

# Projected Financial Analysis Summary

**Adrian Property  
1212 Manin Dr  
Atlanta GA 30027**

Prepared For

Mr. Jessie Johnson

November 15, 2008

Presented by

**Mark Fiedler  
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The information, calculations & data presented in this report are believed to be accurate but are not guaranteed or warranted. 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 any purchases of real estate.

# PROJECTED FINANCIAL ANALYSIS SUMMARY



Estimated Project Completion Date

**Month 24**

**Projected After-Repair Value Sales Price**

**\$ 225,000**

Estimated Selling Expenses  
 Cumulative Rehab Costs & Holding Expenses  
 Income Tax Benefit (Cost) from Sale

(13,500)  
 (53,090)  
 (118)

Asking Price & Closing Costs

(157,500)

**TOTAL CASH Profit on FLIP**

**\$ 791**

Funds Needed

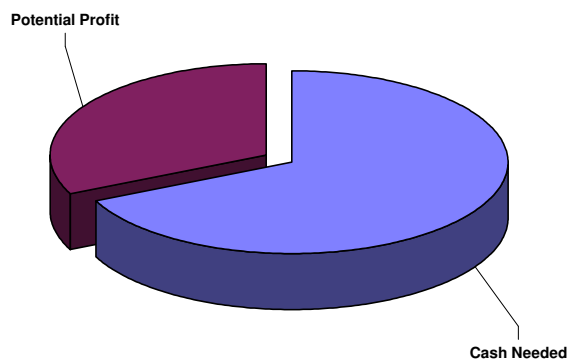
**\$ 33,197**

**Total Cash on Cash Return b/f Taxes**

**2.74%**

**Total Cash on Cash Return a/t Taxes**

**2.38%**



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# Cash Flow Analysis



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FLIP PROFIT / LOSS	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
<b>Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
FMV Adjustment Option (+/-)	-	-	-	-	-	-
<b>Adj Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Income Tax Benefit (Cost) from Sale	(12,026)	(9,570)	(6,838)	(6,477)	(6,120)	(5,768)
Cumulative Rehab & Holding Expenses	(11,566)	(23,033)	(35,449)	(39,415)	(43,382)	(47,348)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(40)	(124)	(257)	(390)	(523)	(656)
Points Paid (if any)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Prepayment Penalty ( <i>if any</i> )						
Equity Generated from Monthly Payments	2,761	5,538	8,332	11,141	13,967	16,810
Initial Purchase Price	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 30,924</b>	<b>\$ 24,607</b>	<b>\$ 17,583</b>	<b>\$ 16,654</b>	<b>\$ 15,738</b>	<b>\$ 14,833</b>
Cumulative Funds Needed/Used	\$ 25,538	\$ 25,871	\$ 26,204	\$ 26,537	\$ 26,870	\$ 27,203
<b>Total Cash on Cash Return b/f Taxes</b>	168.18%	132.10%	93.20%	87.17%	81.35%	75.73%
<b>Total Cash on Cash Return a/t Taxes</b>	121.09%	95.12%	67.10%	58.57%	58.57%	54.53%

## NET CASH GENERATED

<b>Net Proceeds from Sale</b>	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500
Debt Payoff	(132,489)	(129,712)	(126,918)	(124,109)	(121,283)	(118,440)
Cumulative Rehab & Holding Expenses	(11,566)	(23,033)	(35,449)	(39,415)	(43,382)	(47,348)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(40)	(124)	(257)	(390)	(523)	(656)
Prepayment Penalty ( <i>if any</i> )						
Income Tax Benefit (Cost) from Sale	(12,026)	(9,570)	(6,838)	(6,477)	(6,120)	(5,768)
Initial Cash Investment	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 30,924</b>	<b>\$ 24,607</b>	<b>\$ 17,583</b>	<b>\$ 16,654</b>	<b>\$ 15,738</b>	<b>\$ 14,833</b>

## REHAB COSTS & HOLDING EXPENSES

<b>REHAB Costs from Schedule</b>	\$ (6,850)	\$ (7,500)	\$ (8,450)			
Other Monthly Expenses	(1,083)	(333)	(333)	(333)	(333)	(333)
Mortgage Payments - 1st Mortgage	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)
Mortgage Payments - 2nd Mortgage	(229)	(229)	(229)	(229)	(229)	(229)
Rental Income ( <i>if any</i> )						
<b>Monthly Net Cash Out Flow</b>	<b>\$ (11,566)</b>	<b>\$ (11,466)</b>	<b>\$ (12,416)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>
<b>Cumulative REHAB &amp; Holding Costs</b>	<b>\$ (11,566)</b>	<b>\$ (23,033)</b>	<b>\$ (35,449)</b>	<b>\$ (39,415)</b>	<b>\$ (43,382)</b>	<b>\$ (47,348)</b>

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# Cash Flow Analysis



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FLIP PROFIT / LOSS	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
<b>Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
FMV Adjustment Option (+/-)	-	-	-	-	-	-
<b>Adj Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Income Tax Benefit (Cost) from Sale	(5,421)	(5,078)	(4,741)	(4,407)	(4,079)	(3,755)
Cumulative Rehab & Holding Expenses	(51,315)	(55,281)	(59,247)	(63,214)	(67,180)	(71,146)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(789)	(922)	(1,055)	(1,188)	(1,321)	(1,454)
Points Paid (if any)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Prepayment Penalty ( <i>if any</i> )						
Equity Generated from Monthly Payments	19,669	22,545	25,437	28,347	31,273	34,217
Initial Purchase Price	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 13,940</b>	<b>\$ 13,059</b>	<b>\$ 12,190</b>	<b>\$ 11,333</b>	<b>\$ 10,489</b>	<b>\$ 9,656</b>
Cumulative Funds Needed/Used	\$ 27,536	\$ 27,869	\$ 28,202	\$ 28,535	\$ 28,868	\$ 29,201
<b>Total Cash on Cash Return b/f Taxes</b>	70.31%	65.08%	60.03%	55.16%	50.46%	45.93%
<b>Total Cash on Cash Return a/t Taxes</b>	50.62%	46.86%	43.22%	39.72%	36.33%	33.07%

