



1st Year Pro forma

City, State	Indianapolis, IN
Street	2113 Medford Ave
Property Type	Single family
Year Built	1948
Living Area Sq Ft	950
Bedrooms	3
Baths	1
Neighborhood Class	C+
Price	\$125,000
Cost per Sq Ft	\$131.58
Monthly Rent per Sq Ft	\$1.26



Income	Monthly	Annual
Gross Rent	\$1,200	\$14,400
Vacancy Losses	\$60	\$720
Gross Operating Income	\$1,140	\$13,680
Expenses	Monthly	Annual
Property Taxes	\$118	\$1,418
Insurance	\$55	\$660
Management	\$103	\$1,231
Leasing/Advertising	\$0	\$0
Gas, electric, water	\$0	\$0
Maintenance	\$48	\$576
Lawcare/Snow removal	\$0	\$0
Operating Expenses	\$324	\$3,885

Net Performance	Monthly	Annual
Net Operating Income	\$816	\$9,795
Debt Service	\$665	\$7,984
Cash Flow	\$151	\$1,811
Principal Reduction	\$85	\$1,016
First Year Appreciation	\$313	\$3,750
Gross Income & Equity Return	\$548	\$6,577

Financial Indicators	
Debt Cover Ratio	1.2
Annual Gross Rent Multiplier	8.7
Monthly Gross Rent Multiplier	104
Rent ratio	1.0%
Capitalization Rate	7.8%
Cash on Cash Return	7.2%
Total Return on Investment	26.3%

Assumptions	
Real Estate Appreciation Rate	3%
Vacancy Rate	5%
Management Fee	9%
Maintenance Percentage	4%
Rental Increase	2.0%

Mortgage Information	
Loan to Value	80.0%
Downpayment	\$25,000
Loan Amount	\$100,000
Terms	360
Interest Rate*	7.000%
Mortgage Payment	\$665.30

These are projections only and performance is not guaranteed. All investments have risk and investors should do their own due diligence Rates can vary and are subject to change.

10 Year Performance Summary----Cash-flow & Equity

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	
INCOME							
Gross Rent	\$14,400	\$14,688	\$14,982	\$15,281	\$15,587	\$17,209	\$180,
Vacancy	\$720	\$734	\$749	\$764	\$779	\$860	\$160,
Operating Income	\$13,680	\$13,954	\$14,233	\$14,517	\$14,808	\$16,349	\$140,
EXPENSES							
Property taxes	\$1,418	\$1,446	\$1,475	\$1,505	\$1,535	\$1,695	\$120,
Insurance	\$660	\$673	\$687	\$700	\$714	\$789	\$100,
Management	\$1,231	\$1,256	\$1,281	\$1,307	\$1,333	\$1,471	\$80,
Maintenance	\$576	\$588	\$599	\$611	\$623	\$688	\$60,
Total Operating Expenses	\$3,885	\$3,963	\$4,042	\$4,123	\$4,205	\$4,643	\$40,
Income Analyses							
Net Operating Income	\$9,795	\$9,991	\$10,191	\$10,394	\$10,602	\$11,706	\$20,
Debt Service	\$7,984	\$7,984	\$7,984	\$7,984	\$7,984	\$7,984	
Cash Flow	\$1,811	\$2,007	\$2,207	\$2,411	\$2,619	\$3,722	
Cash on Cash Return	7.2%	8.0%	8.8%	9.6%	10.5%	14.9%	
Equity Analysis							
Principal Reduction	\$1,016	\$1,089	\$1,168	\$1,252	\$1,343	\$1,926	
Annual Appreciation	\$3,750	\$3,863	\$3,978	\$4,098	\$4,221	\$4,893	
Total Annual Equity Gain	\$4,766	\$4,952	\$5,146	\$5,350	\$5,564	\$6,819	
Total Equity Gain %	19.1%	19.8%	20.6%	21.4%	22.3%	27.28%	
Income & Equity Analysis							
Total Annual Income	\$1,811	\$2,007	\$2,207	\$2,411	\$2,619	\$3,722	
Total Annual Equity	\$4,766	\$4,952	\$5,146	\$5,350	\$5,564	\$6,819	
Total Income & Equity	\$6,577	\$6,959	\$7,353	\$7,761	\$8,182	\$10,541	
Return from Income & Equity	26.3%	27.8%	29.4%	31.0%	32.7%	42.2%	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	
Cummulative Cash flow	\$1,811	\$3,818	\$6,025	\$8,436	\$11,054	\$27,414	
Cummulative Equity Gain	\$4,766	\$9,718	\$14,864	\$20,214	\$25,778	\$57,199	
Total Cummulative Income & Equity	\$6,577	\$13,536	\$20,889	\$28,650	\$36,832	\$84,613	
Income & Equity ROI	26.3%	27.8%	29.4%	31.0%	32.7%	42.2%	

10 Year Cumulative Return

