ROACH RANCH

APARTMENT / MINI-STORAGE USE

INCOME STATEMENT							Actual
BLENDED AVERAGE RENT							$719.63
OCCUPANCY RATE							97.00%
TOTAL NUMBER UNITS							100

# UNITS	UNIT TYPES	SF APT SIZE	MONTHLY RENT	RENT/SF/ MONTH	ANNUAL RENT	PERCENT	TOTAL AREA
25	1BR/1BA	650	$618	$0.95	$185,250	21.45%	16,250
25	1BR/1.5BA	675	$675	$1.00	$202,500	23.45%	16,875
25	2BR/1BA	725	$761	$1.05	$228,300	26.44%	18,125
25	2BR/1.5BA	750	$825	$1.10	$247,500	28.66%	18,750
0	2BR/2BA	-	$0	$0.00	$0	0.00%	-
0	3BR/1.5BA	-	$0	$0.00	$0	0.00%	-
0	3BR/2BA	-	$0	$0.00	$0	0.00%	-
0	OTHER	-	$0	$0.00	$0	0.00%	-
100							
					$863,550	100.00%	70,000
PLUS OTHER INCOME							
OTHER					$ -	0.00%	
OTHER					$ -	0.00%	
OTHER					$ -	0.00%	
					$ -	0.00%	
GROSS POTENTIAL REVENUE					$ 863,550	100.00%	
LESS VACANCY @			3.00%		$25,907		
EFFECTIVE GROSS REVENUE					$837,644	100.00%	

ACTUAL OPERATING EXPENSES	EXPENSES PER SF	EXPENSES PER UNIT	ANNUAL EXPENSES	PERCENT
Management and/or Leasing Fee	$ 0.60	$419	$41,882	5.00%
General and Administrative	$ 0.04	$25	$2,500	0.30%
Real Estate Taxes	$ 0.50	$350	$35,000	4.18%
Insurance	$ 0.06	$45	$4,500	0.54%
Repairs and Maintenance	$ 0.24	$170	$17,000	2.03%
Janitorial	$ 0.07	$50	$5,000	0.60%
Utilities	$ 1.29	$900	$90,000	10.74%
Landscaping	$ 0.21	$150	$15,000	1.79%
Internet	$ 0.21	$150	$15,000	1.79%
Superintendent's Salary	$ 0.71	$500	$50,000	5.97%
TOTAL DIRECT EXPENSES	$ 3.94	2758.82175	$275,882	32.94%
NET OPERATING INCOME	$ 8.03	$5,618	$561,761	67.06%

BREAK-EVEN ANALYSIS (BASED UPON REQUESTED LOAN AND STABILIZED NOI)	
1) ASSUMING EXISTING BLENDED RENT OF	$719.63
OCCUPANCY REQUIRED	84.21%
2) ASSUMING EXISTING OCCUPANCY OF	97.00%
RATE REQUIRED:	$ 624.77

INTEREST RATE SENSITIVITY
(BASED ON STABILIZED NOI)

INTEREST RATE	DSC - P&I
7.00%	1.15
8.00%	1.07
9.00%	0.99
10.00%	0.92
11.00%	0.86
12.00%	0.81
13.00%	0.76

OCCUPANCY SENSITIVITY
(BASED ON REQUESTED LOAN AND STABILIZED NOI AFTER RESERVES)

OCCUPANCY	D/S/C	CASH FLOW	BREAK-EVEN RENTAL RATE REQUIRED
50.00%	0.35	$ (295,459)	$1,212.06
55.00%	0.44	$ (252,281)	$1,101.87
60.00%	0.54	$ (209,104)	$1,010.05
65.00%	0.63	$ (165,926)	$932.35
70.00%	0.73	$ (122,749)	$865.75
75.00%	0.82	$ (79,571)	$808.04
80.00%	0.92	$ (36,394)	$757.54
85.00%	1.02	$ 6,784	$712.97
90.00%	1.11	$ 49,961	$673.36
95.00%	1.21	$ 93,139	$637.92
100.00%	1.30	$ 136,316	$606.03

VALUATION ANALYSIS:
(LTV BASED UPON REQUESTED LOAN AMOUNT AND STABILIZED NOI)

CAP RATE	VALUE	VALUE PER UNIT	LTV
8.00%	$7,022,017	$70,220.17	75%
8.50%	$6,608,957	$66,089.57	79%

EST. ANNUAL CAPITAL EXPENDITUR	PER SF	PER UNIT	ANNUAL EXP.	PERCENT
Capital Improvements	$ -	$0	$0	0.00%
Capital Reserves	$ -	$0	$0	0.00%
Other Capital Expenditures	$ -	$0	$0	0.00%
Stabilized NOI After Reserves	$ 8.03	$5,618	$561,761	67.06%

REQUESTED ACTUAL LOAN PARAMETERS	
Actual Loan Amount	$5,250,000
Actual Amortization Period (Months)	240
Actual Interest Rate	6.00%
Actual Loan / Unit	$52,500
Actual Debt Service	$451,352
ACTUAL DSC RATIO	**1.24**

STANDARD UNDERWRITING PARAMETERS	
Actual Loan Amount	$ 5,250,000
Underwriting Amort. Period (Months Per Policy)	300
Policy Interest Rate	7.00%
Underwriting Debt Service	$ 445,271
UNDERWRITING DSC RATIO	**1.26**

9.00%	$6,241,793	$62,417.93	84%
9.50%	$5,913,277	$59,132.77	89%
10.00%	$5,617,613	$56,176.13	93%
10.50%	$5,350,108	$53,501.08	98%
11.00%	$5,106,921	$51,069.21	103%
11.50%	$4,884,881	$48,848.81	107%
12.00%	$4,681,344	$46,813.44	112%
12.50%	$4,494,091	$44,940.91	117%

ASSUMPTIONS AND COMMENTS:

Actual Constant:	8.60%	Jnderwriting Constant:	**0**
Std Policy Constant:	8.48%	Underwriting DSC:	#DIV/0!
Permanent Constan	#NUM!		

CAPITAL RESERVE GUIDELINES:

$250/unit for new properties (0-10 years old)

$250 - $350/unit for older properties (10+ years old)

DEBT RATIOS/DEBT SERVICE FACTORS:	
STABILIZED NOI/ REQUESTED LOAN AMOUNT	0.1070
STABILIZED NOI/PERMANENT LOAN AMOUNT	#DIV/0!
STABILIZED NOI/SUPPORTABLE DEBT AMOUNT	#DIV/0!