## NET CASH GENERATED

<b>Net Proceeds from Sale</b>	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500
Debt Payoff	(115,581)	(112,705)	(109,813)	(106,903)	(103,977)	(101,033)
Cumulative Rehab & Holding Expenses	(51,315)	(55,281)	(59,247)	(63,214)	(67,180)	(71,146)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(789)	(922)	(1,055)	(1,188)	(1,321)	(1,454)
Prepayment Penalty ( <i>if any</i> )						
Income Tax Benefit (Cost) from Sale	(5,421)	(5,078)	(4,741)	(4,407)	(4,079)	(3,755)
Initial Cash Investment	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 13,940</b>	<b>\$ 13,059</b>	<b>\$ 12,190</b>	<b>\$ 11,333</b>	<b>\$ 10,489</b>	<b>\$ 9,656</b>

## REHAB COSTS & HOLDING EXPENSES

<b>REHAB Costs from Schedule</b>						
Other Monthly Expenses	(333)	(333)	(333)	(333)	(333)	(333)
Mortgage Payments - 1st Mortgage	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)
Mortgage Payments - 2nd Mortgage	(229)	(229)	(229)	(229)	(229)	(229)
Rental Income ( <i>if any</i> )						
<b>Monthly Net Cash Out Flow</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>
<b>Cumulative REHAB &amp; Holding Costs</b>	<b>\$ (51,315)</b>	<b>\$ (55,281)</b>	<b>\$ (59,247)</b>	<b>\$ (63,214)</b>	<b>\$ (67,180)</b>	<b>\$ (71,146)</b>

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# Cash Flow Analysis



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FLIP PROFIT / LOSS	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
<b>Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
FMV Adjustment Option (+/-)	-	-	-	-	-	-
<b>Adj Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Income Tax Benefit (Cost) from Sale	(1,595)	(1,450)	(1,306)	(1,165)	(1,026)	(889)
Cumulative Rehab & Holding Expenses	(75,113)	(79,079)	(83,046)	(87,012)	(90,978)	(94,945)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(1,587)	(1,720)	(1,853)	(1,986)	(2,119)	(2,252)
Points Paid (if any)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Prepayment Penalty ( <i>if any</i> )						
Equity Generated from Monthly Payments	37,178	40,155	43,151	46,164	49,194	52,242
Initial Purchase Price	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 10,678</b>	<b>\$ 9,702</b>	<b>\$ 8,741</b>	<b>\$ 7,796</b>	<b>\$ 6,866</b>	<b>\$ 5,951</b>
Cumulative Funds Needed/Used	\$ 29,534	\$ 29,867	\$ 30,200	\$ 30,533	\$ 30,866	\$ 31,199
<b>Total Cash on Cash Return b/f Taxes</b>	41.56%	37.34%	33.27%	29.35%	25.57%	21.93%
<b>Total Cash on Cash Return a/t Taxes</b>	36.15%	32.48%	28.94%	25.53%	22.24%	19.08%

## NET CASH GENERATED

<b>Net Proceeds from Sale</b>	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500
Debt Payoff	(98,072)	(95,095)	(92,099)	(89,086)	(86,056)	(83,008)
Cumulative Rehab & Holding Expenses	(75,113)	(79,079)	(83,046)	(87,012)	(90,978)	(94,945)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(1,587)	(1,720)	(1,853)	(1,986)	(2,119)	(2,252)
Prepayment Penalty ( <i>if any</i> )						
Income Tax Benefit (Cost) from Sale	(1,595)	(1,450)	(1,306)	(1,165)	(1,026)	(889)
Initial Cash Investment	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 10,678</b>	<b>\$ 9,702</b>	<b>\$ 8,741</b>	<b>\$ 7,796</b>	<b>\$ 6,866</b>	<b>\$ 5,951</b>

## REHAB COSTS & HOLDING EXPENSES

<b>REHAB Costs from Schedule</b>						
Other Monthly Expenses	(333)	(333)	(333)	(333)	(333)	(333)
Mortgage Payments - 1st Mortgage	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)
Mortgage Payments - 2nd Mortgage	(229)	(229)	(229)	(229)	(229)	(229)
Rental Income ( <i>if any</i> )						
<b>Monthly Net Cash Out Flow</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>
<b>Cumulative REHAB &amp; Holding Costs</b>	<b>\$ (75,113)</b>	<b>\$ (79,079)</b>	<b>\$ (83,046)</b>	<b>\$ (87,012)</b>	<b>\$ (90,978)</b>	<b>\$ (94,945)</b>

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# Cash Flow Analysis



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FLIP PROFIT / LOSS	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
<b>Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
FMV Adjustment Option (+/-)	-	-	-	-	-	-
<b>Adj Projected After-Repair Value</b>	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Income Tax Benefit (Cost) from Sale	(755)	(623)	(493)	(366)	(241)	(118)
Cumulative Rehab & Holding Expenses	(98,911)	(102,877)	(106,844)	(110,810)	(114,777)	(118,743)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(2,385)	(2,518)	(2,651)	(2,784)	(2,917)	(3,050)
Points Paid (if any)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Prepayment Penalty ( <i>if any</i> )						
Equity Generated from Monthly Payments	55,308	58,391	61,493	64,613	67,751	70,907
Initial Purchase Price	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)	\$ (157,500)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 5,052</b>	<b>\$ 4,169</b>	<b>\$ 3,301</b>	<b>\$ 2,448</b>	<b>\$ 1,612</b>	<b>\$ 791</b>
Cumulative Funds Needed/Used	\$ 31,532	\$ 31,865	\$ 32,198	\$ 32,531	\$ 32,864	\$ 33,197
<b>Total Cash on Cash Return b/f Taxes</b>	18.42%	15.04%	11.78%	8.65%	5.64%	2.74%
<b>Total Cash on Cash Return a/t Taxes</b>	16.02%	13.08%	10.25%	7.53%	4.90%	2.38%

