



1st Year Pro forma

City, State	Indianapolis, IN
Street	4040 N. Kercheval Dr
Property Type	Single family
Year Built	1959
Living Area Sq Ft	1,026
Bedrooms	3
Baths	1
Neighborhood Class	C

Price	\$145,000
Cost per Sq Ft	\$141.33
Monthly Rent per Sq Ft	\$1.32



Income	Monthly	Annual
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Gross Rent	\$1,350	\$16,200
Vacancy Losses	\$68	\$810
Gross Operating Income	\$1,283	\$15,390

Expenses	Monthly	Annual
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Property Taxes	\$158	\$1,900
Insurance	\$55	\$660
Management	\$115	\$1,385
Leasing/Advertising	\$0	\$0
Gas, electric, water	\$0	\$0
Maintenance	\$54	\$648
Lawcare/Snow removal	\$0	\$0
Operating Expenses	\$383	\$4,593

Net Performance	Monthly	Annual
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Net Operating Income	\$900	\$10,797
Debt Service	\$687	\$8,248
Cash Flow	\$212	\$2,548
Principal Reduction	\$101	\$1,216
First Year Appreciation	\$363	\$4,350
Gross Income & Equity Return	\$676	\$8,114

Financial Indicators	
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Debt Cover Ratio	1.3
Annual Gross Rent Multiplier	9.0
Monthly Gross Rent Multiplier	107
Rent ratio	0.9%
Capitalization Rate	7.4%
Cash on Cash Return	7.0%
Total Return on Investment	22.4%

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

Mortgage Information	
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Loan to Value	75.0%
Downpayment	\$36,250
Loan Amount	\$108,750
Terms	360
Interest Rate*	6.500%
Mortgage Payment	\$687.37

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	\$16,200	\$16,524	\$16,854	\$17,192	\$17,535	\$19,360
Vacancy	\$810	\$826	\$843	\$860	\$877	\$968
Operating Income	\$15,390	\$15,698	\$16,012	\$16,332	\$16,659	\$18,392

EXPENSES						
Property taxes	\$1,900	\$1,938	\$1,977	\$2,016	\$2,057	\$2,271
Insurance	\$660	\$673	\$687	\$700	\$714	\$789
Management	\$1,385	\$1,413	\$1,441	\$1,470	\$1,499	\$1,655
Maintenance	\$648	\$661	\$674	\$688	\$701	\$774
Total Operating Expenses	\$4,593	\$4,685	\$4,779	\$4,874	\$4,972	\$5,489

Income Analyses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Net Operating Income	\$10,797	\$11,013	\$11,233	\$11,458	\$11,687	\$12,903
Debt Service	\$8,248	\$8,248	\$8,248	\$8,248	\$8,248	\$8,248
Cash Flow	\$2,548	\$2,764	\$2,985	\$3,209	\$3,438	\$4,655
Cash on Cash Return	7.0%	7.6%	8.2%	8.9%	9.5%	12.8%

Equity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Principal Reduction	\$1,216	\$1,297	\$1,384	\$1,476	\$1,575	\$2,202
Annual Appreciation	\$4,350	\$4,481	\$4,615	\$4,753	\$4,896	\$5,676
Total Annual Equity Gain	\$5,566	\$5,777	\$5,999	\$6,230	\$6,471	\$7,878
Total Equity Gain %	15.4%	15.9%	16.5%	17.2%	17.9%	21.73%

Income & Equity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Total Annual Income	\$2,548	\$2,764	\$2,985	\$3,209	\$3,438	\$4,655
Total Annual Equity	\$5,566	\$5,777	\$5,999	\$6,230	\$6,471	\$7,878
Total Income & Equity	\$8,114	\$8,542	\$8,983	\$9,439	\$9,910	\$12,533
Return from Income & Equity	22.4%	23.6%	24.8%	26.0%	27.3%	34.6%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Cummulative Cash flow	\$2,548	\$5,313	\$8,297	\$11,507	\$14,945	\$35,738
Cummulative Equity Gain	\$5,566	\$11,343	\$17,342	\$23,571	\$30,043	\$66,448
Total Cummulative Income & Equity	\$8,114	\$16,656	\$25,639	\$35,078	\$44,988	\$102,186
Income & Equity ROI	22.4%	23.6%	24.8%	26.0%	27.3%	34.6%

\$250,
\$200,
\$150,
\$100,
\$50,

10 Year Cumulative Return

