

Executive Summary



Adrian Apartments II

1212 Main St
Atlanta GA 30304



Property Information

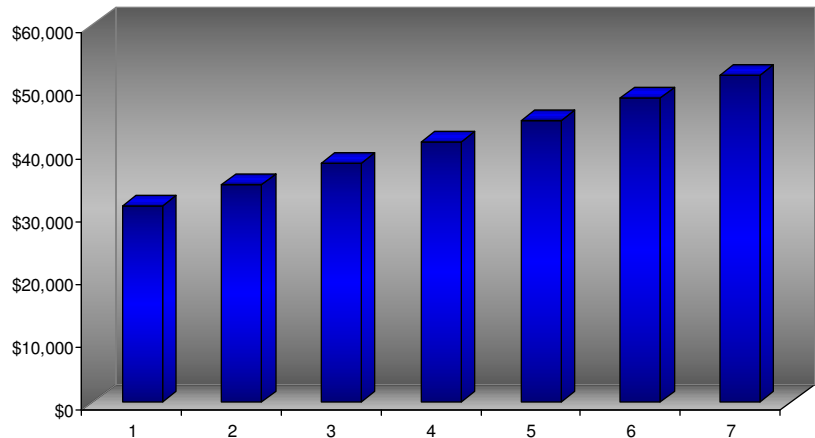
Financial Information

Type	Apartments	No. of Units	14	Down Payment: \$	475,625	<u>% of Asking</u>	27.18%	<u>% of Cost</u>	26.80%
Purchase Price	\$ 1,775,000	Price Per Unit	\$ 126,786	Initial Loan Balance: \$	1,312,500		75.00%		73.94%
Cap Rate (Cost)	8.79%	Total Square Feet	12,920	<u>Loan Amount</u>		<u>Interest Rate</u>		<u>Term</u>	
		Price Per Sq. Ft.	\$ 137.38	\$	1,312,500	6.75%		20	\$
								<u>Payment</u>	9,979.78

Income & Expenses

Projected Cash Flow Before Taxes

Monthly Rents:	\$ 15,400
Annual Rents:	\$ 184,800
Other Annual Income:	\$ 1,800
Annual Vacancy:	\$ (9,240)
Annual Expenses:	\$ (21,250)
Annual Reserves:	\$ (5,000)
Annual Debt Service:	\$ (119,757)
Net Operating Income (NOI)	\$ 156,110



Assumptions:

Rental Growth Rate:	2.00%
Expense Growth Rate:	1.00%
Capitalization Rate (Resale):	8.00%
Marginal Tax Rate:	34.00%
Capital Gain Tax Rate:	21.00%

Financial Measurements

Year 1

Year 4

Year 7

Summary Description & Notes

Debt Coverage Ratio (DCR)	1.30	1.39	1.48
Loan-to-Value Ratio (LVR)	65.6%	56.3%	46.7%
Capitalization Rate Based on Cost	8.79%	9.37%	9.98%
Capitalization Rate Based on Resale Price	8.00%	8.00%	8.00%
Net Present Value (NPV) - B/ Taxes	13.50%	40,050	102,508
Net Present Value (NPV) - A/Taxes	10.00%	26,922	82,170
Cash on Cash Return - Before Taxes	6.59%	8.71%	10.96%
Cash on Cash Return - After Taxes	4.96%	6.54%	7.42%
Internal Rate of Return Before Taxes		19.64%	18.12%
Internal Rate of Return After Taxes		14.78%	14.07%
Modified Internal Rate of Return Before Taxes		18.25%	15.92%
Modified Internal Rate of Return After Taxes		13.88%	12.58%

Adrian Apartments II is a one, two and three bedroom garden style apartment complex with a total of 14 units.

The property is comprised of studio unit types. Complex amenities consist of laundry facilities and controlled vehicular access.

An November 1, 2009 appraisal places the value of this property at \$2.5 million.

Disclaimer: All information presented is believed to be accurate.

The information, calculations and data presented in this report are believed to be accurate but are not guaranteed. The information contained in this report shall not be considered as a substitution for legal, accounting or other professional advice. Please seek proper legal and tax advice as appropriate before making investments.