

planEASe® Software
Apartment Development



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Introduction Page

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Project Cost Summary

Apartment Development

Cost Item	\$/Unit	Total %	Total \$
Hard Costs			
Land	28,500.00	47.64%	2,850,000
Sitework	8,550.00	14.29%	855,000
Foundations & Floor Slab	3,892.00	6.51%	389,200
Structure	2,660.00	4.45%	266,000
Building Skin	4,616.00	7.72%	461,600
Doors, Balconies	2,588.00	4.33%	258,800
Roof Systems	2,064.00	3.45%	206,400
Electrical	336.00	0.56%	33,600
Exterior Contingency	792.00	1.32%	79,200
Pool	1,500.00	2.51%	150,000
Landscaping	1,104.00	1.85%	110,400
Total Hard Costs	\$56,602.00	94.62%	\$5,660,200
Soft Costs			
Permits	100.00	0.17%	10,000
Legal & Title	180.00	0.30%	18,000
Total Soft Costs	\$280.00	0.47%	\$28,000
Total Costs before Debt	\$56,882.00	95.09%	\$5,688,200
Less: Draw Loan Interest & Fees	\$2,939.19	4.91%	\$293,919
Total Project Cost	\$59,821.19	100.00%	\$5,982,119

Project Cost Schedule

Apartment Development

Date	Cost Item	Quantity	Cost/Item	Total \$
Feb 03	Permits	1.00 Each	\$10,000	\$10,000
Feb 03	Legal & Title	1.00 Each	\$18,000	18,000
	Total			\$28,000
Mar 03	Land	1.00 Each	\$2,850,000	\$2,850,000
Mar 03	Sitework	1.00 Each	\$855,000	855,000
Mar 03	Foundations & Floor Slab	1.00 Each	\$389,200	389,200
	Total			\$4,094,200
Apr 03	Structure	1.00 Each	\$266,000	\$266,000
	Total			\$266,000
May 03	Building Skin	1.00 Each	\$461,600	\$461,600
May 03	Doors, Balconies	1.00 Each	\$258,800	258,800
May 03	Exterior Contingency	1.00 Each	\$79,200	79,200
May 03	Pool	1.00 Each	\$150,000	150,000
	Total			\$949,600
Jun 03	Roof Systems	1.00 Each	\$206,400	\$206,400
	Total			\$206,400
Jul 03	Electrical	1.00 Each	\$33,600	\$33,600
	Total			\$33,600
Aug 03	Landscaping	1.00 Each	\$110,400	\$110,400
	Total			\$110,400
	Total Unit Costs			\$5,688,200

Project Draw Loan Report

Apartment Development

This report shows the results of a Draw Loan specified in support of the Apartment Development development project. The results are based on drawing 100% of the eligible costs specified. Draws are scheduled to occur each month during the life of the project. The loan bears interest at 9.000% and interest is scheduled to be paid at month-end, as incurred. There are no loan fees projected.

Time	Draw Required	Payments	Interest Paid	Loan Balance
Feb 03	\$28,000	\$0	\$210	\$28,000
Mar 03	\$2,669,200	\$0	\$20,229	\$2,697,200
Apr 03	\$266,000	\$0	\$22,224	\$2,963,200
May 03	\$949,600	\$0	\$29,346	\$3,912,800
Jun 03	\$206,400	\$0	\$30,894	\$4,119,200
Jul 03	\$33,600	\$0	\$31,146	\$4,152,800
Aug 03	\$110,400	\$0	\$31,974	\$4,263,200
Sep 03	\$0	\$0	\$31,974	\$4,263,200
Oct 03	\$0	\$0	\$31,974	\$4,263,200
Nov 03	\$0	\$0	\$31,974	\$4,263,200
Dec 03	\$0	\$0	\$31,974	\$4,263,200
Jan 04	\$0	\$4,263,200	\$0	\$0
Totals	\$4,263,200	\$4,263,200	\$293,919	\$0

