204,670	1,252,856	1,302,971	1,355,089
less TI Taxes from Sale	-4,852	10,177	22,866	35,979	49,323	62,908	76,742	90,836	105,200	119,845	134,782	150,023	165,580	181,465	197,693
Net Cash Proceeds From Sale	778,612	794,533	823,519	844,261	866,126	889,160	913,409	938,921	965,747	993,940	1,023,554	1,054,647	1,087,276	1,121,505	1,157,397
less Depreciable Property at Original Basis	720,000	720,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000
less Land at Original Cost	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Money Made Due to Appreciation	-21,388	-5,467	13,519	34,261	56,126	79,160	103,409	128,921	155,747	183,940	213,554	244,647	277,276	311,505	347,397
Money Made Due to Cash Flow Generation	6,085	30,537	56,930	85,252	115,510	147,884	182,471	219,373	258,696	300,552	345,058	392,339	442,524	495,750	552,159
Money Made Due to Re-Investmt Assumpt.	47	281	748	1,585	2,914	4,684	6,930	9,689	13,002	16,908	21,451	26,675	32,626	39,353	46,906
Ratio of TL Money Made From Appreciation	140.19%	-21.56%	18.99%	28.29%	32.15%	34.16%	35.32%	36.01%	36.44%	36.69%	36.82%	36.86%	36.85%	36.79%	36.70%
Ratio of Money Made From CashFlow Generation	-39.88%	120.45%	79.96%	70.40%	66.18%	63.82%	62.32%	61.28%	60.52%	59.94%	59.49%	59.12%	58.81%	58.56%	58.34%
Ratio of Money Made From Re-Investmt Assumpt.	-0.31%	1.11%	1.05%	1.31%	1.67%	2.02%	2.37%	2.71%	3.04%	3.37%	3.70%	4.02%	4.34%	4.65%	4.96%
Assumed Market Appreciation Rate	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%
Assumed B4 Tax Re-Investmt 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%
After Tax Re-Investmt Rate	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%