## NET CASH GENERATED

<b>Net Proceeds from Sale</b>	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500
Debt Payoff	(79,942)	(76,859)	(73,757)	(70,637)	(67,499)	(64,343)
Cumulative Rehab & Holding Expenses	(98,911)	(102,877)	(106,844)	(110,810)	(114,777)	(118,743)
Interest Expense - Rehab Costs ( <i>if financed</i> )	(2,385)	(2,518)	(2,651)	(2,784)	(2,917)	(3,050)
Prepayment Penalty ( <i>if any</i> )						
Income Tax Benefit (Cost) from Sale	(755)	(623)	(493)	(366)	(241)	(118)
Initial Cash Investment	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>TOTAL CASH Profit (Loss) on FLIP</b>	<b>\$ 5,052</b>	<b>\$ 4,169</b>	<b>\$ 3,301</b>	<b>\$ 2,448</b>	<b>\$ 1,612</b>	<b>\$ 791</b>

## REHAB COSTS & HOLDING EXPENSES

<b>REHAB Costs from Schedule</b>						
Other Monthly Expenses	(333)	(333)	(333)	(333)	(333)	(333)
Mortgage Payments - 1st Mortgage	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)	(3,404)
Mortgage Payments - 2nd Mortgage	(229)	(229)	(229)	(229)	(229)	(229)
Rental Income ( <i>if any</i> )						
<b>Monthly Net Cash Out Flow</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>	<b>\$ (3,966)</b>
<b>Cumulative REHAB &amp; Holding Costs</b>	<b>\$ (98,911)</b>	<b>\$ (102,877)</b>	<b>\$ (106,844)</b>	<b>\$ (110,810)</b>	<b>\$ (114,777)</b>	<b>\$ (118,743)</b>

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# Income Tax Analysis



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	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
<b>Projected Sales Price</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>
Estimated Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Cumulative Improvements Made	(6,850)	(14,350)	(22,800)	(22,800)	(22,800)	(22,800)
Amortization Points Paid	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Interest Expense	(912)	(1,852)	(2,825)	(3,782)	(4,722)	(5,646)
Prepayment Penalty <i>(if any)</i>	-	-	-	-	-	-
Other Holding Expenses Less Rents <i>(if Any)</i>	(1,083)	(1,416)	(1,749)	(2,082)	(2,415)	(2,748)
Original Cost of Property	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)
<b>Taxable Gain (Loss) on Property Sale</b>	<b>\$ 42,950</b>	<b>\$ 34,177</b>	<b>\$ 24,421</b>	<b>\$ 23,131</b>	<b>\$ 21,858</b>	<b>\$ 20,601</b>
Combined Federal & State Tax Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
<b>Tax (Expense) Benefit from Sale</b>	<b>(12,026)</b>	<b>(9,570)</b>	<b>(6,838)</b>	<b>(6,477)</b>	<b>(6,120)</b>	<b>(5,768)</b>

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# Income Tax Analysis



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	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
<b>Projected Sales Price</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>
Estimated Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Cumulative Improvements Made	(22,800)	(22,800)	(22,800)	(22,800)	(22,800)	(22,800)
Amortization Points Paid	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Interest Expense	(6,553)	(7,444)	(8,318)	(9,174)	(10,014)	(10,837)
Prepayment Penalty <i>(if any)</i>	-	-	-	-	-	-
Other Holding Expenses Less Rents <i>(if Any)</i>	(3,081)	(3,414)	(3,747)	(4,080)	(4,413)	(4,746)
Original Cost of Property	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)
<b>Taxable Gain (Loss) on Property Sale</b>	<b>\$ 19,361</b>	<b>18,137</b>	<b>16,930</b>	<b>15,741</b>	<b>14,568</b>	<b>13,412</b>
Combined Federal & State Tax Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
<b>Tax (Expense) Benefit from Sale</b>	<b>(5,421)</b>	<b>(5,078)</b>	<b>(4,741)</b>	<b>(4,407)</b>	<b>(4,079)</b>	<b>(3,755)</b>

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# Income Tax Analysis



Mark Fiedler  
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	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
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	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
<b>Projected Sales Price</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>
Estimated Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Cumulative Improvements Made	(22,800)	(22,800)	(22,800)	(22,800)	(22,800)	(22,800)
Amortization Points Paid	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Interest Expense	(11,643)	(12,431)	(13,202)	(13,956)	(14,692)	(15,410)
Prepayment Penalty <i>(if any)</i>	-	-	-	-	-	-
Other Holding Expenses Less Rents <i>(if Any)</i>	(5,079)	(5,412)	(5,745)	(6,078)	(6,411)	(6,744)
Original Cost of Property	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)
<b>Taxable Gain (Loss) on Property Sale</b>	<b>\$ 12,273</b>	<b>\$ 11,152</b>	<b>\$ 10,048</b>	<b>\$ 8,961</b>	<b>\$ 7,892</b>	<b>\$ 6,841</b>
Combined Federal & State Tax Rate	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
<b>Tax (Expense) Benefit from Sale</b>	<b>(1,595)</b>	<b>(1,450)</b>	<b>(1,306)</b>	<b>(1,165)</b>	<b>(1,026)</b>	<b>(889)</b>