Proforma Income Statement

Apartment Development

	Jan 03	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03
(Losses Carried Forward)									
Taxable Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Deducted Expenses	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357
Less: Interest Expense	0	0	0	0	0	0	0	0	0
Less: Depreciation									
Sitework	0	0	0	0	0	0	0	0	0
Foundations & Floor Slab	0	0	0	0	0	0	0	0	0
Structure	0	0	0	0	0	0	0	0	0
Building Skin	0	0	0	0	0	0	0	0	0
Doors, Balconies	0	0	0	0	0	0	0	0	0
Roof Systems	0	0	0	0	0	0	0	0	0
Electrical	0	0	0	0	0	0	0	0	0
Exterior Contingency	0	0	0	0	0	0	0	0	0
Pool	0	0	0	0	0	0	0	0	0
Landscaping	0	0	0	0	0	0	0	0	0
Permits	0	0	0	0	0	0	0	0	0
Legal & Title	0	0	0	0	0	0	0	0	0
Total Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ordinary Income	(\$3,357)	(\$3,357)	(\$3,357)	(\$3,357)	(\$3,357)	(\$3,357)	(\$3,357)	(\$3,357)	(\$3,357)
Taxable Income	0	0	0	0	0	0	0	0	0
(Cum Suspended Losses)	0	0	0	0	0	0	0	0	0
Taxes Due (- = Savings)	0	0	0	0	0	0	0	0	0
Cash Flow After Tax	(\$3,357)	(\$3,567)	(\$1,448,586)	(\$25,581)	(\$32,703)	(\$34,251)	(\$34,503)	(\$35,331)	(\$35,331)

