

# Annual Property Operating Data

## Sample Multi-family Analysis

Purpose	Broker's Recap
Name	Sample Multi-family Analysis
Location	123 Main St.
Property Type	Apartment Complex
Date	17 July 2008
Units	28

Price	\$6,555,000
-Loans	4,916,250
Down Payment	1,638,750
+Acq Costs	65,550
+Loan Points	0
Investment	1,704,300

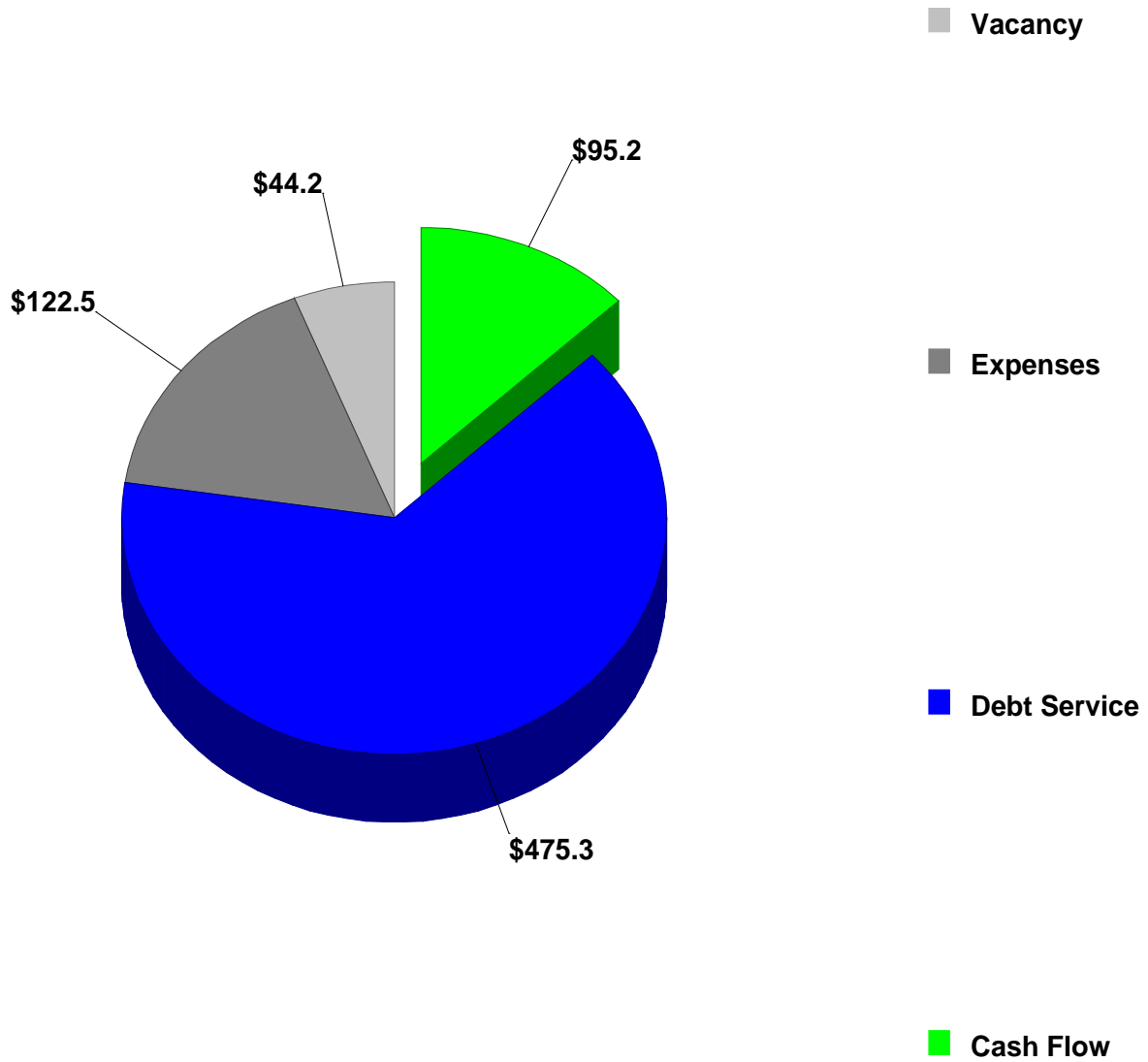
	\$/Unit	% of GI	Annual \$
<b>Gross Income</b>			
2 Bedroom @ 904 Sq. Ft. (12 units)	\$25,200	41.0%	\$302,400
3 Bedroom @ 1130 Sq. Ft. (2 units)	27,600	7.5%	55,200
3 Bedroom @ 1109 Sq. Ft. (2 units)	27,000	7.3%	54,000
3 Bedroom @ 1068 Sq. Ft. (1 units)	25,800	3.5%	25,800
3 Bedroom @ 1046 Sq. Ft. (1 units)	25,800	3.5%	25,800
3 Bedroom @ 1130 Sq. Ft. (1 units)	27,600	3.7%	27,600
3 Bedroom @ 1108.00 Sq Ft. (1 units)	27,000	3.7%	27,000
3 Bedroom @ 1104 Sq. Ft. (1 units)	27,000	3.7%	27,000
3 Bedroom @ 1088 Sq. Ft. (1 units)	25,800	3.5%	25,800
3 Bedroom @ 1156 Sq. Ft. (3 units)	28,200	11.5%	84,600
3 Bedroom @ 1112 Sq. Ft. (3 units)	27,300	11.1%	81,900
<b>Total Gross Income</b>	<b>\$26,325</b>	<b>100.0%</b>	<b>\$737,100</b>
- Vacancy & Credit Loss	1,580	6.0%	44,226
<b>Effective Income</b>	<b>\$24,746</b>	<b>94.0%</b>	<b>\$692,874</b>
Less: Operating Expenses			
Property Taxes	2,809	10.7%	78,660
Insurance	536	2.0%	15,000
Elevator	79	0.3%	2,200
Gardener	107	0.4%	3,000
Utilities	214	0.8%	6,000
Resident Manager	357	1.4%	10,000
Maintenance	114	0.4%	3,200
Reserve	114	0.4%	3,200
Miscellaneous	43	0.2%	1,200
Total Operating Expenses	<b>\$4,374</b>	<b>16.6%</b>	<b>\$122,460</b>
<b>Net Operating Income</b>	<b>\$20,372</b>	<b>77.4%</b>	<b>\$570,414</b>
Less: Debt Service	16,974	64.5%	475,260
<b>Cash Flow Before Taxes</b>	<b>\$3,398</b>	<b>12.9%</b>	<b>\$95,154</b>