Adrian Property

1212 Manin Dr

Atlanta GA 30027

# Income Tax Analysis



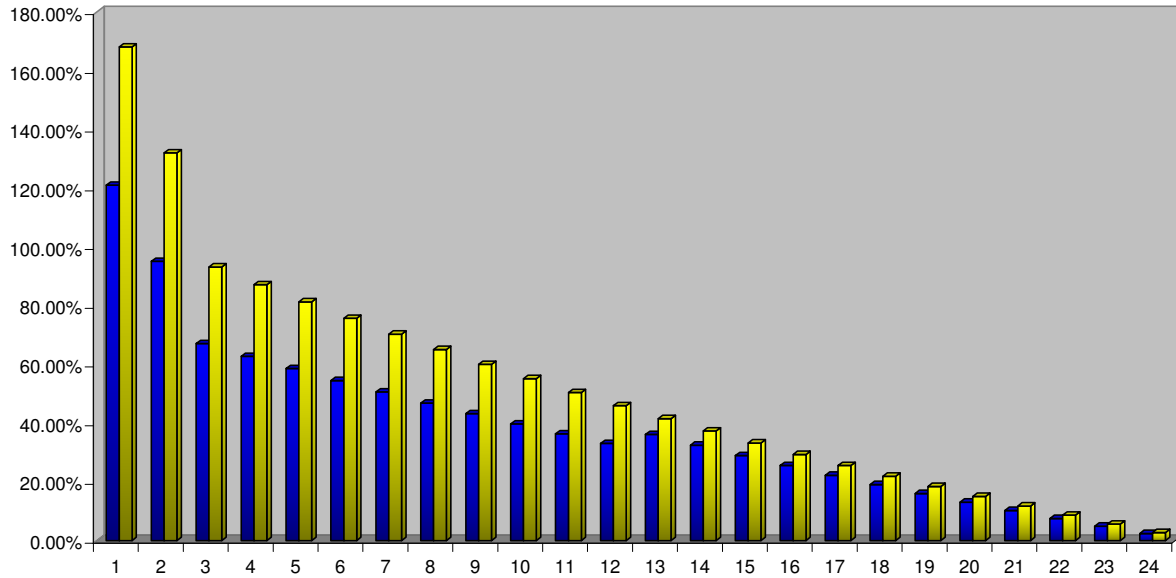
Mark Fiedler  
505-891-4663

	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
<b>Projected Sales Price</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>
Estimated Selling Expenses	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)	(13,500)
Cumulative Improvements Made	(22,800)	(22,800)	(22,800)	(22,800)	(22,800)	(22,800)
Amortization Points Paid	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)	(2,205)
Interest Expense	(16,111)	(16,794)	(17,458)	(18,105)	(18,733)	(19,343)
Prepayment Penalty <i>(if any)</i>	-	-	-	-	-	-
Other Holding Expenses Less Rents <i>(if Any)</i>	(7,077)	(7,410)	(7,743)	(8,076)	(8,409)	(8,742)
Original Cost of Property	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)	(157,500)
<b>Taxable Gain (Loss) on Property Sale</b>	<b>\$ 5,807</b>	<b>\$ 4,791</b>	<b>\$ 3,794</b>	<b>\$ 2,814</b>	<b>\$ 1,853</b>	<b>\$ 910</b>
Combined Federal & State Tax Rate	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
<b>Tax (Expense) Benefit from Sale</b>	<b>(755)</b>	<b>(623)</b>	<b>(493)</b>	<b>(366)</b>	<b>(241)</b>	<b>(118)</b>