Proforma Income Statement

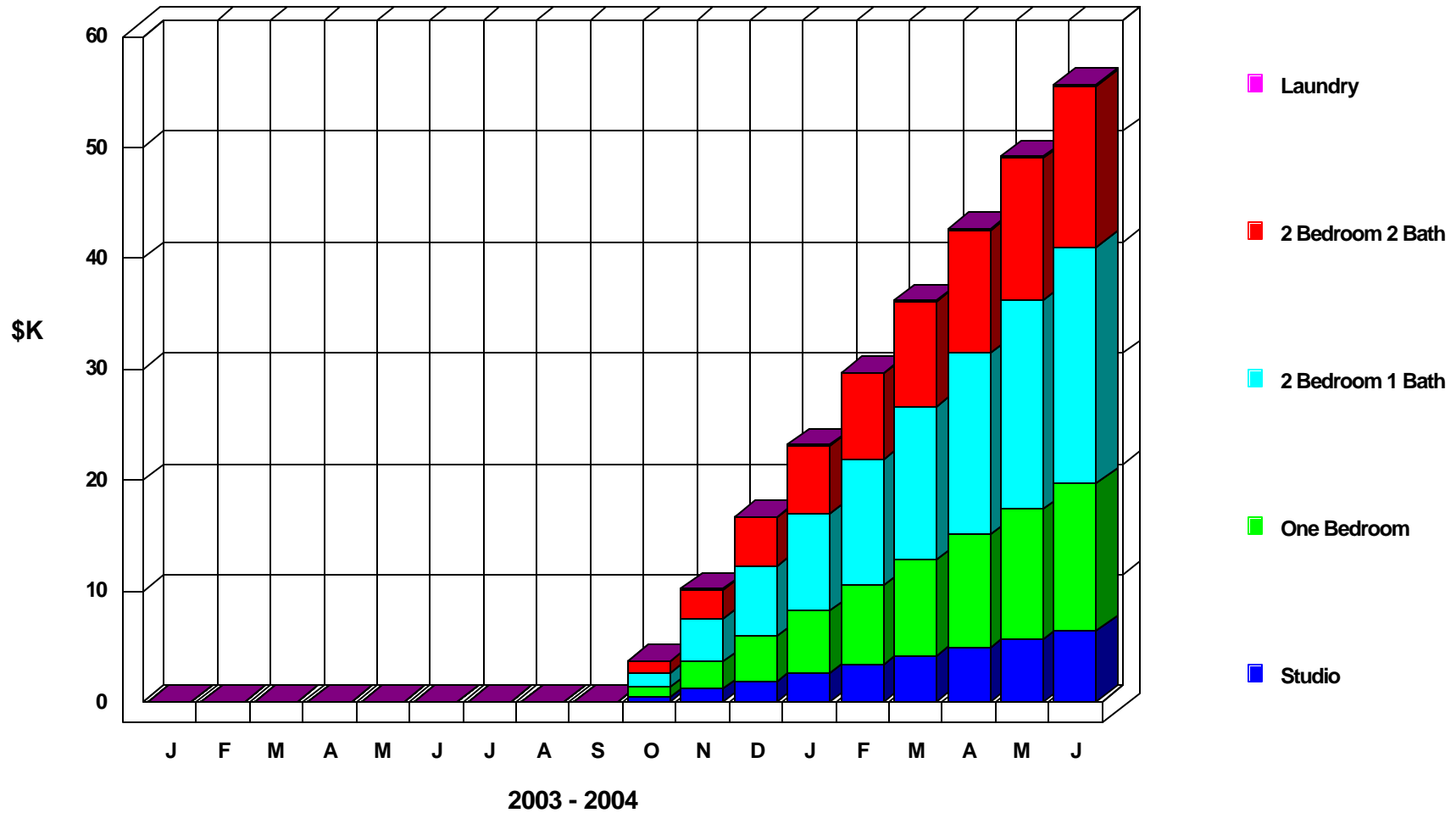
Apartment Development

	Oct 03	Nov 03	Dec 03	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04
(Losses Carried Forward)									
Taxable Revenues	\$3,507	\$9,668	\$15,829	\$21,989	\$28,150	\$34,311	\$40,472	\$46,632	\$52,793
Less: Deducted Expenses	3,673	4,227	4,782	5,407	5,962	6,516	7,071	7,625	8,180
Less: Interest Expense	0	0	0	33,750	33,735	33,720	33,705	33,690	33,674
Less: Depreciation									
Sitemwork	2,308	2,308	2,308	3,000	3,000	3,000	3,000	3,000	3,000
Foundations & Floor Slab	1,051	1,051	1,051	1,366	1,366	1,366	1,366	1,366	1,366
Structure	718	718	718	933	933	933	933	933	933
Building Skin	1,246	1,246	1,246	1,620	1,620	1,620	1,620	1,620	1,620
Doors, Balconies	699	699	699	908	908	908	908	908	908
Roof Systems	557	557	557	724	724	724	724	724	724
Electrical	91	91	91	118	118	118	118	118	118
Exterior Contingency	214	214	214	278	278	278	278	278	278
Pool	405	405	405	526	526	526	526	526	526
Landscaping	298	298	298	387	387	387	387	387	387
Permits	27	27	27	35	35	35	35	35	35
Legal & Title	49	49	49	63	63	63	63	63	63
Total Depreciation	\$7,661	\$7,661	\$7,661	\$9,960	\$9,960	\$9,960	\$9,960	\$9,960	\$9,960
Ordinary Income	(\$7,512)	(\$1,906)	\$3,701	(\$26,718)	(\$21,097)	(\$15,476)	(\$9,854)	(\$4,233)	\$1,389
Taxable Income	0	0	0	0	0	0	0	0	0
(Cum Suspended Losses)	0	0	35,930	0	0	0	0	0	111,920
Taxes Due (- = Savings)	0	0	0	0	0	0	0	0	0
Cash Flow After Tax	(\$32,140)	(\$26,533)	(\$20,927)	(\$232,120)	(\$13,354)	(\$7,147)	(\$2,141)	\$3,465	\$9,071