Capitalization Rate	8.70%
Gross Income Multiplier	8.89
Cash on Cash	5.58%
Debt Coverage Ratio	1.200
Price/Unit	\$234,107

The data and calculations presented herein, while not guaranteed,  
have been obtained from sources we believe to be reliable.  
Produced by Michael A'Hearn American Pacific Real Estate.

# Use of Gross Income at Acquisition (\$/yr)

## Sample Multi-family Analysis



Dollars in Thousands  
Total \$ Shown - \$737.1

# Property Acquisition Report

## Sample Multi-family Analysis

This report shows the projected cash requirement for acquisition of the Sample Multi-family Analysis on 1 June 2006.

<b>Cost of Property Acquired</b>			
Price of Property	\$6,555,000		
+ Closing Costs (1%)	65,550		
<b>Total Cost of Property Acquired</b>			<b>\$6,620,550</b>
<b>Property Financing</b>			
To Be Determined Loan Principal	\$4,916,250		
To Be Determined Loan Proceeds		\$4,916,250	
Total Net Loan Proceeds			4,916,250
<b>Cash Required at Acquisition</b>			<b>\$1,704,300</b>

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# Proforma Income Statement

## Sample Multi-family Analysis

	7 Months 2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	5.0 Months 2016
<b>Gross Income</b>											
2 Bedroom @ 904 Sq. Ft.	\$176,400	\$311,220	\$326,781	\$343,120	\$360,276	\$378,290	\$397,204	\$417,065	\$437,918	\$459,814	\$195,467
3 Bedroom @ 1130 Sq. Ft.	32,200	56,810	59,651	62,633	65,765	69,053	72,506	76,131	79,937	83,934	35,681
3 Bedroom @ 1109 Sq. Ft.	31,500	55,575	58,354	61,271	64,335	67,552	70,929	74,476	78,200	82,110	34,905
3 Bedroom @ 1068 Sq. Ft.	15,050	26,553	27,880	29,274	30,738	32,275	33,888	35,583	37,362	39,230	16,677
3 Bedroom @ 1046 Sq. Ft.	15,050	26,553	27,880	29,274	30,738	32,275	33,888	35,583	37,362	39,230	16,677
3 Bedroom @ 1130 Sq. Ft.	16,100	28,405	29,825	31,317	32,882	34,526	36,253	38,065	39,969	41,967	17,840
3 Bedroom @ 1108.00 Sq Ft.	15,750	27,788	29,177	30,636	32,168	33,776	35,465	37,238	39,100	41,055	17,452
3 Bedroom @ 1104 Sq. Ft.	15,750	27,788	29,177	30,636	32,168	33,776	35,465	37,238	39,100	41,055	17,452
3 Bedroom @ 1088 Sq. Ft.	15,050	26,553	27,880	29,274	30,738	32,275	33,888	35,583	37,362	39,230	16,677
3 Bedroom @ 1156 Sq. Ft.	49,350	87,068	91,421	95,992	100,792	105,831	111,123	116,679	122,513	128,638	54,684
3 Bedroom @ 1112 Sq. Ft.	47,775	84,289	88,503	92,928	97,575	102,454	107,576	112,955	118,603	124,533	52,939
<b>Total Gross Income</b>	<b>\$429,975</b>	<b>\$758,599</b>	<b>\$796,529</b>	<b>\$836,355</b>	<b>\$878,173</b>	<b>\$922,082</b>	<b>\$968,186</b>	<b>\$1,016,595</b>	<b>\$1,067,425</b>	<b>\$1,120,796</b>	<b>\$476,452</b>
Less: Vacancy & Credit Loss	25,799	45,516	47,792	50,181	52,690	55,325	58,091	60,996	64,045	67,248	28,587
<b>Effective Income</b>	<b>\$404,177</b>	<b>\$713,083</b>	<b>\$748,737</b>	<b>\$786,174</b>	<b>\$825,483</b>	<b>\$866,757</b>	<b>\$910,094</b>	<b>\$955,599</b>	<b>\$1,003,379</b>	<b>\$1,053,548</b>	<b>\$447,865</b>
Less: Operating Expenses											
Property Taxes	45,885	79,578	81,169	82,793	84,448	86,137	87,860	89,617	91,410	93,238	39,169
Insurance	8,750	15,438	16,209	17,020	17,871	18,764	19,703	20,688	21,722	22,808	9,696
Elevator	1,283	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	917
Gardener	1,750	3,088	3,242	3,404	3,574	3,753	3,941	4,138	4,344	4,562	1,939
Utilities	3,500	6,245	6,682	7,150	7,650	8,186	8,759	9,372	10,028	10,730	4,596
Resident Manager	5,833	10,292	10,806	11,347	11,914	12,510	13,135	13,792	14,481	15,205	6,464
Maintenance	1,867	3,293	3,458	3,631	3,812	4,003	4,203	4,413	4,634	4,866	2,068
Reserve	1,867	3,293	3,458	3,631	3,812	4,003	4,203	4,413	4,634	4,866	2,068
Miscellaneous	700	1,235	1,297	1,362	1,430	1,501	1,576	1,655	1,738	1,825	776
<b>Total Operating Expenses</b>	<b>\$71,435</b>	<b>\$124,661</b>	<b>\$128,522</b>	<b>\$132,536</b>	<b>\$136,712</b>	<b>\$141,058</b>	<b>\$145,580</b>	<b>\$150,288</b>	<b>\$155,192</b>	<b>\$160,300</b>	<b>\$67,693</b>
<b>Net Operating Income</b>	<b>\$332,742</b>	<b>\$588,422</b>	<b>\$620,215</b>	<b>\$653,638</b>	<b>\$688,770</b>	<b>\$725,699</b>	<b>\$764,514</b>	<b>\$805,311</b>	<b>\$848,187</b>	<b>\$893,249</b>	<b>\$380,171</b>
Less: Debt Service	277,235	475,260	475,260	475,260	475,260	475,260	475,260	475,260	475,260	475,260	198,025
<b>Net Operating Cash Flow</b>	<b>\$55,507</b>	<b>\$113,162</b>	<b>\$144,956</b>	<b>\$178,378</b>	<b>\$213,510</b>	<b>\$250,439</b>	<b>\$289,255</b>	<b>\$330,051</b>	<b>\$372,928</b>	<b>\$417,989</b>	<b>\$182,146</b>
<b>Taxable Income and Taxes</b> (Losses Taken Currently)											
Taxable Revenues	\$404,177	\$713,083	\$748,737	\$786,174	\$825,483	\$866,757	\$910,094	\$955,599	\$1,003,379	\$1,053,548	\$447,865
Less: Deducted Expenses	71,435	124,661	128,522	132,536	136,712	141,058	145,580	150,288	155,192	160,300	67,693
Less: Interest Expense	213,908	360,063	351,120	341,482	331,097	319,905	307,845	294,848	280,842	265,749	105,999
Less: Depreciation	102,000	188,307	188,307	188,307	188,307	188,307	188,307	188,307	188,307	188,307	70,615
Ordinary Income	\$16,833	\$40,052	\$80,788	\$123,848	\$169,366	\$217,487	\$268,363	\$322,156	\$379,038	\$439,192	\$203,557
Taxable Income	16,833	40,052	80,788	123,848	169,366	217,487	268,363	322,156	379,038	439,192	203,557
Taxes Due (= Savings)	6,986	16,621	33,527	51,397	70,287	90,257	111,370	133,695	157,301	182,265	84,476
<b>Cash Flow After Tax</b>	<b>\$48,521</b>	<b>\$96,541</b>	<b>\$111,428</b>	<b>\$126,981</b>	<b>\$143,224</b>	<b>\$160,182</b>	<b>\$177,884</b>	<b>\$196,356</b>	<b>\$215,627</b>	<b>\$235,724</b>	<b>\$97,670</b>

