			Illustration of				Holding Period	d			
					33rd ST	REET					
Purchase Price	270,000	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>		<u>2027</u>	<u>2028</u>		<u>2030</u>
Annual Rent	4.0%	30,000	31,200	32,448	33,746	35,096	36,500	37,960	39,478	41,057	42,699
Expenses	3.0%	7,891	8,128	8,372	8,623	8,881	9,148	9,422	9,705	9,996	10,296
Exp as a percent of An	nual Rent	26%	26%	26%	26%	25%		25%	25%		24%
Exp per unit	1	7,891	8,128	8,372	8,623	8,881	9,148	9,422	9,705	9,996	10,296
NOI	0	22,109	23,072	24,076	25,123	26,214	27,352	28,537	29,773	31,061	32,403
Debt Service	\$ 952	11,427	11,427	11,427	11,427	11,427	11,427	11,427	11,427	11,427	11,427
<b>Before Tax Cash Flow</b>	. , ,	10,682	11,646	12,650	13,696	14,788	15,925	17,111	18,346	19,634	223,353
22.2%	Internal Rate of	Return									
NOI		22,109	23,072	24,076	25,123	26,214	27,352	28,537	29,773	31,061	32,403
Less Interest		7,783	7,639	7,489	7,334	7,173	7,005	6,830	6,649	6,461	6,265
Less Depreciation		7,855	7,855	7,855	7,855	7,855	7,855	7,855	7,855	7,855	7,855
Taxable Income	0	6,472	7,579	8,732	9,935	11,187	12,492	13,852	15,269	16,746	18,284
Tax @	25%	1,618	1,895	2,183	2,484	2,797	3,123	3,463	3,817	4,186	4,571
After Tax Cash Flow	(81,000)	9,064	9,751	10,467	11,213	11,991	12,802	13,647	14,529	15,448	184,826
18.6%	lnternal Rate of	Return									
Purchase	rchase 270,000										
L-V	75%						Annual Rent Roll			42,699	
Loan	202,500							GRM			9.0
Down Payment	67,500				annua	I appreciation	3.6%				384,294
Cap Improvement	-							Sale Costs		6%	23,058
Closing Costs	13,500										
Initial Investment	,							Less: Basis			191,455
	81,000							Gain			169,782
Rate	3.88%							Gain Tax @		20%	169,782 33,956
Term	3.88%							Gain Tax @ Mortgage Bala		20%	169,782 33,956 158,860
	3.88%							Gain Tax @		20%	169,782 33,956 158,860 202,376
Term	3.88%							Gain Tax @ Mortgage Bala	s Before Tax	20%	169,782 33,956 158,860
Term P&I  Mortgage Amortization	3.88% 30 \$952.23	1	2	3	4	Ę	6	Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed 7	s Before Tax s After Tax 8	9	169,782 33,956 158,860 202,376 168,420
Term P&I  Mortgage Amortization	3.88% 30 \$952.23	202,500	198,856	3 195,068	4 191,131	5 187,038		Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed	s Before Tax s After Tax		169,782 33,956 158,860 202,376 168,420 10 164,022
Term P&I  Mortgage Amortization 202,500 3.889	3.88% 30 \$952.23 on Beg Bal 6 Prin	202,500 3,644	198,856 3,788	195,068 3,937	191,131 4,093	187,038 4,254	5 6 182,784 4,422	Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed 7 178,362 4,596	s Before Tax s After Tax 8 173,766 4,778	9 168,988 4,966	169,782 33,956 158,860 202,376 168,420 10 164,022 5,162
Term P&I  Mortgage Amortization 202,500 3.88% 30.0	3.88% 30 \$952.23 on 0 Beg Bal 6 Prin 0 Int	202,500 3,644 7,783	198,856 3,788 7,639	195,068 3,937 7,489	191,131 4,093 7,334	187,038 4,254 7,173	6 182,784	Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed 7 178,362	s Before Tax s After Tax 8 173,766 4,778 6,649	9 168,988 4,966 6,461	169,782 33,956 158,860 202,376 168,420 10 164,022 5,162 6,265
Term P&I  Mortgage Amortization 202,500 3.88% 30.0 952	3.88% 30 \$952.23 on 0 Beg Bal 6 Prin 0 Int 2 Bal EOY	202,500 3,644 7,783 198,856	198,856 3,788 7,639 195,068	195,068 3,937 7,489 191,131	191,131 4,093 7,334 187,038	187,038 4,254 7,173 182,784	6 182,784 4,422 7,005 178,362	Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed 7 178,362 4,596 6,830 173,766	s Before Tax s After Tax 8 173,766 4,778 6,649 168,988	9 168,988 4,966 6,461 164,022	169,782 33,956 158,860 202,376 168,420 10 164,022 5,162 6,265 158,860
Term P&I  Mortgage Amortization 202,500 3.88% 30.0	3.88% 30 \$952.23 on 0 Beg Bal 6 Prin 0 Int 2 Bal EOY	202,500 3,644 7,783 198,856 270,000	198,856 3,788 7,639 195,068 270,000	195,068 3,937 7,489 191,131 Building	191,131 4,093 7,334 187,038 80%	187,038 4,254 7,173 182,784 216,000	6 182,784 4,422 7,005 178,362 Land	Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed 7 178,362 4,596 6,830 173,766 20%	s Before Tax s After Tax 8 173,766 4,778 6,649 168,988 54,000	9 168,988 4,966 6,461 164,022 Life	169,782 33,956 158,860 202,376 168,420 10 164,022 5,162 6,265 158,860 27.5
Term P&I  Mortgage Amortization 202,500 3.88% 30.0 952	3.88% 30 \$952.23 on 0 Beg Bal 6 Prin 0 Int 2 Bal EOY	202,500 3,644 7,783 198,856	198,856 3,788 7,639 195,068	195,068 3,937 7,489 191,131	191,131 4,093 7,334 187,038	187,038 4,254 7,173 182,784	6 182,784 4,422 7,005 178,362 Land 7,855	Gain Tax @ Mortgage Bala Sale Proceed Sale Proceed 7 178,362 4,596 6,830 173,766	s Before Tax s After Tax 8 173,766 4,778 6,649 168,988	9 168,988 4,966 6,461 164,022	169,782 33,956 158,860 202,376 168,420 10 164,022 5,162