Gross Income Detail

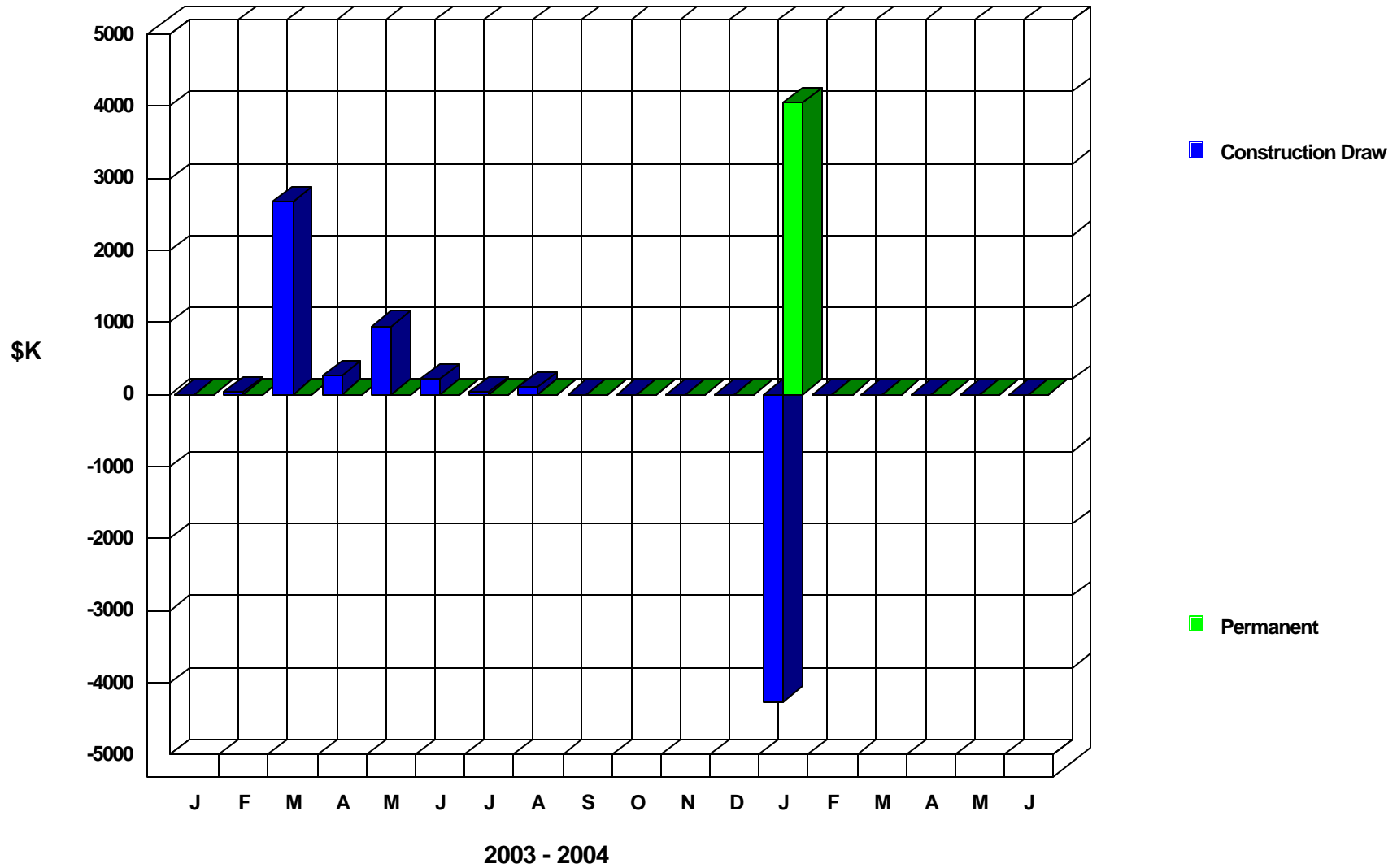
Apartment Development

Shows the lease up pattern.