# Cash on Cash Return

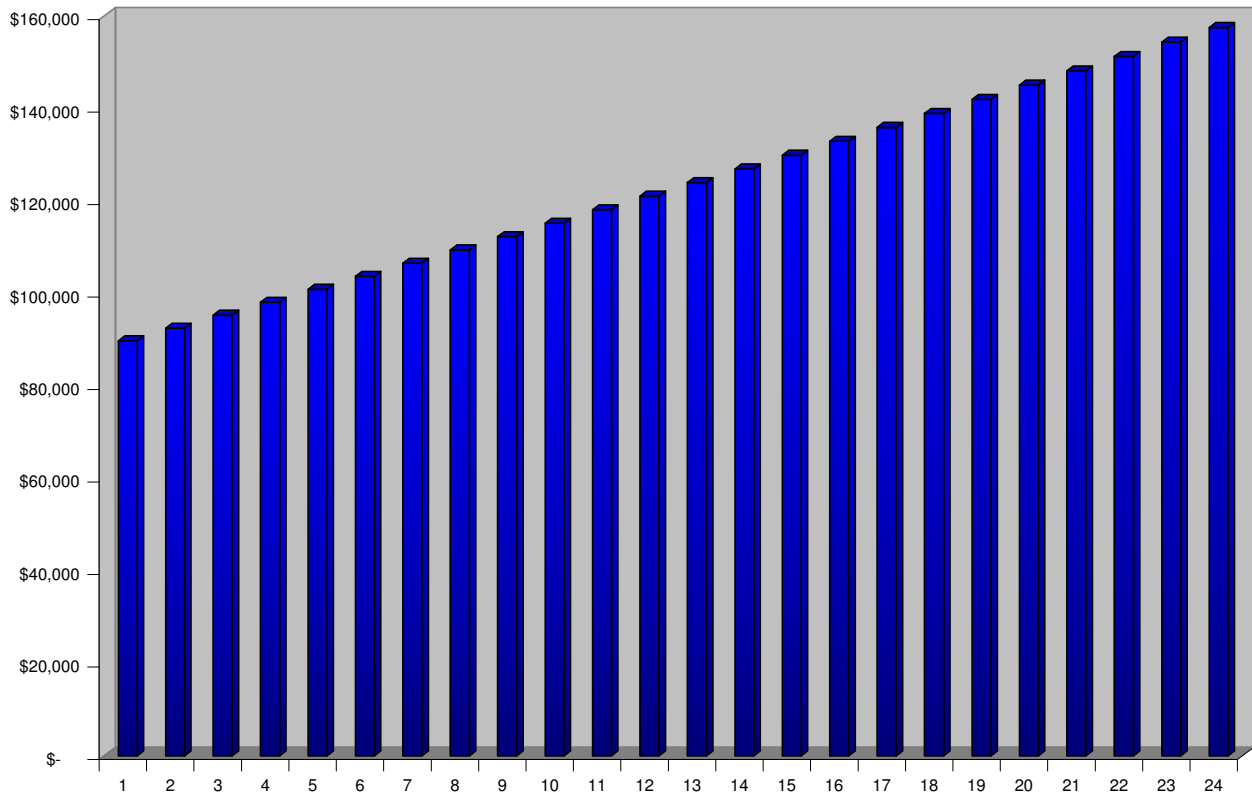


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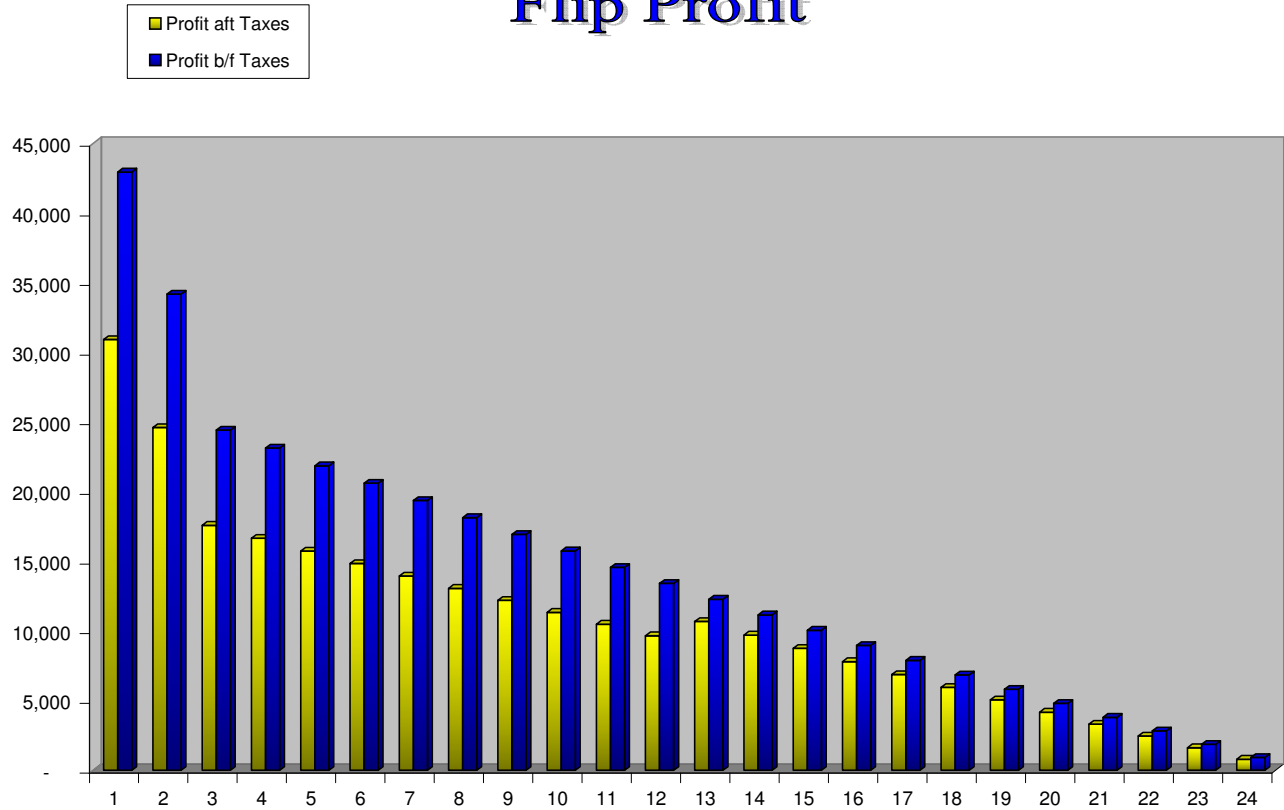
Time Period	Net Cash Profit	Income Taxes	Net Cash Profit b/f taxes	Initial Investment	Non Financed Expenses	Cash on Cash Return b/f Taxes	Cash on Cash Return a/t Taxes
Month 1	\$ 30,924	\$ (12,026)	\$ 42,950	\$ 24,455	\$ 1,083	168.18%	121.09%
Month 2	24,607	(9,570)	34,177		333	132.10%	95.12%
Month 3	17,583	(6,838)	24,421		333	93.20%	67.10%
Month 4	16,654	(6,477)	23,131		333	87.17%	62.76%
Month 5	15,738	(6,120)	21,858		333	81.35%	58.57%
Month 6	14,833	(5,768)	20,601		333	75.73%	54.53%
Month 7	13,940	(5,421)	19,361		333	70.31%	50.62%
Month 8	13,059	(5,078)	18,137		333	65.08%	46.86%
Month 9	12,190	(4,741)	16,930		333	60.03%	43.22%
Month 10	11,333	(4,407)	15,741		333	55.16%	39.72%
Month 11	10,489	(4,079)	14,568		333	50.46%	36.33%
Month 12	9,656	(3,755)	13,412		333	45.93%	33.07%
Month 13	10,678	(1,595)	12,273		333	41.56%	36.15%
Month 14	9,702	(1,450)	11,152		333	37.34%	32.48%
Month 15	8,741	(1,306)	10,048		333	33.27%	28.94%
Month 16	7,796	(1,165)	8,961		333	29.35%	25.53%
Month 17	6,866	(1,026)	7,892		333	25.57%	22.24%
Month 18	5,951	(889)	6,841		333	21.93%	19.08%
Month 19	5,052	(755)	5,807		333	18.42%	16.02%
Month 20	4,169	(623)	4,791		333	15.04%	13.08%
Month 21	3,301	(493)	3,794		333	11.78%	10.25%
Month 22	2,448	(366)	2,814		333	8.65%	7.53%
Month 23	1,612	(241)	1,853		333	5.64%	4.90%
Month 24	791	(118)	910		333	2.74%	2.38%