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# Proforma Income Statement

## Sample Multi-family Analysis

	7 Months 2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	5.00 Months 2016
<b>Sale Proceeds:</b>											
Sale Value	\$0	\$12,025,690	\$12,674,746	\$13,357,039	\$14,074,235	\$14,828,088	\$15,620,434	\$16,453,204	\$17,328,424	\$18,248,219	\$18,248,219
Less: Sale Costs (6%)	0	721,541	760,485	801,422	844,454	889,685	937,226	987,192	1,039,705	1,094,893	1,094,893
Less: Loan Repayment	0	4,737,727	4,613,587	4,479,809	4,335,647	4,180,292	4,012,877	3,832,465	3,638,047	3,428,536	3,336,510
Sale Proceeds Before Tax	0	6,566,422	7,300,675	8,075,807	8,894,134	9,758,111	10,670,331	11,633,547	12,650,671	13,724,789	13,816,816
Less: Taxes due to Sale	0	773,155	911,749	1,055,029	1,203,230	1,356,600	1,515,398	1,679,895	1,850,378	2,027,146	2,046,761
Sale Proceeds After Tax	0	5,793,267	6,388,926	7,020,778	7,690,904	8,401,510	9,154,933	9,953,651	10,800,293	11,697,643	11,770,054
<b>Ratio Analysis:</b>											
Profitability Ratios											
Capitalization Rate	8.70%	8.98%	9.46%	9.97%	10.51%	11.07%	11.66%	12.29%	12.94%	13.63%	13.92%
Cash on Cash Before Tax	5.81%	6.91%	8.85%	10.88%	13.03%	15.28%	17.65%	20.14%	22.76%	25.51%	26.68%
Cash on Cash After Tax	5.08%	5.89%	6.80%	7.75%	8.74%	9.77%	10.85%	11.98%	13.16%	14.38%	14.30%
Risk Ratios											
Debt Coverage Ratio	1.200	1.238	1.305	1.375	1.449	1.527	1.609	1.694	1.785	1.879	1.920
Breakeven Occupancy	81.1%	79.1%	75.8%	72.7%	69.7%	66.8%	64.1%	61.5%	59.1%	56.7%	55.8%
Loan Balance/Property Value		39.4%	36.4%	33.5%	30.8%	28.2%	25.7%	23.3%	21.0%	18.8%	18.3%
Assumption Ratios											
NOI/Property Value		4.89%	4.89%	4.89%	4.89%	4.89%	4.89%	4.89%	4.89%	4.89%	5.00%
Operating Expense Ratio	16.6%	16.4%	16.1%	15.8%	15.6%	15.3%	15.0%	14.8%	14.5%	14.3%	14.2%
<b>Analysis Measures:</b>											
IRR Before Debt		50.1%	34.4%	28.0%	24.6%	22.4%	20.9%	19.8%	19.0%	18.4%	18.0%
IRR Before Tax		142.4%	81.9%	60.2%	49.2%	42.4%	37.9%	34.7%	32.3%	30.4%	29.5%
IRR After Tax		123.1%	72.0%	53.3%	43.5%	37.5%	33.6%	30.6%	28.4%	26.7%	25.8%
NPV Before Debt @12.00%		\$3,669,103	\$3,601,843	\$3,537,389	\$3,475,689	\$3,416,687	\$3,360,318	\$3,306,513	\$3,255,197	\$3,206,292	\$3,064,584
NPV Before Tax @12.00%		\$3,937,000	\$4,011,094	\$4,069,344	\$4,113,831	\$4,146,394	\$4,168,658	\$4,182,057	\$4,187,856	\$4,187,167	\$4,063,177
NPV After Tax @12.00%		\$3,266,685	\$3,280,586	\$3,280,452	\$3,268,221	\$3,245,620	\$3,214,190	\$3,175,301	\$3,130,171	\$3,079,877	\$2,954,445