Debt Draw & Repay Detail

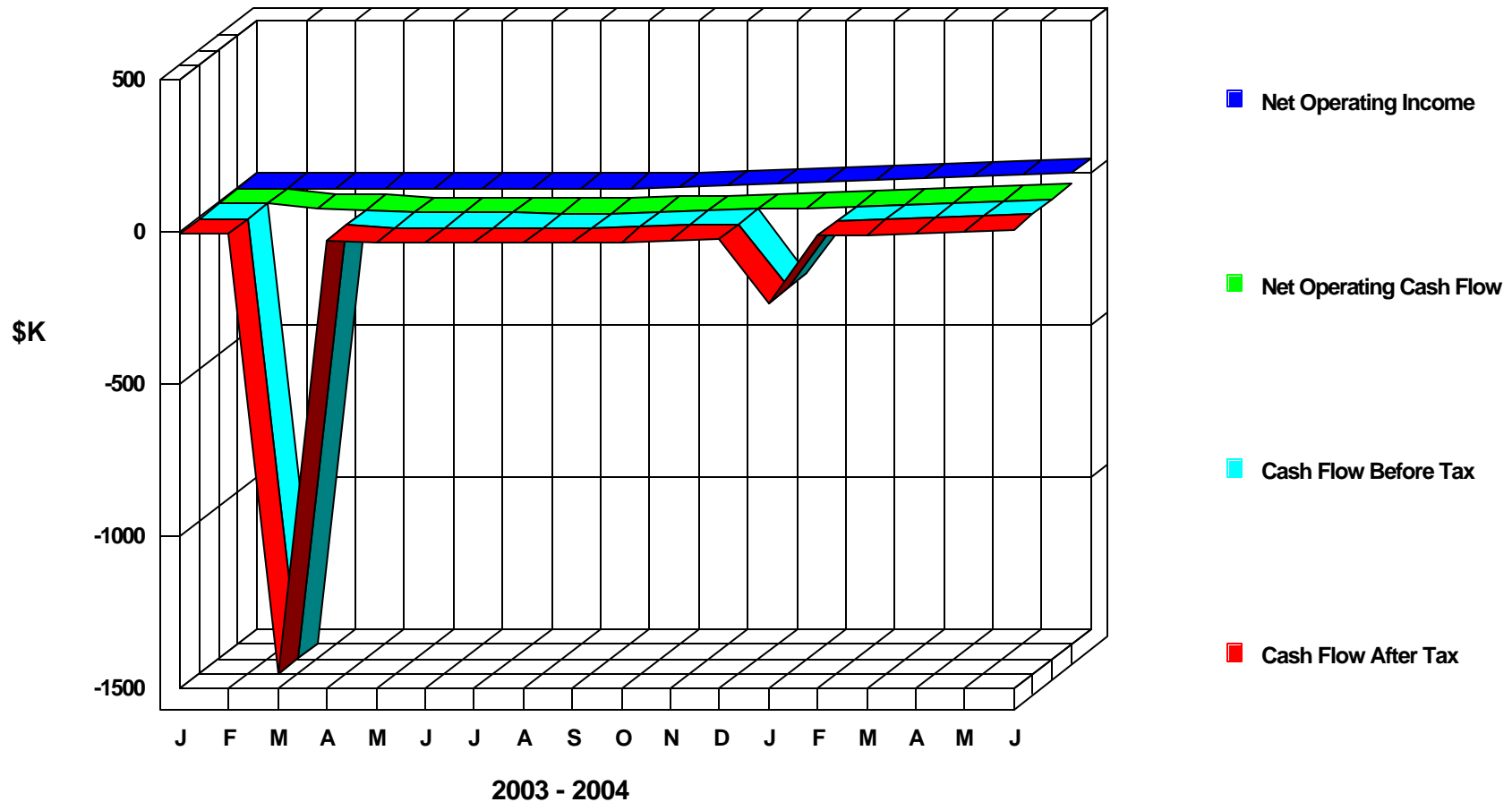
Apartment Development



Cash Flow

Apartment Development

This graph follows the cash flow from Net Operating Income to After Tax. Net Operating Income is simply revenues less expenses. Net Operating Cash Flow subtracts the debt service, then the capital spending items like TI's, Commissions, etc. are subtracted to make up the Cash Flow Before Tax. Finally the tax considerations of the expenses, depreciation, loan interest, etc. are calculated for the Cash Flow After Tax.



Proforma Income Statement

Apartment Development

These reports can be prepared either before or after tax. They combine the Basic and Detail Analysis report information into a very readable format familiar to real estate professionals and accountants. Further, the reports offer information not shown in the Basic and Detail Analysis Reports, such as Ratio Analysis, projected Sale Proceeds by year, and Return and NPV measures by year.

