## PROPERTY AND INVESTOR DATA SUMMARY

FORM 1

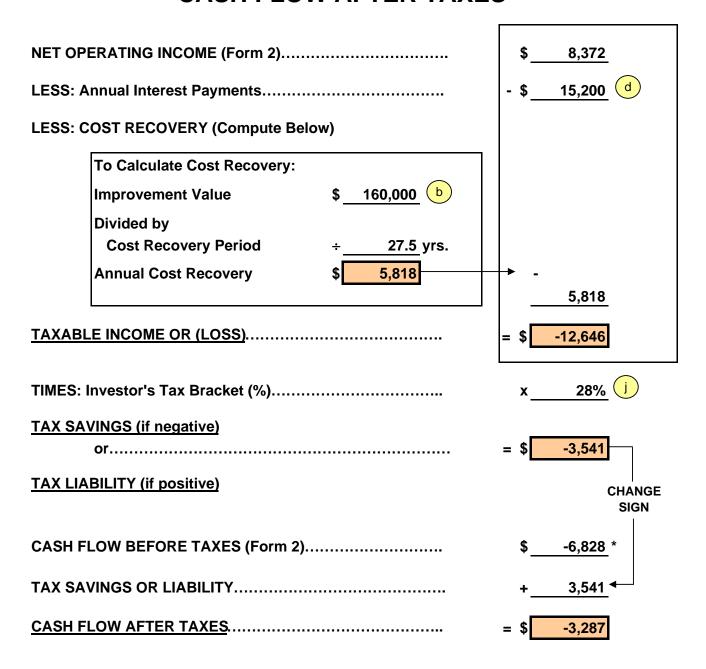
Property Address	Property Address West Pointe			Investor	Investor You		
Prepared By	Greg Swann		-	Date	Date 7/29/2006		
PURCHASE PRIC	CE	\$	200,000 a	LAND A	ALLOCATION 20%		
IMPROVEMENT A	ALLOCATION (%)	X	80%		<del></del> %		
IMPROVEMENT \	` '	\$	160,000 b				
	Amount		Rate (%)		Annual Interest		
1st Loan \$		x	7.00%	= 5	\$ 11,200		
	+	ı			+		
2nd Loan \$	\$ 40,000	x	10.00%	= 5	\$ 4,000		
	-,	i	-		-,		
TOTAL= \$	\$ 200,000	C		= 5	\$ 15,200 d		
	' <u></u>			_	,		
Down Payment				,	\$ 0		
DOWN Faymen				•	<b>5</b>		
Olasina Coste					4		
Closing Costs		•••••		+ ;	\$(e)		
- tot it to constant and					\$ 1 <u>f</u>		
Initial Investment				= ;	\$1		
~		-	: 222 · · · · · · · · · · · · · · · · ·	-			
Gross Scheduled I	Income (monthly rent	. \$	1,000 x 12)	) = ;	\$ 12,000 g		
	,	120/					
Annual Vacancy A	Illowance (	10%	<u>(a</u> x (g))	= 5	\$ 1,200 h		
		%					
ANNUAL OPERAT		7	Investor's Tax Brack	` '			
Property Taxes	772	ĺ	•	Holding Period			
Insurance	600	ĺ	<b>Annual Property</b>				
Utilities	tilities 0 Appreciation Rate (%) <u>5.00%</u>						
Maintenance	Maintenance 600 Projected Cost of Sale (%) 6.00%						
Other	456	ĺ					
	0	ĺ	Investor's Pre-Tax				
		ĺ	Investment Rate (%)				
TOTAL \$	\$ 2,428 (i	ĺ	1.00 minus	28%	$j = x \overline{0.72}$		
	<u>-, -</u>	ĺ		k bracket			
		1	Investor's After-Tax				
			Investment Rate		1.44% n		

## **CASH FLOW BEFORE TAXES**

Gross Scheduled Income		\$ <u>12,000</u> g
LESS: Vacancy Allowance	-	\$1,200 h
GROSS OPERATING INCOME	=	\$ 10,800
LESS: Total Operating Expenses	-	\$ <u>2,428</u> i
NET OPERATING INCOME	=	\$ 8,372
LESS: Annual Interest Payments	-	15,200 d
CASH FLOW BEFORE TAXES	=	\$ -6,828

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**

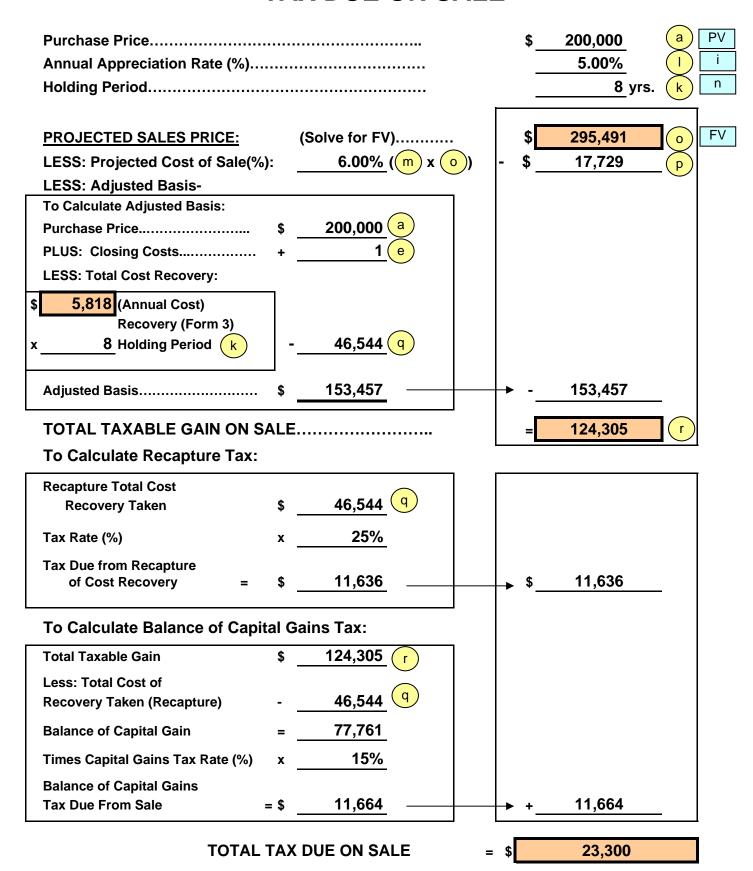


- \* If CFBT is negative: A tax savings will reduce the negative cash flow.

  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:	= \$ 295,491	
LESS: Projected Cost of Sale:	- \$ 17,729 P c c c c c c c c c c c c c c c c c c	
AFTER-TAX PROCEEDS FROM SALE:	= \$ 54,462 S	
CASH FLOW AFTER TAX (Form 3):	\$ -3,287 n 1.44% k 8 yrs.	PMT i n SOLVE
AMOUNT ACCUMULATED:	= -27,660 * T	FOR <b>FV</b>
TOTAL FUTURE WEALTH: ( S + T )	= \$ 26,802	FV
INITIAL INVESTMENT:	f \$1	PV
HOLDING PERIOD:	k8 yrs.	n SOLVE FOR
AFTER-TAX RATE OF RETURN/YIELD (%):	= 257.70%	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.