

Adrian Apartments II

1212 Main St.
Atlanta GA 30304

Annual Property Operating Data



Jeffrey Sandford
404-555-1212

	Year 1	\$/Sq Ft	Year 2	\$/Sq Ft	Year 3	\$/Sq Ft	Year 4	\$/Sq Ft	Year 5	\$/Sq Ft
Potential Rental Income	\$ 184,800	14.30	\$ 188,496	14.59	\$ 192,266	14.88	\$ 196,111	15.18	\$ 200,033	15.48
Less: Vacancy & Credit Losses	(9,240)	(0.72)	(9,425)	(0.73)	(9,613)	(0.74)	(9,806)	(0.76)	(10,002)	(0.77)
Effective Rental Income	\$ 175,560	13.59	\$ 179,071	13.86	\$ 182,653	14.14	\$ 186,306	14.42	\$ 190,032	14.71
Other Income	1,800	0.14	1,836	0.14	1,873	0.14	1,910	0.15	1,948	0.15
Gross Operating Income	\$ 177,360	13.73	\$ 180,907	14.00	\$ 184,525	14.28	\$ 188,216	14.57	\$ 191,980	14.86
Operating Expenses										
Advertising	500	0.04	505	0.04	510	0.04	515	0.04	520	0.04
Insurance	4,250	0.33	4,293	0.33	4,335	0.34	4,379	0.34	4,423	0.34
Landscaping	750	0.06	758	0.06	765	0.06	773	0.06	780	0.06
Maintenance	3,500	0.27	3,535	0.27	3,570	0.28	3,606	0.28	3,642	0.28
Pest Control	3,500	0.27	3,535	0.27	3,570	0.28	3,606	0.28	3,642	0.28
Property Taxes	7,500	0.58	7,575	0.59	7,651	0.59	7,727	0.60	7,805	0.60
Electricity	1,250	0.10	1,263	0.10	1,275	0.10	1,288	0.10	1,301	0.10
Total Operating Expenses	\$ 21,250	1.64	\$ 21,463	1.66	\$ 21,677	1.68	\$ 21,894	1.69	\$ 22,113	1.71
Net Operating Income (NOI)	\$ 156,110	12.08	\$ 159,445	12.34	\$ 162,848	12.60	\$ 166,322	12.87	\$ 169,867	13.15
Less: Annual Debt Service	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)
Less: Funded Reserves	(5,000)	(0.39)	(5,050)	(0.39)	(5,101)	(0.39)	(5,152)	(0.40)	(5,203)	(0.40)
Cash Flow Before Taxes	\$ 48,956	3.79	\$ 52,240	4.04	\$ 55,594	4.30	\$ 59,016	4.57	\$ 62,510	4.84

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	Year 6	\$/Sq Ft	Year 7	\$/Sq Ft	Year 8	\$/Sq Ft	Year 9	\$/Sq Ft	Year 10	\$/Sq Ft
Potential Rental Income	\$ 204,034	15.79	\$ 208,115	16.11	\$ 212,277	16.43	\$ 216,523	16.76	\$ 220,853	17.09
Less: Vacancy & Credit Losses	(10,202)	(0.79)	(10,406)	(0.81)	(10,614)	(0.82)	(10,826)	(0.84)	(11,043)	(0.85)
Effective Rental Income	\$ 193,832	15.00	\$ 197,709	15.30	\$ 201,663	15.61	\$ 205,697	15.92	\$ 209,810	16.24
Other Income	1,987	0.15	2,027	0.16	2,068	0.16	2,109	0.16	2,151	0.17
Gross Operating Income	\$ 195,820	15.16	\$ 199,736	15.46	\$ 203,731	15.77	\$ 207,806	16.08	\$ 211,962	16.41
Operating Expenses										
Advertising	526	0.04	531	0.04	536	0.04	541	0.04	547	0.04
Insurance	4,467	0.35	4,511	0.35	4,557	0.35	4,602	0.36	4,648	0.36
Landscaping	788	0.06	796	0.06	804	0.06	812	0.06	820	0.06
Maintenance	3,679	0.28	3,715	0.29	3,752	0.29	3,790	0.29	3,828	0.30
Pest Control	3,679	0.28	3,715	0.29	3,752	0.29	3,790	0.29	3,828	0.30
Property Taxes	7,883	0.61	7,961	0.62	8,041	0.62	8,121	0.63	8,203	0.63
Electricity	1,314	0.10	1,327	0.10	1,340	0.10	1,354	0.10	1,367	0.11
Total Operating Expenses	\$ 22,334	1.73	\$ 22,557	1.75	\$ 22,783	1.76	\$ 23,011	1.78	\$ 23,241	1.80
Net Operating Income (NOI)	\$ 173,486	13.43	\$ 177,179	13.71	\$ 180,948	14.01	\$ 184,795	14.30	\$ 188,721	14.61
Less: Annual Debt Service	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)
Less: Funded Reserves	(5,255)	(0.41)	(5,308)	(0.41)	(5,361)	(0.41)	(5,414)	(0.42)	(5,468)	(0.42)
Cash Flow Before Taxes	\$ 66,077	5.11	\$ 69,717	5.40	\$ 73,433	5.68	\$ 77,226	5.98	\$ 81,098	6.28