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Gross Income										
Studio	\$3,572	\$77,878	\$108,810	\$112,074	\$115,437	\$118,900	\$122,467	\$126,141	\$129,925	\$133,823
One Bedroom	7,305	162,070	226,688	233,488	240,493	247,708	255,139	262,793	270,677	278,797
2 Bedroom 1 Bath	11,588	270,600	450,000	463,500	477,405	491,727	506,479	521,673	537,324	553,443
2 Bedroom 2 Bath	8,033	184,280	306,000	312,120	318,362	324,730	331,224	337,849	344,606	351,498
Laundry	127	2,198	3,023	3,113	3,207	3,303	3,402	3,504	3,609	3,717
Total Gross Income	\$30,623	\$697,027	\$1,094,520	\$1,124,296	\$1,154,903	\$1,186,367	\$1,218,710	\$1,251,960	\$1,286,140	\$1,321,278
Less: Vacancy & Credit Loss	1,620	40,065	109,452	112,430	115,490	118,637	121,871	125,196	128,614	132,128
Effective Income	\$29,003	\$656,962	\$985,068	\$1,011,866	\$1,039,413	\$1,067,730	\$1,096,839	\$1,126,764	\$1,157,526	\$1,189,150
Less: Operating Expenses										
Management	1,450	32,848	49,253	50,593	51,971	53,387	54,842	56,338	57,876	59,458
Utilities	870	19,709	29,552	30,356	31,182	32,032	32,905	33,803	34,726	35,675
Property Tax	35,284	35,990	36,709	37,444	38,193	38,956	39,736	40,530	41,341	42,168
Gardner	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Insurance	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914
Pool	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Reserve	290	6,570	9,851	10,119	10,394	10,677	10,968	11,268	11,575	11,892
Total Operating Expenses	\$42,894	\$100,266	\$130,670	\$133,975	\$137,367	\$140,848	\$144,421	\$148,088	\$151,852	\$155,715
Net Operating Income	(\$13,891)	\$556,695	\$854,398	\$877,891	\$902,046	\$926,882	\$952,418	\$978,675	\$1,005,674	\$1,033,435
Less: Debt Service										
Construction Draw	293,919	0	0	0	0	0	0	0	0	0
Permanent	0	426,504	426,504	426,504	426,504	426,504	426,504	426,504	426,504	426,504
Total Debt Service	\$293,919	\$426,504	\$426,504	\$426,504	\$426,504	\$426,504	\$426,504	\$426,504	\$426,504	\$426,504
Net Operating Cash Flow	(\$307,810)	\$130,191	\$427,894	\$451,387	\$475,542	\$500,378	\$525,914	\$552,171	\$579,170	\$606,931
Add: Debt Draw & Repay										
Construction Draw	4,263,200	(4,263,200)	0	0	0	0	0	0	0	0
Permanent	0	4,050,040	0	0	0	0	0	0	0	0
Total Debt Draw & Repay	\$4,263,200	(\$213,160)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Capital Spending										
Land	2,850,000	0	0	0	0	0	0	0	0	0
Sitework	855,000	0	0	0	0	0	0	0	0	0
Foundations & Floor Slab	389,200	0	0	0	0	0	0	0	0	0
Structure	266,000	0	0	0	0	0	0	0	0	0
Building Skin	461,600	0	0	0	0	0	0	0	0	0
Doors, Balconies	258,800	0	0	0	0	0	0	0	0	0
Roof Systems	206,400	0	0	0	0	0	0	0	0	0
Electrical	33,600	0	0	0	0	0	0	0	0	0
Exterior Contingency	79,200	0	0	0	0	0	0	0	0	0
Pool	150,000	0	0	0	0	0	0	0	0	0
Landscaping	110,400	0	0	0	0	0	0	0	0	0
Permits	10,000	0	0	0	0	0	0	0	0	0
Legal & Title	18,000	0	0	0	0	0	0	0	0	0
Total Capital Spending	\$5,688,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Tax	(\$1,732,810)	(\$82,969)	\$427,894	\$451,387	\$475,542	\$500,378	\$525,914	\$552,171	\$579,170	\$606,931
Taxable Income and Taxes										
(Losses Carried Forward)										
Taxable Revenues	\$29,003	\$656,962	\$985,068	\$1,011,866	\$1,039,413	\$1,067,730	\$1,096,839	\$1,126,764	\$1,157,526	\$1,189,150
Less: Deducted Expenses	42,894	100,266	130,670	133,975	137,367	140,848	144,421	148,088	151,852	155,715