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# Common Size Income Statement

## Sample Multi-family Analysis

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Gross Income</b>											
2 Bedroom @ 904 Sq. Ft.	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%
3 Bedroom @ 1130 Sq. Ft.	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
3 Bedroom @ 1109 Sq. Ft.	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%
3 Bedroom @ 1068 Sq. Ft.	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
3 Bedroom @ 1046 Sq. Ft.	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
3 Bedroom @ 1130 Sq. Ft.	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
3 Bedroom @ 1108.00 Sq Ft.	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
3 Bedroom @ 1104 Sq. Ft.	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
3 Bedroom @ 1088 Sq. Ft.	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
3 Bedroom @ 1156 Sq. Ft.	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%
3 Bedroom @ 1112 Sq. Ft.	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%
<b>Total Gross Income</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Less: Vacancy & Credit Loss	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
<b>Effective Income</b>	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
Less: Operating Expenses											
Property Taxes	10.7%	10.5%	10.2%	9.9%	9.6%	9.3%	9.1%	8.8%	8.6%	8.3%	8.2%
Insurance	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Elevator	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Gardener	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Utilities	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%	1.0%
Resident Manager	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Maintenance	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Reserve	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Miscellaneous	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
<b>Total Operating Expenses</b>	16.6%	16.4%	16.1%	15.8%	15.6%	15.3%	15.0%	14.8%	14.5%	14.3%	14.2%
<b>Net Operating Income</b>	77.4%	77.6%	77.9%	78.2%	78.4%	78.7%	79.0%	79.2%	79.5%	79.7%	79.8%
Less: Debt Service	64.5%	62.6%	59.7%	56.8%	54.1%	51.5%	49.1%	46.8%	44.5%	42.4%	41.6%
<b>Net Operating Cash Flow</b>	12.9%	14.9%	18.2%	21.3%	24.3%	27.2%	29.9%	32.5%	34.9%	37.3%	38.2%

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# Dollars/Unit Income Statement