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	Year 11	\$/Sq Ft	Year 12	\$/Sq Ft	Year 13	\$/Sq Ft	Year 14	\$/Sq Ft	Year 15	\$/Sq Ft
Potential Rental Income	\$ 225,270	17.44	\$ 229,776	17.78	\$ 234,371	18.14	\$ 239,059	18.50	\$ 243,840	18.87
Less: Vacancy & Credit Losses	(11,264)	(0.87)	(11,489)	(0.89)	(11,719)	(0.91)	(11,953)	(0.93)	(12,192)	(0.94)
Effective Rental Income	\$ 214,007	16.56	\$ 218,287	16.90	\$ 222,653	17.23	\$ 227,106	17.58	\$ 231,648	17.93
Other Income	2,194	0.17	2,238	0.17	2,283	0.18	2,328	0.18	2,375	0.18
Gross Operating Income	\$ 216,201	16.73	\$ 220,525	17.07	\$ 224,935	17.41	\$ 229,434	17.76	\$ 234,023	18.11
Operating Expenses										
Advertising	552	0.04	558	0.04	563	0.04	569	0.04	575	0.04
Insurance	4,695	0.36	4,742	0.37	4,789	0.37	4,837	0.37	4,885	0.38
Landscaping	828	0.06	837	0.06	845	0.07	854	0.07	862	0.07
Maintenance	3,866	0.30	3,905	0.30	3,944	0.31	3,983	0.31	4,023	0.31
Pest Control	3,866	0.30	3,905	0.30	3,944	0.31	3,983	0.31	4,023	0.31
Property Taxes	8,285	0.64	8,368	0.65	8,451	0.65	8,536	0.66	8,621	0.67
Electricity	1,381	0.11	1,395	0.11	1,409	0.11	1,423	0.11	1,437	0.11
Total Operating Expenses	\$ 23,473	1.82	\$ 23,708	1.83	\$ 23,945	1.85	\$ 24,184	1.87	\$ 24,426	1.89
Net Operating Income (NOI)	\$ 192,728	14.92	\$ 196,817	15.23	\$ 200,990	15.56	\$ 205,250	15.89	\$ 209,596	16.22
Less: Annual Debt Service	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)
Less: Funded Reserves	(5,523)	(0.43)	(5,578)	(0.43)	(5,634)	(0.44)	(5,690)	(0.44)	(5,747)	(0.44)
Cash Flow Before Taxes	\$ 85,050	6.58	\$ 89,084	6.90	\$ 93,202	7.21	\$ 97,405	7.54	\$ 101,695	7.87

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	Year 16	\$/Sq Ft	Year 17	\$/Sq Ft	Year 18	\$/Sq Ft	Year 19	\$/Sq Ft	Year 20	\$/Sq Ft
Potential Rental Income	\$ 248,716	19.25	\$ 253,691	19.64	\$ 258,765	20.03	\$ 263,940	20.43	\$ 269,219	20.84
Less: Vacancy & Credit Losses	(12,436)	(0.96)	(12,685)	(0.98)	(12,938)	(1.00)	(13,197)	(1.02)	(13,461)	(1.04)
Effective Rental Income	\$ 236,281	18.29	\$ 241,006	18.65	\$ 245,826	19.03	\$ 250,743	19.41	\$ 255,758	19.80
Other Income	2,423	0.19	2,471	0.19	2,520	0.20	2,571	0.20	2,622	0.20
Gross Operating Income	\$ 238,703	18.48	\$ 243,477	18.84	\$ 248,347	19.22	\$ 253,314	19.61	\$ 258,380	20.00
Operating Expenses										
Advertising	580	0.04	586	0.05	592	0.05	598	0.05	604	0.05
Insurance	4,934	0.38	4,983	0.39	5,033	0.39	5,084	0.39	5,134	0.40
Landscaping	871	0.07	879	0.07	888	0.07	897	0.07	906	0.07
Maintenance	4,063	0.31	4,104	0.32	4,145	0.32	4,187	0.32	4,228	0.33
Pest Control	4,063	0.31	4,104	0.32	4,145	0.32	4,187	0.32	4,228	0.33
Property Taxes	8,707	0.67	8,794	0.68	8,882	0.69	8,971	0.69	9,061	0.70
Electricity	1,451	0.11	1,466	0.11	1,480	0.11	1,495	0.12	1,510	0.12
Total Operating Expenses	\$ 24,671	1.91	\$ 24,917	1.93	\$ 25,166	1.95	\$ 25,418	1.97	\$ 25,672	1.99
Net Operating Income (NOI)	\$ 214,033	16.57	\$ 218,560	16.92	\$ 223,180	17.27	\$ 227,896	17.64	\$ 232,708	18.01
Less: Annual Debt Service	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)	(102,154)	(7.91)
Less: Funded Reserves	(5,805)	(0.45)	(5,863)	(0.45)	(5,922)	(0.46)	(5,981)	(0.46)	(6,041)	(0.47)
Cash Flow Before Taxes	\$ 106,074	8.21	\$ 110,543	8.56	\$ 115,105	8.91	\$ 119,761	9.27	\$ 124,513	9.64