Proforma Income Statement

Apartment Development

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Less: Interest Expense	0	403,991	401,633	399,029	396,152	392,974	389,463	385,584	381,299	376,566
Less: Depreciation										
Sitemwork	6,924	33,234	33,234	33,234	33,234	33,234	33,234	33,234	33,234	31,850
Foundations & Floor Slab	3,152	15,128	15,128	15,128	15,128	15,128	15,128	15,128	15,128	14,498
Structure	2,154	10,340	10,340	10,340	10,340	10,340	10,340	10,340	10,340	9,909
Building Skin	3,738	17,943	17,943	17,943	17,943	17,943	17,943	17,943	17,943	17,195
Doors, Balconies	2,096	10,060	10,060	10,060	10,060	10,060	10,060	10,060	10,060	9,641
Roof Systems	1,671	8,023	8,023	8,023	8,023	8,023	8,023	8,023	8,023	7,689
Electrical	272	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,252
Exterior Contingency	641	3,079	3,079	3,079	3,079	3,079	3,079	3,079	3,079	2,950
Pool	1,215	5,831	5,831	5,831	5,831	5,831	5,831	5,831	5,831	5,588
Landscaping	894	4,291	4,291	4,291	4,291	4,291	4,291	4,291	4,291	4,113
Permits	81	389	389	389	389	389	389	389	389	373
Legal & Title	146	700	700	700	700	700	700	700	700	671
Total Depreciation	\$22,984	\$110,323	\$110,323	\$110,323	\$110,323	\$110,323	\$110,323	\$110,323	\$110,323	\$105,726
Ordinary Income	(\$36,875)	\$42,382	\$342,442	\$368,539	\$395,571	\$423,585	\$452,633	\$482,769	\$514,052	\$551,144
Taxable Income	0	5,507	342,442	368,539	395,571	423,585	452,633	482,769	514,052	551,144
(Cum Suspended Losses)	36,875	0	0	0	0	0	0	0	0	0
Taxes Due (- = Savings)	0	2,181	135,607	145,941	156,646	167,740	179,243	191,176	203,565	218,253
Cash Flow After Tax	(\$1,732,810)	(\$85,149)	\$292,287	\$305,445	\$318,896	\$332,638	\$346,672	\$360,995	\$375,605	\$388,678

Proforma Income Statement

Apartment Development

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Sale Proceeds:										
Sale Value	(\$126,281)	\$5,060,867	\$7,767,254	\$7,980,825	\$8,200,415	\$8,426,196	\$8,658,346	\$8,897,048	\$9,142,489	\$9,394,865
Less: Sale Costs (6%)	(7,577)	303,652	466,035	478,850	492,025	505,572	519,501	533,823	548,549	563,692
Less: Loan Repayment	4,263,200	4,027,527	4,002,656	3,975,181	3,944,829	3,911,299	3,874,257	3,833,337	3,788,132	3,738,194
Sale Proceeds Before Tax	(4,381,904)	729,688	3,298,563	3,526,795	3,763,561	4,009,326	4,264,588	4,529,888	4,805,807	5,092,979
Less: Taxes due to Sale	(1,222,943)	(219,239)	323,578	391,310	460,174	530,201	601,426	673,883	747,606	822,634
Sale Proceeds After Tax	(3,158,961)	948,927	2,974,985	3,135,484	3,303,388	3,479,124	3,663,162	3,856,005	4,058,201	4,270,346
Ratio Analysis:										
Profitability Ratios										
Adj. Capitalization Rate		9.79%	15.02%	15.43%	15.86%	16.29%	16.74%	17.21%	17.68%	18.17%
Adj. Cash on Cash Before Tax		9.14%	26.12%	27.55%	29.03%	30.55%	32.10%	33.71%	35.35%	37.05%
Adj. Cash on Cash After Tax		8.98%	17.84%	18.65%	19.47%	20.31%	21.16%	22.04%	22.93%	23.73%
Risk Ratios										
Debt Coverage Ratio	(0.047)	1.305	2.003	2.058	2.115	2.173	2.233	2.295	2.358	2.423
Breakeven Occupancy	1099.9%	75.6%	50.9%	49.9%	48.8%	47.8%	46.8%	45.9%	45.0%	44.1%
Loan Balance/Property Value	(3376.0%)	79.6%	51.5%	49.8%	48.1%	46.4%	44.7%	43.1%	41.4%	39.8%
Assumption Ratios										
NOI/Property Value	N/A	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Operating Expense Ratio	140.1%	14.4%	11.9%	11.9%	11.9%	11.9%	11.9%	11.8%	11.8%	11.8%
Analysis Measures:										
IRR Before Debt			17.8%	17.3%	17.0%	16.9%	16.8%	16.7%	16.6%	16.6%
IRR Before Tax			30.7%	28.7%	27.4%	26.6%	26.0%	25.6%	25.2%	24.9%
IRR After Tax			24.2%	22.3%	21.2%	20.5%	20.0%	19.6%	19.3%	19.1%
NPV Before Debt @10.00%	(\$5,671,981)	(\$1,154,885)	\$1,072,495	\$1,339,991	\$1,589,952	\$1,823,531	\$2,041,803	\$2,245,777	\$2,436,390	\$2,614,522
NPV Before Tax @10.00%	(\$5,672,139)	(\$1,170,781)	\$1,041,673	\$1,295,681	\$1,533,460	\$1,756,045	\$1,964,405	\$2,159,448	\$2,342,024	\$2,512,932
NPV After Tax @10.00%	(\$4,560,373)	(\$992,912)	\$688,452	\$813,872	\$931,284	\$1,041,105	\$1,143,739	\$1,239,576	\$1,328,989	\$1,412,338