## Sample Multi-family Analysis

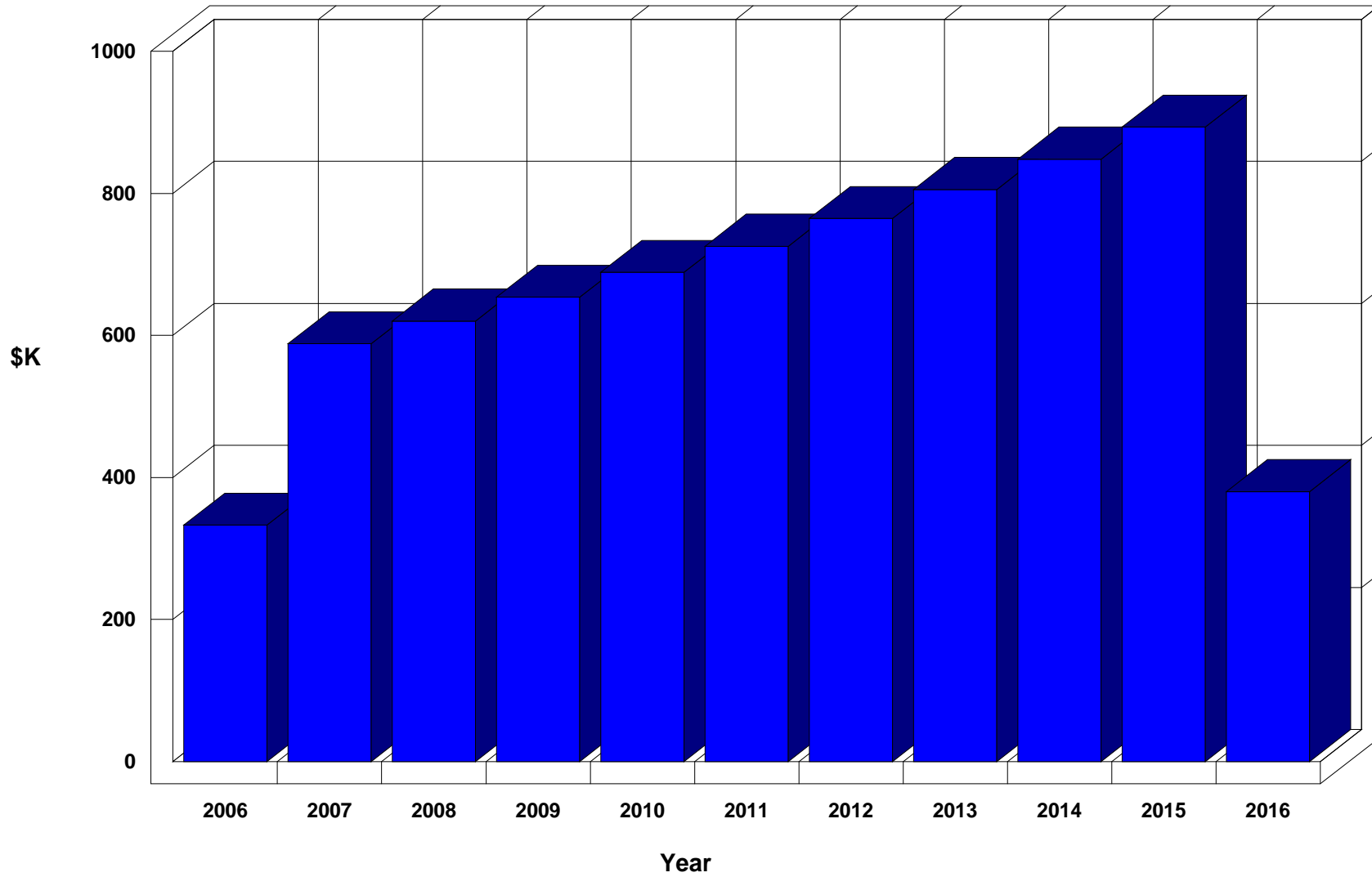
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Gross Income</b>											
2 Bedroom @ 904 Sq. Ft. (12 units)	\$25,200	\$25,935	\$27,232	\$28,593	\$30,023	\$31,524	\$33,100	\$34,755	\$36,493	\$38,318	\$39,093
3 Bedroom @ 1130 Sq. Ft. (2 units)	27,600	28,405	29,825	31,317	32,882	34,526	36,253	38,065	39,969	41,967	42,817
3 Bedroom @ 1109 Sq. Ft. (2 units)	27,000	27,788	29,177	30,636	32,168	33,776	35,465	37,238	39,100	41,055	41,886
3 Bedroom @ 1068 Sq. Ft. (1 units)	25,800	26,553	27,880	29,274	30,738	32,275	33,888	35,583	37,362	39,230	40,024
3 Bedroom @ 1046 Sq. Ft. (1 units)	25,800	26,553	27,880	29,274	30,738	32,275	33,888	35,583	37,362	39,230	40,024
3 Bedroom @ 1130 Sq. Ft. (1 units)	27,600	28,405	29,825	31,317	32,882	34,526	36,253	38,065	39,969	41,967	42,817
3 Bedroom @ 1108.00 Sq Ft. (1 units)	27,000	27,788	29,177	30,636	32,168	33,776	35,465	37,238	39,100	41,055	41,886
3 Bedroom @ 1104 Sq. Ft. (1 units)	27,000	27,788	29,177	30,636	32,168	33,776	35,465	37,238	39,100	41,055	41,886
3 Bedroom @ 1088 Sq. Ft. (1 units)	25,800	26,553	27,880	29,274	30,738	32,275	33,888	35,583	37,362	39,230	40,024
3 Bedroom @ 1156 Sq. Ft. (3 units)	28,200	29,023	30,474	31,997	33,597	35,277	37,041	38,893	40,838	42,879	43,747
3 Bedroom @ 1112 Sq. Ft. (3 units)	27,300	28,096	29,501	30,976	32,525	34,151	35,859	37,652	39,534	41,511	42,351
<b>Total Gross Income</b>	\$26,325	\$27,093	\$28,447	\$29,870	\$31,363	\$32,931	\$34,578	\$36,307	\$38,122	\$40,028	\$40,839
Less: Vacancy & Credit Loss	1,580	1,626	1,707	1,792	1,882	1,976	2,075	2,178	2,287	2,402	2,450
<b>Effective Income</b>	\$24,746	\$25,467	\$26,741	\$28,078	\$29,482	\$30,956	\$32,503	\$34,129	\$35,835	\$37,627	\$38,388
Less: Operating Expenses											
Property Taxes	2,809	2,842	2,899	2,957	3,016	3,076	3,138	3,201	3,265	3,330	3,357
Insurance	536	551	579	608	638	670	704	739	776	815	831
Elevator	79	79	79	79	79	79	79	79	79	79	79
Gardener	107	110	116	122	128	134	141	148	155	163	166
Utilities	214	223	239	255	273	292	313	335	358	383	394
Resident Manager	357	368	386	405	425	447	469	493	517	543	554
Maintenance	114	118	124	130	136	143	150	158	166	174	177
Reserve	114	118	124	130	136	143	150	158	166	174	177
Miscellaneous	43	44	46	49	51	54	56	59	62	65	66
<b>Total Operating Expenses</b>	\$4,374	\$4,452	\$4,590	\$4,733	\$4,883	\$5,038	\$5,199	\$5,367	\$5,543	\$5,725	\$5,802
<b>Net Operating Income</b>	\$20,372	\$21,015	\$22,151	\$23,344	\$24,599	\$25,918	\$27,304	\$28,761	\$30,292	\$31,902	\$32,586
Less: Debt Service	16,974	16,974	16,974	16,974	16,974	16,974	16,974	16,974	16,974	16,974	16,974
<b>Net Operating Cash Flow</b>	\$3,398	\$4,042	\$5,177	\$6,371	\$7,625	\$8,944	\$10,331	\$11,788	\$13,319	\$14,928	\$15,613

