



Kevin A. Dunlap
10724 Valencia Hills, LV, NV 89141

702-591-1784
F: 866-900-7452

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|---|--------------------|--|--|-------------------|---|-------------|---|------|------------------------------|----------------------------------|
| Contact: Micheal Arner 704-572-1297 mwg_investments@windstream.net | | FUTURE VALUES: Apprc. Inc. Rent Inc. Selling CAP 3.0% 3.0% 9.0% | | | Complex: Silverado Springs Address: 11100 Walnut Ln Dallas, TX 75238 | | Units 317 Occupancy 90.0% Acreage 0.00 Rental sqft. 175,575 Bldg. sqft. 175,575 % Rental sqft 100.0% | | 2 Warnings | |
| PRICE & TERMS: | | Down Pymnt: \$0 | | | County: Dallas | | Year Built: 0 | | Close Date Mar-1 2009 | |
| Appraised Value | \$5,500,000 | 100% | 1st Loan: | \$5,000,000 | Income per Unit per Year | | \$632 | > | \$600 | \$2,186 |
| Asking Price | \$5,500,000 | 0% | 2nd Loan: | \$0 | Monthly Cash Flow Per Unit | | \$52.66 | > | \$50 | \$182.17 |
| Repair Cost | \$0 | 0% | 3rd/Dwn Ast. | \$0 | CAP Rate | | 11.75% | > | 9.9% | 21.61% |
| Repair Hassle/Cost | \$0 | Earnest Money Deposit \$1,000 | | | VALUE INDICATORS: | | Current | | Test | |
| Overrun 25% | \$0 | My Estimated Closing Costs \$150,000 | | | Purchase Price / Unit | | \$15,773 | < | \$35,000 | --- |
| Investr & DOM Disc. | \$0 | Closing Cost Contribution \$150,000 | | | Average Monthly Rent | | \$434 | --- | \$670 | --- |
| Partial SF Offer(C) | \$5,876,400 | 106.8% | Repair Contribution \$0 | | ROI (Cashflw): CshOnCsh Return | | Inf. | > | 25% | Inf. |
| All Cash Offer (B) | \$5,223,400 | 95.0% | Tax Credit Contribution \$145,296 | | ROI (Principle Reduction) | | Inf. | > | 10% | Inf. |
| 100% SF Offer (A) | \$6,529,300 | 118.7% | Security Deposit Received \$103,297 | | ROI (Appreciation) | | Inf. | --- | --- | Inf. |
| My Offer Price | \$5,000,000 | 90.9% | Pro-Rated Rent @ closing \$123,956 | | ROI (Tax Savings / Depreciation) | | Inf. | --- | --- | Inf. |
| Equity @ Offer | \$500,000 | 9.1% | Cash Required to Close (372,548) | | ROI (Equity from Purchase) | | Inf. | --- | --- | Inf. |
| UNIT MIX & SCHEDULED INCOME: | | | | Pro-Forma: | | Total ROI | | 0.0% | --- | 0.0% |
| # Units | Unt Type | Aprx. Sqft | Act. Rent | Monthly Income | Rents | Income | Income / Sqft. (Gross) \$9.41 --- \$14.51 | | | |
| 6 | Eff | 351 | \$347 | \$2,079 | \$595 | \$3,570 | Expense / Sqft. (not debt serv.) \$5.18 --- \$6.96 | | | |
| 4 | Eff | 392 | \$344 | \$1,376 | \$595 | \$2,380 | Expense/Sqft. w/ debt service \$7.39 --- \$9.17 | | | |
| 101 | 1 / 1 | 486 | \$400 | \$40,350 | \$654 | \$66,054 | Debt Service Coverage Ratio 1.52 > 1.20 2.79 | | | |
| 102 | 1 / 1 | 558 | \$426 | \$43,401 | \$654 | \$66,708 | 1st Loan to Value base on NOI 85.1% < 80% 46.3% | | | |
| 13 | 1 / 1 | 578 | \$437 | \$5,677 | \$654 | \$8,502 | Vac. for Break Even Cashflow 22.2% > 15% 37.2% | | | |
| 54 | 1 / 1 | 528 | \$423 | \$22,861 | \$654 | \$35,316 | Current Vacant Units per mon. 31.7 --- 31.7 | | | |
| 1 | 1 / 1 | 521 | \$485 | \$485 | \$654 | \$654 | # vacant Units for break even 70.5 --- 117.8 | | | |
| 1 | 1 / 1 | 621 | \$480 | \$480 | \$654 | \$654 | Value based CAP @ 10.0% \$5,876,000 > \$5,000,000 \$10,802,795 | | | |
| 24 | 2 / 2 | 800 | \$637 | \$15,283 | \$889 | \$21,336 | Value based CAP @ 9.0% \$6,529,000 > \$5,000,000 \$12,003,106 | | | |