# Equity Generated



Time Period	End of Period Property Value	Loan(s) Outstanding	Property Equity	Loan to Value Ratio	Ownership Percentage	Debt to Equity
Month 1	\$ 225,000	\$ 135,250	\$ 89,750	60.1%	39.9%	1.51
Month 2	225,000	132,489	92,511	58.9%	41.1%	1.43
Month 3	225,000	129,712	95,288	57.6%	42.4%	1.36
Month 4	225,000	126,918	98,082	56.4%	43.6%	1.29
Month 5	225,000	124,109	100,891	55.2%	44.8%	1.23
Month 6	225,000	121,283	103,717	53.9%	46.1%	1.17
Month 7	225,000	118,440	106,560	52.6%	47.4%	1.11
Month 8	225,000	115,581	109,419	51.4%	48.6%	1.06
Month 9	225,000	112,705	112,295	50.1%	49.9%	1.00
Month 10	225,000	109,813	115,187	48.8%	51.2%	0.95
Month 11	225,000	106,903	118,097	47.5%	52.5%	0.91
Month 12	225,000	103,977	121,023	46.2%	53.8%	0.86
Month 13	225,000	101,033	123,967	44.9%	55.1%	0.82
Month 14	225,000	98,072	126,928	43.6%	56.4%	0.77
Month 15	225,000	95,095	129,905	42.3%	57.7%	0.73
Month 16	225,000	92,099	132,901	40.9%	59.1%	0.69
Month 17	225,000	89,086	135,914	39.6%	60.4%	0.66
Month 18	225,000	86,056	138,944	38.2%	61.8%	0.62
Month 19	225,000	83,008	141,992	36.9%	63.1%	0.58
Month 20	225,000	79,942	145,058	35.5%	64.5%	0.55
Month 21	225,000	76,859	148,141	34.2%	65.8%	0.52
Month 22	225,000	73,757	151,243	32.8%	67.2%	0.49
Month 23	225,000	70,637	154,363	31.4%	68.6%	0.46
Month 24	225,000	67,499	157,501	30.0%	70.0%	0.43

# Flip Profit



<i>Time Period</i>	<i>Net Cash Profit a/t Taxes</i>	<i>Net Cash Profit b/f Taxes</i>
Month 1	30,924	42,950
Month 2	24,607	34,177
Month 3	17,583	24,421
Month 4	16,654	23,131
Month 5	15,738	21,858
Month 6	14,833	20,601
Month 7	13,940	19,361
Month 8	13,059	18,137
Month 9	12,190	16,930
Month 10	11,333	15,741
Month 11	10,489	14,568
Month 12	9,656	13,412
Month 13	10,678	12,273
Month 14	9,702	11,152
Month 15	8,741	10,048
Month 16	7,796	8,961
Month 17	6,866	7,892
Month 18	5,951	6,841
Month 19	5,052	5,807
Month 20	4,169	4,791
Month 21	3,301	3,794
Month 22	2,448	2,814
Month 23	1,612	1,853
Month 24	791	910

# Amortization

Mortgage 1	
Principal	\$ 110,250
Rate	7.00%
Term	36
Payment	\$ 3,404.20

Mortgage 2	
Principal	\$ 25,000
Rate	11.00%
Term	36
Payment	\$ 229.17

Month	Balance	Principal	Interest Expense	Mortgage Payment
1	\$ 110,250	2,761.07	643.13	3,404.20
2	107,489	2,777.18	627.02	3,404.20
3	104,712	2,793.38	610.82	3,404.20
4	101,918	2,809.68	594.52	3,404.20
5	99,109	2,826.07	578.13	3,404.20
6	96,283	2,842.55	561.65	3,404.20
7	93,440	2,859.13	545.07	3,404.20
8	90,581	2,875.81	528.39	3,404.20
9	87,705	2,892.59	511.61	3,404.20
10	84,813	2,909.46	494.74	3,404.20
11	81,903	2,926.43	477.77	3,404.20
12	78,977	2,943.50	460.70	3,404.20
13	76,033	2,960.67	443.53	3,404.20
14	73,072	2,977.94	426.26	3,404.20
15	70,095	2,995.32	408.88	3,404.20
16	67,099	3,012.79	391.41	3,404.20
17	64,086	3,030.36	373.84	3,404.20
18	61,056	3,048.04	356.16	3,404.20
19	58,008	3,065.82	338.38	3,404.20
20	54,942	3,083.70	320.50	3,404.20
21	51,859	3,101.69	302.51	3,404.20
22	48,757	3,119.79	284.41	3,404.20
23	45,637	3,137.98	266.22	3,404.20
24	42,499	3,156.29	247.91	3,404.20

Month	Balance	Principal	Interest Expense	Mortgage Payment
1	\$ 25,000	-	229.17	229.17
2	25,000	-	229.17	229.17
3	25,000	-	229.17	229.17
4	25,000	-	229.17	229.17
5	25,000	-	229.17	229.17
6	25,000	-	229.17	229.17
7	25,000	-	229.17	229.17
8	25,000	-	229.17	229.17
9	25,000	-	229.17	229.17
10	25,000	-	229.17	229.17
11	25,000	-	229.17	229.17
12	25,000	-	229.17	229.17
13	25,000	-	229.17	229.17
14	25,000	-	229.17	229.17
15	25,000	-	229.17	229.17
16	25,000	-	229.17	229.17
17	25,000	-	229.17	229.17
18	25,000	-	229.17	229.17
19	25,000	-	229.17	229.17
20	25,000	-	229.17	229.17
21	25,000	-	229.17	229.17
22	25,000	-	229.17	229.17
23	25,000	-	229.17	229.17
24	25,000	-	229.17	229.17

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# Partner Allocation



## FLIP PROFIT / LOSS

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Total Cash/Profit Generated	\$ 30,924	\$ 24,607	\$ 17,583	\$ 16,654	\$ 15,738	\$ 14,833
Limited Partner's Preference	(1,546)	(1,230)	(879)	(833)	(787)	(742)
Return of Invested Capital	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>Net Distributable Cash/Profit</b>	<b>\$ 4,923</b>	<b>\$ (1,078)</b>	<b>\$ (7,751)</b>	<b>\$ (8,633)</b>	<b>\$ (9,504)</b>	<b>\$ (10,364)</b>
Managing Partner's Share	(2,954)	647	4,651	5,180	5,703	6,218
Other Partner's Share (if any)	-	-	-	-	-	-
<b>Limited Partner's Share</b>	<b>\$ 1,969</b>	<b>\$ (431)</b>	<b>\$ (3,100)</b>	<b>\$ (3,453)</b>	<b>\$ (3,802)</b>	<b>\$ (4,146)</b>
Limited Partner's Preference (if any)	1,546	1,230	879	833	787	742
Partner's Distributive Share	1,969	(431)	(3,100)	(3,453)	(3,802)	(4,146)
Return of Capital	9,782	9,782	9,782	9,782	9,782	9,782
Total Cash to Limited Partner	\$ 13,297	\$ 10,581	\$ 7,561	\$ 7,161	\$ 6,767	\$ 6,378
<b>This Partner's Cash on Cash Return</b>	<b>135.9%</b>	<b>108.2%</b>	<b>77.3%</b>	<b>73.2%</b>	<b>69.2%</b>	<b>65.2%</b>