Unless otherwise noted, based on 28 Units

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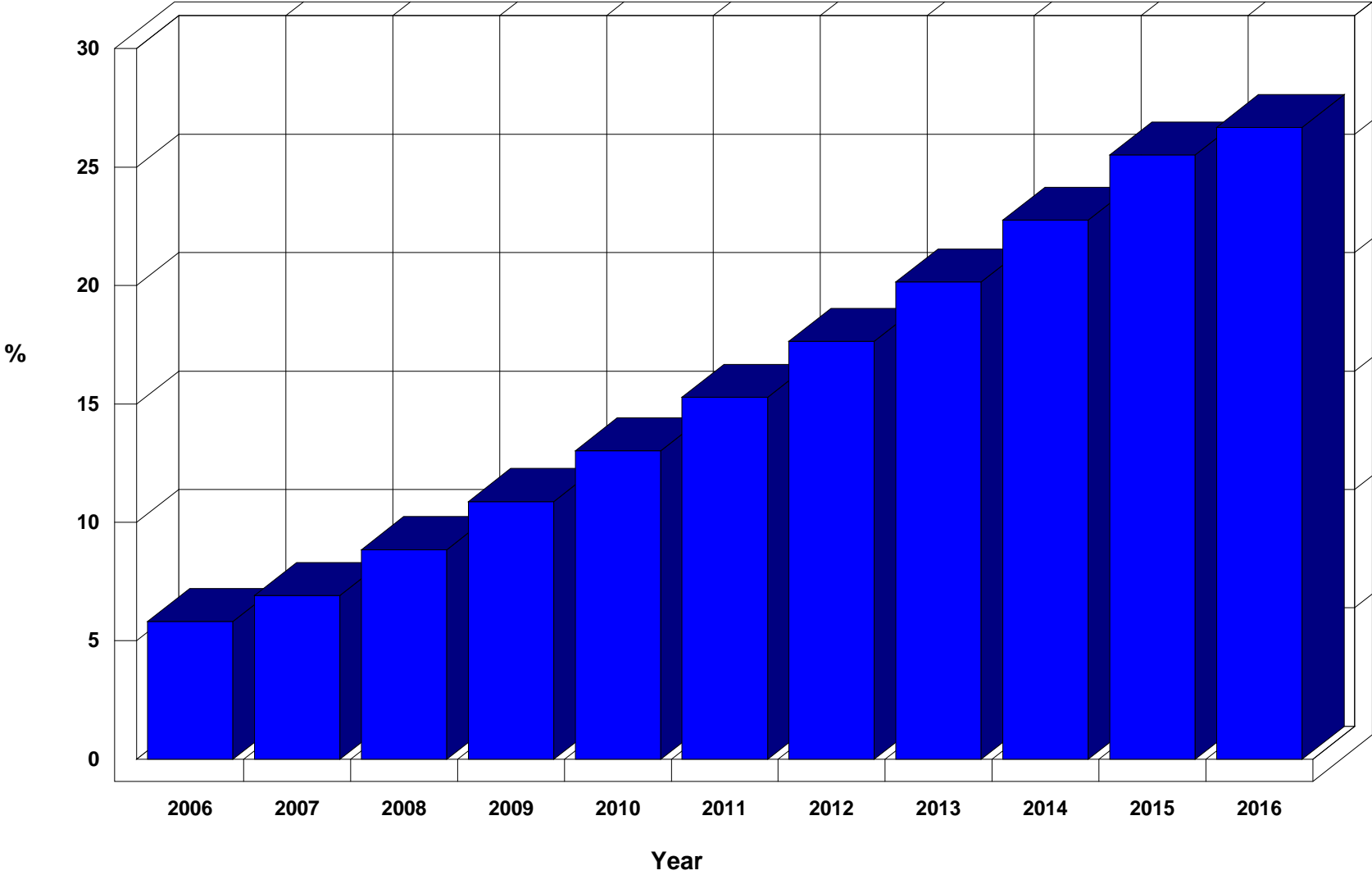
# Net Operating Income

## Sample Multi-family Analysis



# Cash on Cash Before Tax

## Sample Multi-family Analysis



# Property Sale Report

## Sample Multi-family Analysis

This report shows the results of a projected sale of the Sample Multi-family Analysis on 31 May 2016. The Sale Price of \$18,248,219 is projected by using a Net Capitalization Rate of 5% on the projected Net Operating Income of \$912,411 in effect at that time, according to the analysis assumptions.

<b>Analysis of Sale Proceeds</b>			
Sale Price (as discussed above)	\$18,248,219		
- Costs of Sale (6%)	1,094,893		
- Loan Balances	3,336,510		
- Prepayment Penalties	0		
Sale Proceeds Before Tax			\$13,816,816
<b>Analysis of Capital Gain Results</b>			
Sale Price	\$18,248,219		
- Capitalized Costs of Sale (100%)	1,094,893		
Net Sale Price for Tax Purposes		\$17,153,326	
Property Basis at Acquisition	\$6,555,000		
+ Capitalized Closing Costs (100%)	65,550		
+ Capital Additions	0		
- Depreciation Taken	1,867,380		
+ Excess Depreciation Recaptured	0		
Adjusted Basis at Sale		4,753,170	
Capital Gain (or Loss)		\$12,400,156	
- Suspended Passive Losses		0	
Net Capital Gain (or Loss)		\$12,400,156	
- Cost Recovery Recaptured		1,867,380	
Adjusted Net Capital Gain (or Loss)		\$10,532,776	
Cost Recovery Recapture Tax (@ 25%)			(466,845)
Tax on Adjusted Net Capital Gain (@ 15%)			(1,579,916)
<b>Expenses Recognized at Sale</b>			
Expensed Costs of Sale	0		
+ Accrued Loan Interest	0		
+ Unamortized Points	0		
+ Prepayment Penalties	0		
- Excess Depreciation Recaptured	0		
Total Expenses Recognized at Sale		0	
Tax Savings Due to Sale Expenses (@ 41.5%)			0
<b>Net Taxable Income</b>		<b>\$12,400,156</b>	
<b>After Tax Cash Proceeds of Sale</b>			<b>\$11,770,054</b>