| 7 | 2 / 2 | 963 | \$720 | \$5,037 | \$889 | \$6,223 | ANNUAL CASH FLOW ANALYSIS: | | | |
| 1 | 2 / 2 | 1,116 | \$700 | \$700 | \$889 | \$889 | Gross Scheduled Income: | | Current | Pro-Forma |
| 3 | Office | 558 | \$0 | \$0 | \$0 | \$0 | Other Income: | | \$1,652,744 | \$2,547,432 |
| 317 | | 175,575 | | \$137,729 | | \$212,286 | Vacancy: | | \$11,509 | \$11,509 |
| Other Income: | | Laundry | | \$513 | | \$513 | Loss to Leases | | (\$166,425) | (\$255,894) |
| | | Garage / Storage Rental | | \$0 | | \$0 | Gross Operating Income: | | \$0 | \$0 |
| | | Utility & Other Reimburse | | \$446 | | \$446 | Expenses: | | \$1,497,828 | \$2,303,047 |
| Annual Gross Income: | | | | \$1,664,253 | | \$2,558,941 | Reserves: | | (\$910,188) | (\$1,222,767) |
| OPERATING EXPENSES: | | % Grs. Inc. | Annual | Monthly | Ann. / Unit | | NOI | | \$587,640 | \$1,080,280 |
| Real Estate Taxes | 8.7% | \$145,296 | \$12,108 | \$458 | | | 1st Loan / Hard \$ Payment | | 23.3% | \$387,315 |
| Insurance | 3.0% | \$50,748 | \$4,229 | \$160 | | | 2nd Loan Payment | | 0.0% | \$0 |
| Payroll Taxes | | \$0 | | | | | Expns to Ann. Gross Income | | 88.0% | 58.4% |
| Professional Management | 18.9% | \$314,544 | \$26,212 | \$992 | | | Annual Before Tax Cashflow | | \$200,325 | \$692,965 |
| Residential Manager & Payroll | | \$0 | | | | | Monthly Cash Flow | | \$16,694 | \$57,747 |
| Utilities: Water & Sewer | | \$0 | | | | | Principal Reduction (1st & 2nd) | | \$88,737 | |
| 14.4% | Trash | \$0 | | | | | Interest Paid (1st & 2nd) | | \$298,578 | |
| | Electric | 14.4% | \$240,000 | \$20,000 | \$757 | | Land : Structure Value | | 182% | \$10,000,000 : -\$4,500,000 -82% |
| | Gas | | \$0 | | | | Depreciation each year | | 39 | -\$104,895 |
| | Cable & Internet | | \$0 | | | | Appreciation (assumed) | | 3.0% | \$165,000 |
| | Phone | | \$0 | | | | Before Tax Cashflow (IRS) Annually | | \$393,957 | \$886,596 |
| | Pest | | \$0 | | | | Taxes rate & amount due: | | 28% | \$110,308 \$248,247 |
| | Other | | \$0 | | | | Tax Savings(if line above is \$0) | | \$0 | \$0 |
| \$240,000 | Landscaping | | \$0 | | | | After Tax Cashflow: | | \$90,017 | \$444,718 |
| Administration | 1.4% | \$24,000 | \$2,000 | \$76 | | | LOAN Info: | | Hard Mny | 1st |
| Operating Expenses | 1.3% | \$21,600 | \$1,800 | \$68 | | | % Financing | | 0% | 100% |
| Advertising, Liscense, Permits | | \$0 | | | | | \$ Amount Sell. Fin. | | --- | \$0 |
| Supplies | | \$0 | | | | | Points to get Loan | | --- | --- |
| Services (contractor) | 5.8% | \$96,000 | \$8,000 | \$303 | | | Additional \$ for Loan | | --- | --- |
| HOA Dues | | \$0 | | | | | Interest Rate | | 0.00% | 6.02% |
| Maintenance & Repairs | 1.1% | \$18,000 | \$1,500 | \$57 | | | Amortized Over | | --- | 25 |
| Misc. | | \$0 | | | | | Balloon in # Year | | --- | 25 |
| Total Expenses | 54.7% | \$910,188 | \$75,849 | \$2,871 | | | Loan Type | | --- | P & I |
| Mortgage | 23.3% | \$387,315 | \$32,276 | \$1,222 | | | Monthly Payment | | 0 | \$32,276.23 |
| Reserves | 0.0% | \$0 | \$0 | \$0 | | | Prin. Balance at end | | --- | \$0 |
| Tot. Expenses @ full occupancy | 78.0% | \$1,297,503 | \$108,125 | \$4,093 | | | Interest & Pnts Earned | | --- | \$0 |
| | | | | | | | Averages: | | Loan Comments: | 1st Paymnt Due Apr-2009 |
| | | | | | | | Int. Rate | | 6.02% | 1st: N / A |
| | | | | | | | | | | 2nd: Seller Financing |