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# Partner Allocation



## FLIP PROFIT / LOSS

	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Total Cash/Profit Generated	\$ 13,940	\$ 13,059	\$ 12,190	\$ 11,333	\$ 10,489	\$ 9,656
Limited Partner's Preference	(697)	(653)	(609)	(567)	(524)	(483)
Return of Invested Capital	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>Net Distributable Cash/Profit</b>	<b>\$ (11,212)</b>	<b>\$ (12,049)</b>	<b>\$ (12,875)</b>	<b>\$ (13,688)</b>	<b>\$ (14,491)</b>	<b>\$ (15,281)</b>
Managing Partner's Share	6,727	7,229	7,725	8,213	8,694	9,169
Other Partner's Share (if any)	-	-	-	-	-	-
<b>Limited Partner's Share</b>	<b>\$ (4,485)</b>	<b>\$ (4,820)</b>	<b>\$ (5,150)</b>	<b>\$ (5,475)</b>	<b>\$ (5,796)</b>	<b>\$ (6,113)</b>
Limited Partner's Preference (if any)	697	653	609	567	524	483
Partner's Distributive Share	(4,485)	(4,820)	(5,150)	(5,475)	(5,796)	(6,113)
Return of Capital	9,782	9,782	9,782	9,782	9,782	9,782
Total Cash to Limited Partner	\$ 5,994	\$ 5,615	\$ 5,242	\$ 4,873	\$ 4,510	\$ 4,152
<b>This Partner's Cash on Cash Return</b>	<b>61.3%</b>	<b>57.4%</b>	<b>53.6%</b>	<b>49.8%</b>	<b>46.1%</b>	<b>42.4%</b>

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# Partner Allocation



## FLIP PROFIT / LOSS

	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
Total Cash/Profit Generated	\$ 10,678	\$ 9,702	\$ 8,741	\$ 7,796	\$ 6,866	\$ 5,951
Limited Partner's Preference	(534)	(485)	(437)	(390)	(343)	(298)
Return of Invested Capital	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>Net Distributable Cash/Profit</b>	<b>\$ (14,311)</b>	<b>\$ (15,238)</b>	<b>\$ (16,151)</b>	<b>\$ (17,049)</b>	<b>\$ (17,932)</b>	<b>\$ (18,801)</b>
Managing Partner's Share	8,587	9,143	9,690	10,229	10,759	11,281
Other Partner's Share (if any)	-	-	-	-	-	-
<b>Limited Partner's Share</b>	<b>\$ (5,725)</b>	<b>\$ (6,095)</b>	<b>\$ (6,460)</b>	<b>\$ (6,819)</b>	<b>\$ (7,173)</b>	<b>\$ (7,520)</b>
Limited Partner's Preference (if any)	534	485	437	390	343	298
Partner's Distributive Share	(5,725)	(6,095)	(6,460)	(6,819)	(7,173)	(7,520)
Return of Capital	9,782	9,782	9,782	9,782	9,782	9,782
Total Cash to Limited Partner	\$ 4,591	\$ 4,172	\$ 3,759	\$ 3,352	\$ 2,952	\$ 2,559
<b>This Partner's Cash on Cash Return</b>	<b>46.9%</b>	<b>42.6%</b>	<b>38.4%</b>	<b>34.3%</b>	<b>30.2%</b>	<b>26.2%</b>

Adrian Property

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# Partner Allocation



FLIP PROFIT / LOSS	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Total Cash/Profit Generated	\$ 5,052	\$ 4,169	\$ 3,301	\$ 2,448	\$ 1,612	\$ 791
Limited Partner's Preference	(253)	(208)	(165)	(122)	(81)	(40)
Return of Invested Capital	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)	(24,455)
<b>Net Distributable Cash/Profit</b>	<b>\$ (19,655)</b>	<b>\$ (20,495)</b>	<b>\$ (21,319)</b>	<b>\$ (22,129)</b>	<b>\$ (22,924)</b>	<b>\$ (23,703)</b>
Managing Partner's Share	11,793	12,297	12,792	13,277	13,754	14,222
Other Partner's Share (if any)	-	-	-	-	-	-
<b>Limited Partner's Share</b>	<b>\$ (7,862)</b>	<b>\$ (8,198)</b>	<b>\$ (8,528)</b>	<b>\$ (8,852)</b>	<b>\$ (9,169)</b>	<b>\$ (9,481)</b>
Limited Partner's Preference (if any)	253	208	165	122	81	40
Partner's Distributive Share	(7,862)	(8,198)	(8,528)	(8,852)	(9,169)	(9,481)
Return of Capital	9,782	9,782	9,782	9,782	9,782	9,782
Total Cash to Limited Partner	\$ 2,172	\$ 1,792	\$ 1,419	\$ 1,053	\$ 693	\$ 340
<b>This Partner's Cash on Cash Return</b>	<b>22.2%</b>	<b>18.3%</b>	<b>14.5%</b>	<b>10.8%</b>	<b>7.1%</b>	<b>3.5%</b>

Budget, Rehab & Performance Tracking	Budget	Actual Costs	Variance Over / (Under)	Comments/ Notes
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Choose which month to compare: Month 6 ▼