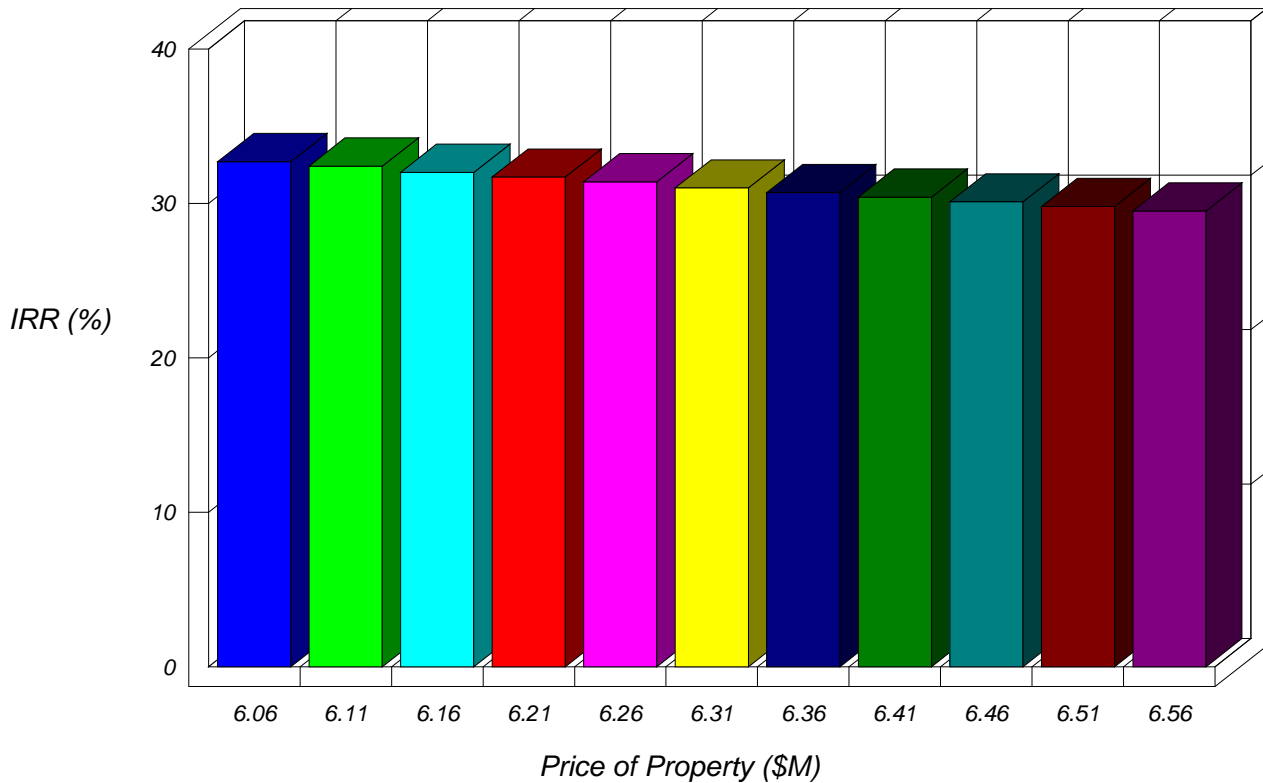
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# Sensitivity Analysis

## Sample Multi-family Analysis

**Price of Property  
versus  
Rate of Return Before Tax**

Assumption	IRR
\$6,055,000.00	32.7%
\$6,105,000.00	32.4%
\$6,155,000.00	32.0%
\$6,205,000.00	31.7%
\$6,255,000.00	31.4%
\$6,305,000.00	31.0%
\$6,355,000.00	30.7%
\$6,405,000.00	30.4%
\$6,455,000.00	30.1%
\$6,505,000.00	29.8%
\$6,555,000.00	29.5%



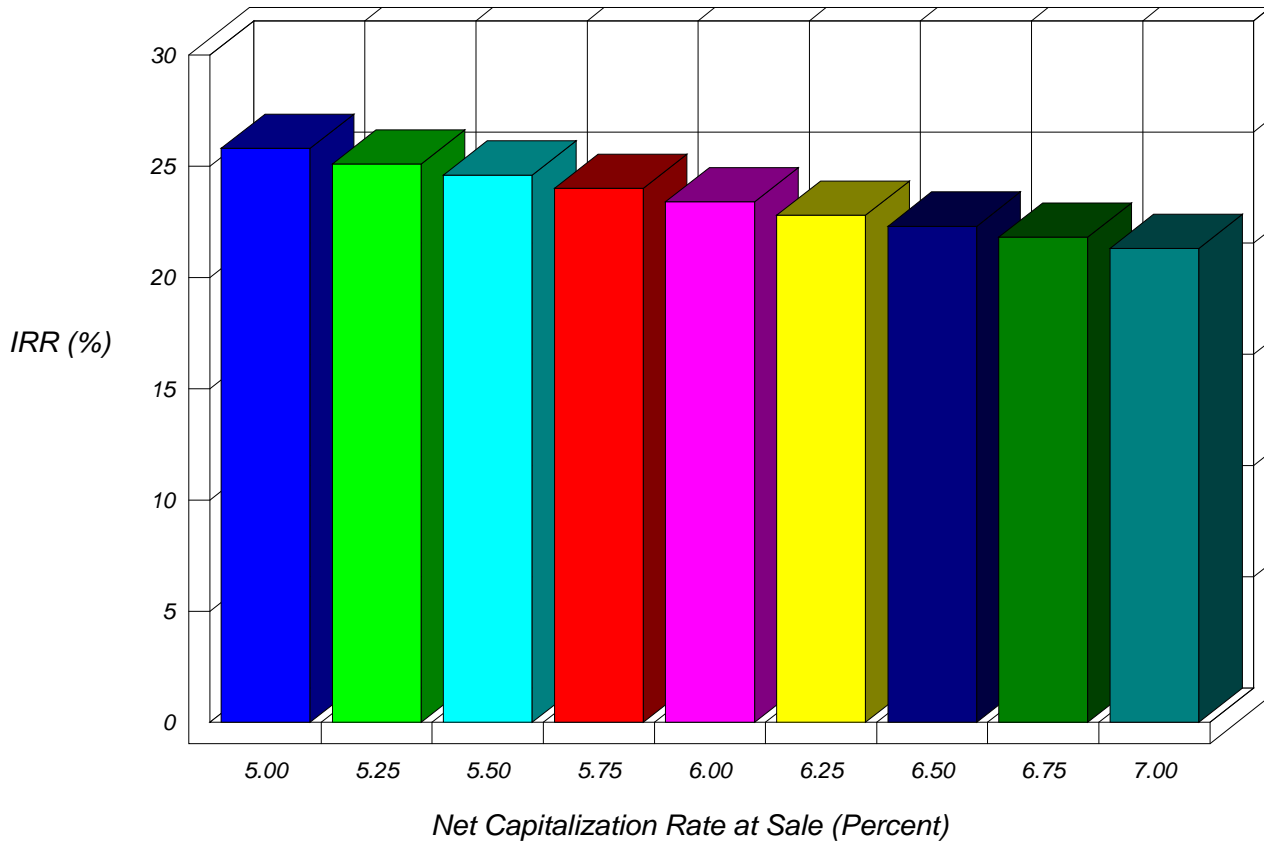
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# Sensitivity Analysis

