PROPERTY AND INVESTOR DATA SUMMARY

FORM 1

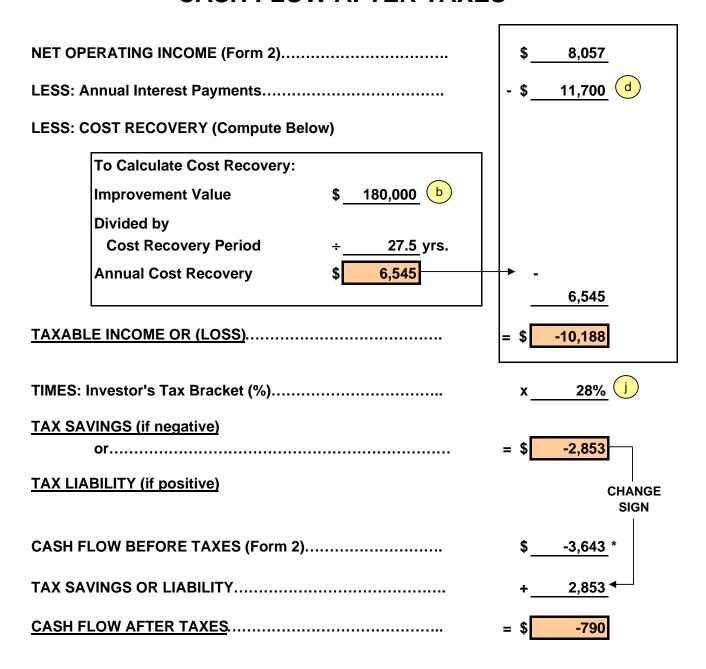
Property Address			_	Investo	r			
Prepared By Greg Swann				Date	8/15/2005			
_								
PURCHASE PRICE \$			LAND	ALLOCATION	20%			
IMPROVEMENT ALLOCATION (%) x		80%		O.	%			
IMPROVEMENT VALUE \$		180,000 b						
	Amount		Rate (%)		Annual Interest			
1st Loan \$_	180,000	х	6.50%	=	\$ 11,700			
	+				+			
2nd Loan \$_		X		=	\$0			
TOTAL= \$	180,000	C		=	\$ 11,700	d		
_								
Down Payment					\$ 45,000			
Closing Costs				+	\$3,500	<u>e</u>		
Initial Investment		•••••		=	\$ 48,500	f		
Gross Scheduled In	come (monthly rent	: \$	1,050x 12)	=	\$ 12,600	g		
Annual Vacancy Allo	owance (10% %	x (g))	=	\$ 1,260	h		
ANNUAL OPERATIN	IG EXPENSES	70	Investor's Tax Brack	et (%)		28% j		
			Holding Period					
Insurance	600		Annual Property					
Utilities	0		Appreciation Rate	e (%)	<u>11.</u>	.00%		
Maintenance	600		Projected Cost of Sale (%) 9.00%					
Other	460							
	0		Investor's Pre-Tax					
			Investment Rat	e (%)	<u>2.</u>	.00%		
TOTAL \$	3,283		1.00 minus	28% bracket		0.72		
		ı	Investor's After-Tax	J. GONG				
			Investment Rate	e	<u>1.</u>	.44% n		

CASH FLOW BEFORE TAXES

Gross Scheduled Income		\$ <u>12,600</u> <u>g</u>
LESS: Vacancy Allowance	-	\$1,260 h
GROSS OPERATING INCOME	=	\$ 11,340
LESS: Total Operating Expenses	-	\$ 3,283 i
NET OPERATING INCOME	=	\$ 8,057
LESS: Annual Interest Payments	-	11,700 d
CASH FLOW BEFORE TAXES	=	\$ -3,643

The preparer accepts no expressed or implied liability due to the contents of this report. Although all facts, figured and projections have been obtained from sources deemed reliable and are believed to be correct, no guarantee or liability is assumed by its author. These forms assist in the analysis of real estate investments and are not intended to comprehensively analyze the tax ramifications for an individual investor. As with any investment, your personal tax counsel should be contacted.

