

ASSUMPTIONS (INPUTS)

West Lake Subdivision
a Luxury rental community

General

Property Name	West Lake Subdivision a Luxury rental community
Strategy	Hold
Sq. Ft. Living Area	1,735
Total Sq. Ft.	1,963

Timing

Purchase Date	Dec-2020
Hold Period (Months)	44 months
Months to Market	4 months
Investment Period	49 months
Estimated Sales Date	31-Jan-25

Acquisition + Investment

Purchase Price	274,499
Closing Costs (%)	0.50%

Disposition

Sales Price	320,800
Broker Commission (%)	4.00%
Other Closing Costs (%)	1.00%

Fixed Operating Expenses

Property Tax (Monthly)	292
Insurance (Monthly)	100

S I N G L E F A M I L Y H O M E
P U T N A M C O U N T Y , F L O R I D A



Rental Operation

Monthly Rental Rate	2,200
Variable Op. Expense/Month	50
Property Management Fee	4.00%
Days Vacant per Year	15 days
Vacancy (%)	4.11%
Capital Reserve (% of Income)	5.00%
Ann. Income Growth Rate	5.0%
Ann. Expense Growth Rate	3.0%
Take Occupancy Month	Month 1

SUMMARY OF CASH FLOWS AND RETURNS*West Lake Subdivision*
a Luxury rental community

Property Name	West Lake Subdivision	Month Tenant Occupies	Month 1
Strategy	Hold	Estimated Sales Date	31-Jan-25
Acquisition Date	Dec-2020	Investment Period	49 months
Acquisition Cost	275,871	Projected Sales Price	320,800
Loan Amount	0	Broker Commission / Closing Costs	(16,040)
Equity Needed at Closing	275,871	Net Proceeds from Sale	304,760
		Net Income from Rental	84,521

Total Equity Required	275,871	Net Profit from Investment	109,182
------------------------------	----------------	-----------------------------------	----------------

Investment Returns (Monthly)

IRR	9.20%	Average Cash-on-Cash Return	7.13%
Increase in Equity	1.40x	Average Rate of Return	9.69%

ANNUAL CASH FLOW
West Lake Subdivision

	<u>Year Ending</u>	<u>Year 0</u> <u>31-Dec-20</u>	<u>Year 1</u> <u>31-Dec-21</u>	<u>Year 2</u> <u>31-Dec-22</u>	<u>Year 3</u> <u>31-Dec-23</u>	<u>Year 4</u> <u>31-Dec-24</u>	<u>Year 5</u> <u>31-Dec-25</u>
Acquisition + Investment							
Purchase Price		(274,499)					
Closing Costs		(1,372)					
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Acquisition Costs		(275,871)					
Operation							
Rental Income		-	26,400	27,720	29,106	30,561	2,674
Vacancy/Credit Loss		<u>-</u>	<u>(1,085)</u>	<u>(1,139)</u>	<u>(1,196)</u>	<u>(1,256)</u>	<u>(110)</u>
Effective Gross Revenue		-	25,315	26,581	27,910	29,305	2,564
Property Tax		-	(3,504)	(3,609)	(3,717)	(3,829)	(329)
Insurance		-	(1,200)	(1,236)	(1,273)	(1,311)	(113)
Operating Expense (Hold)		-	(600)	(618)	(637)	(656)	(56)
Property Management		<u>-</u>	<u>(1,013)</u>	<u>(1,063)</u>	<u>(1,116)</u>	<u>(1,172)</u>	<u>(103)</u>
Total Operating Expenses		-	(6,317)	(6,526)	(6,743)	(6,968)	(600)
Net Operating Income		-	18,998	20,054	21,166	22,337	1,964
Capital Reserve		<u>-</u>	<u>(950)</u>	<u>(1,003)</u>	<u>(1,058)</u>	<u>(1,117)</u>	<u>(98)</u>
Net Cash Flow before Debt		-	18,049	19,052	20,108	21,220	1,866
<i>Free and Clear Return</i>			<i>6.54%</i>	<i>6.91%</i>	<i>7.29%</i>	<i>7.69%</i>	<i>0.68%</i>
Debt Service		-	-	-	-	-	-
Net Cash Flow After Debt		-	18,049	19,052	20,108	21,220	1,866
<i>Cash-on-Cash Return</i>			<i>6.54%</i>	<i>6.91%</i>	<i>7.29%</i>	<i>7.69%</i>	<i>0.68%</i>
Disposition							
Sales Price							320,800
Broker Commission							(12,832)
Other Closing Costs							(3,208)
Loan Payoff		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Proceeds from Sale		-	-	-	-	-	304,760
Unlevered Returns (Monthly)							
Unlevered Cash Flow		(275,871)	18,048	19,052	20,108	21,220	306,626
Unlevered Equity Multiple		1.40X					
Unlevered IRR		9.20%					
Cash Outflow		275,871					
Cash Inflow		385,054					
Net Profit		109,182					