## Sample Multi-family Analysis

### Net Capitalization Rate at Sale versus Rate of Return After Tax

Assumption	IRR
5% Net Cap Rate	25.8%
5.25% Net Cap Rate	25.1%
5.5% Net Cap Rate	24.6%
5.75% Net Cap Rate	24.0%
6% Net Cap Rate	23.4%
6.25% Net Cap Rate	22.8%
6.5% Net Cap Rate	22.3%
6.75% Net Cap Rate	21.8%
7% Net Cap Rate	21.3%



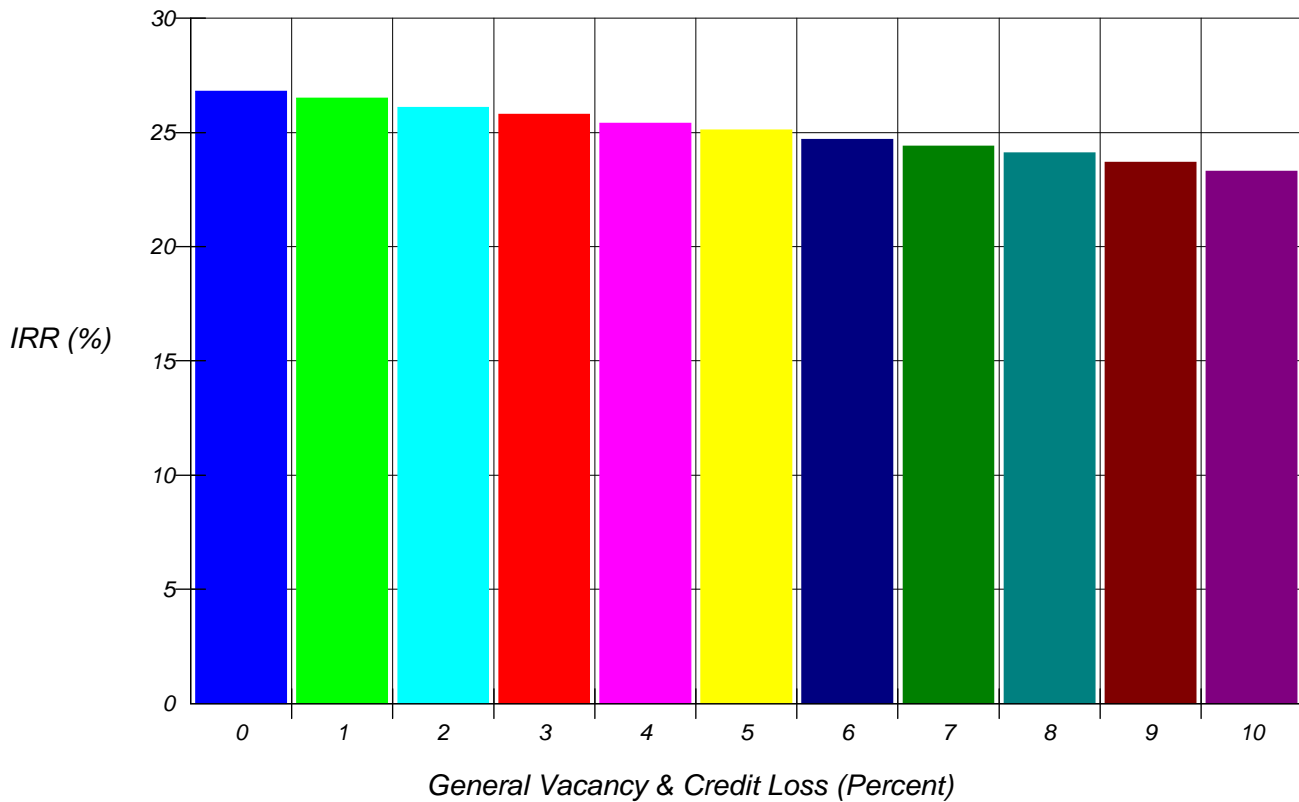
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# Sensitivity Analysis

## Sample Multi-family Analysis

### General Vacancy & Credit Loss versus Rate of Return After Tax

Assumption	IRR
Zero	26.8%
1% per Year	26.5%
2% per Year	26.1%
3% per Year	25.8%
4% per Year	25.4%
5% per Year	25.1%
6% per Year	24.7%
7% per Year	24.4%
8% per Year	24.1%
9% per Year	23.7%
10% per Year	23.3%



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