

ARBORS AT CARROLLWOOD CASH FLOW ANALYSIS 5 YR. PROGRAM

Purchase Price:	\$250,000.00	<u>PAID IN ADVANCE:</u>		<u>REIMBURSEMENTS:</u>	
Unit Style:	2 bed/2bath	Mortgage Payments *	\$31,500.00	<u>(out of mortgage)</u>	\$31,500.00
Guaranteed Rent:	\$1,100.00	Taxes**	\$7,500.00	Down Payment:	\$12,500.00
		<u>HOA Dues***</u>	<u>\$5,783.52</u>	Closing Costs:	\$6,250.00
		Total Dollars:	\$44,783.52	Operating Budget:	\$12,750.00
<u>FINANCING</u>		<u>OPTION ARM</u>		Management Fee:	\$100.00
Down Payment:	\$12,500.00	Start Rate:	1.20%	Appreciation Rate:	6%
Loan Amount:	\$237,500.00	Index:	4.20%		
HOA Dues:	\$240.98	Margin:	3.44%		

	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5</u>	
Monthly Rents:	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00	
Monthly Minimum:	\$805.33	\$805.33	\$805.33	\$805.33	\$805.33	
Interest Only Payment:	\$1,694.57	\$1,694.57	\$1,694.57	\$1,694.57	\$1,694.57	
Gross Neg. Am.	\$889.24	\$889.24	\$889.24	\$889.24	\$889.24	
Taxes:	PAID	PAID	\$312.50	\$312.50	\$312.50	
HOA Dues:	PAID	PAID	\$240.98	\$240.98	\$240.98	
Net Monthly Income:	\$294.67	\$294.67	(\$258.81)	(\$258.81)	(\$258.81)	
Net Neg. AM.:	\$594.57	\$594.57	\$889.24	\$889.24	\$889.24	
Yearly Neg. Am:	(\$7,134.84)	(\$7,134.84)	(\$10,670.88)	(\$10,670.88)	(\$10,670.88)	
Yearly Cash Flow:	\$0.00	\$0.00	(\$3,105.72)	(\$3,105.72)	(\$3,105.72)	
Operating Budget:	\$12,750.00	\$12,750.00	\$9,644.28	\$6,538.56	\$3,432.84	
New Value Based on Appreciation Rate(6%):	\$265,000.00	\$280,900.00	\$297,754.00	\$315,619.24	\$334,556.39	
Return on Investment:	120%	247.20%	382.03%	524.95%	676.45%	(using the \$12,500 down):
<u>Tax Benefits(Write-Offs)</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5</u>	
Losses:	(\$7,134.84)	(\$7,134.84)	(\$13,776.60)	(\$13,776.60)	(\$13,776.60)	
Depreciation:	(\$9,090.91)	(\$9,090.91)	(\$9,090.91)	(\$9,090.91)	(\$9,090.91)	
Closing Costs:	(\$6,250.00)					

Mgmt. Fee@\$100/Month:	<u>(\$1,200.00)</u>	<u>(\$1,200.00)</u>	<u>(\$1,200.00)</u>	<u>(\$1,200.00)</u>	<u>(\$1,200.00)</u>
<u>Total Deductions</u>	<u>(\$23,675.75)</u>	<u>(\$17,425.75)</u>	<u>(\$24,067.51)</u>	<u>(\$24,067.51)</u>	<u>(\$24,067.51)</u>
Refund(@33%)	\$7,813.00	\$5,750.50	\$7,942.28	\$7,942.28	\$7,942.28

CONSULT YOUR ACCOUNTANT FOR YOUR EXACT DEDUCTIONS. EVERYONES FINANCIAL SITUATION WILL VARY. WE ARE NOT ACCOUNTANTS.

<u>TOTAL NEG. AM.:</u>	<u>(\$46,282.32)</u>				
<u>TOTAL REFUND DOLLARS:</u>	<u>\$37,390.33</u>	<i>Based on the model in front of you. Our buyers will be fully reimbursed all up front expenses including down payment and be in a position to cash flow there mortgage payments for a 5 year period in a market that has averaged close to 20% annual appreciation for the last 5 years.</i>			
<u>NET EFFECT:</u>	<u>(\$8,891.99)</u>				
<u>TOTAL AMT. OWED At 5 YRS:</u>	<u>\$246,391.99</u>				
<u>EST. VALUE At 5 YRS(@6%):</u>	<u>\$334,556.39</u>				
<u>GROSS PROFIT:</u>	<u>\$88,164.40</u>				
<u>TOTAL ROI:</u>	<u>676.45%</u>	<u>ANNUAL ROI:</u>	<u>135.29%</u>		

***-mortgage payments are based on a 90%LTV at a 7% interest only payment and paid in advance**

****-taxes are based on 1.5% of the purchase price and paid in advance**

*****-HOA Dues are paid in advance**

This is an example of the potential return. None of these numbers are guaranteed, and are speculative in nature. We in no way guarantee that this is the outcome that any and all buyers will receive.