



APARTMENT ACQUISITION MODEL™ EXECUTIVE CONTROL PANEL

PROPERTY FINANCIAL OPERATIONS	YEAR 2007				YEAR 2008				PROFORMA YEAR 1			
	Annual	Per Unit	Per Sq. Ft.	% of GPR	Annual	Per Unit	Per Sq. Ft.	% of GPR	Annual	Per Unit	Per Sq. Ft.	% of GPR
INCOME												
GROSS POTENTIAL INCOME	\$ 240,000	\$ 6,857	\$ 7.25		\$ 275,000	\$ 7,857	\$ 8.30		\$ 393,000	\$ 11,229	\$ 11.86	
Economic Loss (% of GPR)												
Less: Physical Vacancy	(15,000)	(429)	(0.45)	-6.25%	(15,000)	(429)	(0.45)	-5.45%	(19,650)	(561)	(0.59)	-5.00%
Less: Rental Concessions	(4,000)	(114)	(0.12)	-1.67%	(3,500)	(100)	(0.11)	-1.27%	(3,930)	(112)	(0.12)	-1.00%
Less: Employee Units	(4,000)	(114)	(0.12)	-1.67%	(3,500)	(100)	(0.11)	-1.27%	(3,930)	(112)	(0.12)	-1.00%
Less: Model Units	(4,000)	(114)	(0.12)	-1.67%	(3,500)	(100)	(0.11)	-1.27%	(3,930)	(112)	(0.12)	-1.00%
Less: Credit & Collection Loss	(4,000)	(114)	(0.12)	-1.67%	(3,500)	(100)	(0.11)	-1.27%	(3,930)	(112)	(0.12)	-1.00%
Total Economic Loss	(31,000)	(886)	(0.94)	-12.92%	(29,000)	(829)	(0.88)	-10.55%	(35,370)	(1,011)	(1.07)	-9.00%
EFFECTIVE GROSS INCOME	\$ 209,000	\$ 5,971	\$ 6.31	87.08%	\$ 246,000	\$ 7,029	\$ 7.43	89.45%	\$ 357,630	\$ 10,218	\$ 10.80	91.00%
Other Income												
Plus: Utility Income	5,000	143	0.15	2.08%	5,000	143	0.15	1.82%	5,000	143	0.15	1.27%
Plus: Laundry Income	250	7	0.01	0.10%	250	7	0.01	0.09%	700	20	0.02	0.18%
Plus: Garage Rent	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: Parking Rent	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: Pet Rent	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: Appliance Rent	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: NSF / Late Fees	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: Early Termination Fees	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: Damage & Cleaning Fees	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Plus: Miscellaneous Income	250	7	0.01	0.10%	250	7	0.01	0.09%	500	14	0.02	0.13%
Total Other Income	7,250	207	0.22	3.02%	7,250	207	0.22	2.64%	9,700	277	0.29	2.47%
GROSS OPERATING INCOME	\$ 216,250	\$ 6,179	\$ 6.53	90.10%	\$ 253,250	\$ 7,236	\$ 7.65	92.09%	\$ 367,330	\$ 10,495	\$ 11.09	93.47%
OPERATING EXPENSES				% of EGI				% of EGI				% of EGI
Real Estate Taxes	15,000	429	0.45	6.94%	15,000	429	0.45	5.92%	20,000	571	0.60	5.44%
Personal Property Taxes	15,000	429	0.45	6.94%	15,000	429	0.45	5.92%	10,000	286	0.30	2.72%
Property Insurance	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Electric	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Gas	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Water & Sewer	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Trash Removal	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Landscape Contract	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Pest Control Contract	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Pool & Spa Contract	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Other Contract Services	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Payroll	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Repairs & Maintenance	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Make Ready	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
General & Administrative	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Legal & Professional	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Advertising & Promotion	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	5,000	143	0.15	1.36%
Management Fee	5,000	143	0.15	2.31%	5,000	143	0.15	1.97%	18,367	525	0.55	5.00%
Total Operating Expenses	110,000	3,143	3.32	50.87%	110,000	3,143	3.32	43.44%	123,367	3,525	3.72	33.58%
OPERATING INCOME	\$ 106,250	\$ 3,036	\$ 3.21		\$ 143,250	\$ 4,093	\$ 4.32		\$ 243,964	\$ 6,970	\$ 7.36	
Capitalization Rate	3.43%				4.62%				7.87%			
Capitalization Rate (on Total Costs)	3.35%				4.51%				7.68%			
Less: Reserves & Replacements	-	-	-		-	-	-		10,000	286	0.30	
NET OPERATING INCOME	\$ 106,250	\$ 3,036	\$ 3.21		\$ 143,250	\$ 4,093	\$ 4.32		\$ 233,964	\$ 6,685	\$ 7.06	

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