Projected / Actual Sales Price	\$ 225,000	\$ 245,000	\$ 20,000	
Estimated / Actual Selling Expenses	(13,500)	(14,700)	(1,200)	
Net Projected / Actual Sales Price	\$ 211,500	\$ 230,300	\$ 18,800	

**Description of Rehab Expenses**

Bathroom	(2,500)	\$ (3,000)	\$ (500)	
Carpet	(450)	(600)	(150)	
Ceiling Fans	-		-	
Decks	-		-	
Doors	-		-	
Electrical	(1,250)	(1,150)	100	
Fireplace	-		-	
Flooring	-		-	
Garage Doors	(150)	(75)	75	
Gutters	-		-	
Heating & Cooling	-		-	
HVAC	(2,500)	(3,500)	(1,000)	Need 2 tons instead
Kitchen Appliances	-		-	
Kitchen Cabinets	(7,500)	(5,000)	2,500	
Landscaping	(1,250)	(1,750)	(500)	dead tree
Light Fixtures	-		-	
Painting - Exterior	(4,500)	(4,600)	(100)	
Painting - Interior	(1,250)	(1,350)	(100)	
Paving	-		-	
Pest Control	-		-	
Plumbing	-		-	
Roof Repairs	-		-	
Siding/Brick/Stucco	-		-	
Site Inspection	-		-	
Supplies	-		-	
Trash Removal	(450)	(350)	100	
Tree Removal	-		-	
Wall Board	-		-	
Water Heater	-		-	
Windows	-		-	
Other	(1,000)	(2,500)	(1,500)	termites in wall
Other	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
<b>Total Rehab Costs</b>	<b>\$ (22,800)</b>	<b>\$ (23,875)</b>	<b>\$ (1,075)</b>	

Purchase Price of Property	\$ (157,500)	\$ (149,000)	\$ 8,500	
Points Estimated / Paid	(2,205)	(2,500)	(295)	
Prepayment Penalty (if any)	-		-	
Cumulative Holding Expenses	(25,204)	(26,747)	(1,543)	
Equity Payments	16,810	19,211	2,401	
Income Taxes	(5,768)	(6,000)	(232)	

**Total Cumulated Cash Generated** \$ 14,833 \$ 41,389 \$ 26,556

**Cash on Cash Return** 54.53% 259.41% 204.88%

# Quick Rehab Input

Description	Project Costs	Select Month of Expense Outlay
Bathroom	\$ 2,500	Month 1 ▼
Carpet	\$ 450	Month 3 ▼
Ceiling Fans	\$ -	Month 1 ▼
Decks	\$ -	Month 1 ▼
Doors	\$ -	Month 1 ▼
Electrical	\$ 1,250	Month 3 ▼
Fireplace	\$ -	Month 1 ▼
Flooring	\$ -	Month 1 ▼
Garage Doors	\$ 150	Month 1 ▼
Gutters	\$ -	Month 1 ▼
Heating & Cooling	\$ -	Month 1 ▼
HVAC	\$ 2,500	Month 1 ▼
Kitchen Appliances	\$ -	Month 1 ▼
Kitchen Cabinets	\$ 7,500	Month 2 ▼
Landscaping	\$ 1,250	Month 1 ▼
Light Fixtures	\$ -	Month 1 ▼
Painting - Exterior	\$ 4,500	Month 3 ▼
Painting - Interior	\$ 1,250	Month 3 ▼
Paving	\$ -	Month 1 ▼
Pest Control	\$ -	Month 1 ▼
Plumbing	\$ -	Month 1 ▼
Roof Repairs	\$ -	Month 1 ▼
Siding/Brick/Stucco	\$ -	Month 1 ▼
Site Inspection	\$ -	Month 1 ▼
Supplies	\$ -	Month 1 ▼
Trash Removal	\$ 450	Month 1 ▼
Tree Removal	\$ -	Month 1 ▼
Wall Board	\$ -	Month 1 ▼
Water Heater	\$ -	Month 1 ▼
Windows	\$ -	Month 1 ▼
Other	\$ 1,000	Month 3 ▼
Other	\$ -	Month 1 ▼
Miscellaneous	\$ -	Month 1 ▼
Miscellaneous	\$ -	Month 1 ▼
Miscellaneous	\$ -	Month 1 ▼
Miscellaneous	\$ -	Month 1 ▼
Miscellaneous	\$ -	Month 1 ▼

Summary	
Month 1	6,850
Month 2	7,500
Month 3	8,450
Month 4	-
Month 5	-
Month 6	-
Month 7	-
Month 8	-
Month 9	-
Month 10	-
Month 11	-
Month 12	-
Month 13	-
Month 14	-
Month 15	-
Month 16	-
Month 17	-
Month 18	-
Month 19	-
Month 20	-
Month 21	-
Month 22	-
Month 23	-
Month 24	-
<b>Total</b>	<b>\$ 22,800</b>

**Total Rehab Costs**      \$ 22,800

# Holding & Other Expenses

Sum Total      \$    8,742

Expense Description	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auto & Travel												
Cleaning & Maintenance												
Commissions												
Insurance	750											
Professional Fees												
Management Fees			-									
Supplies												
Pest Control												
Property Taxes	208	208	208	208	208	208	208	208	208	208	208	208
Yard	75	75	75	75	75	75	75	75	75	75	75	75
Gas												
Electricity	25	25	25	25	25	25	25	25	25	25	25	25
Phone												
Water	25	25	25	25	25	25	25	25	25	25	25	25
Trash												
Misc.												
Misc.	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,083</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>

Expense Description	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auto & Travel												
Cleaning & Maintenance												-
Commissions												
Insurance												
Professional Fees												
Management Fees			-									
Supplies												
Pest Control												
Property Taxes	208	208	208	208	208	208	208	208	208	208	208	208
Yard	75	75	75	75	75	75	75	75	75	75	75	75
Gas												
Electricity	25	25	25	25	25	25	25	25	25	25	25	25
Phone												
Water	25	25	25	25	25	25	25	25	25	25	25	25
Trash												
Misc.												
Misc.	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>	<b>\$ 333</b>

# Adrian Property Rehab Schedule