CASH FLOW AFTER TAXES

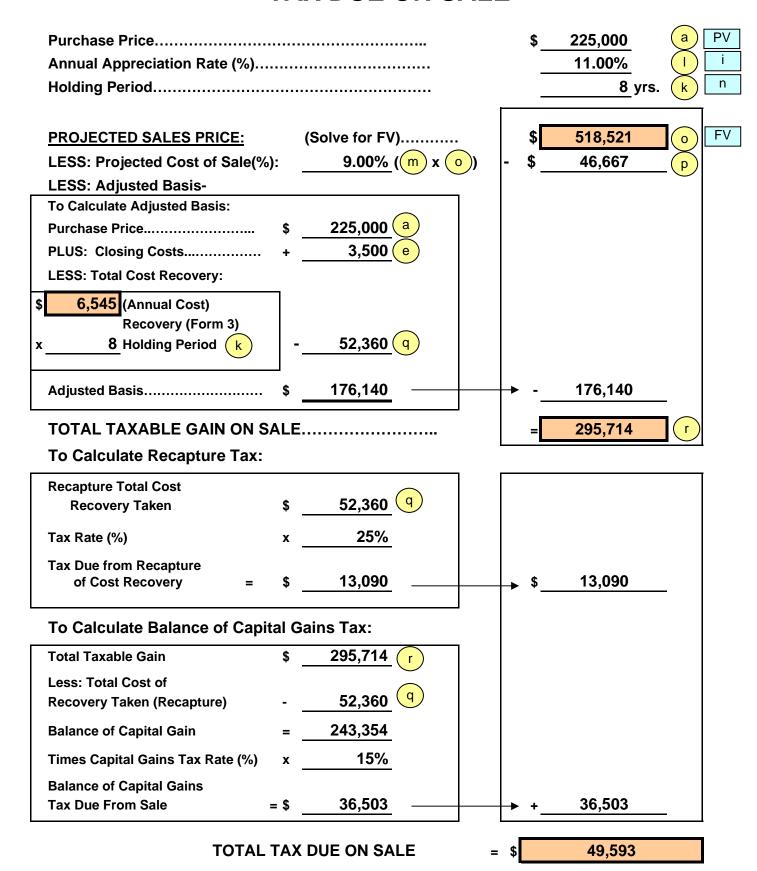


- * If CFBT is negative: A tax savings will reduce the negative cash flow.

 A tax liability will increase the negative cash flow.
- * If CFBT is positive: A tax savings will increase the positive cash flow.

 A tax liability will reduce the positive cash flow.

TAX DUE ON SALE



RESIDENTIAL INVESTMENT PERFORMANCE SUMMARY

PROJECTED SALES PRICE:	= \$ 518,521	
LESS: Projected Cost of Sale: Mortgage Balance Due: Tax Due on Sale (Form 4)	- \$ 46,667 - \$ 180,000 c - \$ 49,593	
AFTER-TAX PROCEEDS FROM SALE:	= \$ 242,261 S	
CASH FLOW AFTER TAX (Form 3):	\$ -790 n 1.44% k 8 yrs.	PMT i n SOLVE
AMOUNT ACCUMULATED:	= -6,648 * T	FOR FV
TOTAL FUTURE WEALTH: (S + T)	= \$ 235,613	FV
INITIAL INVESTMENT:	f \$ 48,500	PV
HOLDING PERIOD:	k8 yrs.	n SOLVE
AFTER-TAX RATE OF RETURN/YIELD (%):	= 21.84%	FOR i

*Note:

If CFAT is positive, the amount accumulated will also be positive and represents the amount that annual cash flows would earn if invested in a relatively safe and liquid type investment during the holding period.

If CFAT is negative, the amount accumulated will also be negative, and represents the after-tax lost opportunity cost of using investment capital to meet the annual deficit for the duration of the holding period.