Common Size Income Statement

Apartment Development

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Gross Income										
Studio	11.7%	11.2%	9.9%	10.0%	10.0%	10.0%	10.0%	10.1%	10.1%	10.1%
One Bedroom	23.9%	23.3%	20.7%	20.8%	20.8%	20.9%	20.9%	21.0%	21.0%	21.1%
2 Bedroom 1 Bath	37.8%	38.8%	41.1%	41.2%	41.3%	41.4%	41.6%	41.7%	41.8%	41.9%
2 Bedroom 2 Bath	26.2%	26.4%	28.0%	27.8%	27.6%	27.4%	27.2%	27.0%	26.8%	26.6%
Laundry	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Total Gross Income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Less: Vacancy & Credit Loss	5.3%	5.7%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Effective Income	94.7%	94.3%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Less: Operating Expenses										
Management	4.7%	4.7%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Utilities	2.8%	2.8%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Property Tax	115.2%	5.2%	3.4%	3.3%	3.3%	3.3%	3.3%	3.2%	3.2%	3.2%
Gardner	3.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Insurance	9.8%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Pool	3.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Reserve	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
Total Operating Expenses	140.1%	14.4%	11.9%	11.9%	11.9%	11.9%	11.9%	11.8%	11.8%	11.8%
Net Operating Income	(45.4%)	79.9%	78.1%	78.1%	78.1%	78.1%	78.1%	78.2%	78.2%	78.2%
Less: Debt Service										
Construction Draw	959.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Permanent	0.0%	61.2%	39.0%	37.9%	36.9%	36.0%	35.0%	34.1%	33.2%	32.3%
Total Debt Service	959.8%	61.2%	39.0%	37.9%	36.9%	36.0%	35.0%	34.1%	33.2%	32.3%
Net Operating Cash Flow	(1005.2%)	18.7%	39.1%	40.1%	41.2%	42.2%	43.2%	44.1%	45.0%	45.9%
Add: Debt Draw & Repay										
Construction Draw	13921.5%	(611.6%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Permanent	0.0%	581.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Debt Draw & Repay	13921.5%	(30.6%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Less: Capital Spending										
Land	9306.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sitework	2792.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Foundations & Floor Slab	1270.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Structure	868.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Building Skin	1507.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Doors, Balconies	845.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roof Systems	674.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electrical	109.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Exterior Contingency	258.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pool	489.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Landscaping	360.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Permits	32.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Legal & Title	58.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Capital Spending	18574.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash Flow Before Tax	(5658.5%)	(11.9%)	39.1%	40.1%	41.2%	42.2%	43.2%	44.1%	45.0%	45.9%

Dollars/Unit Income Statement

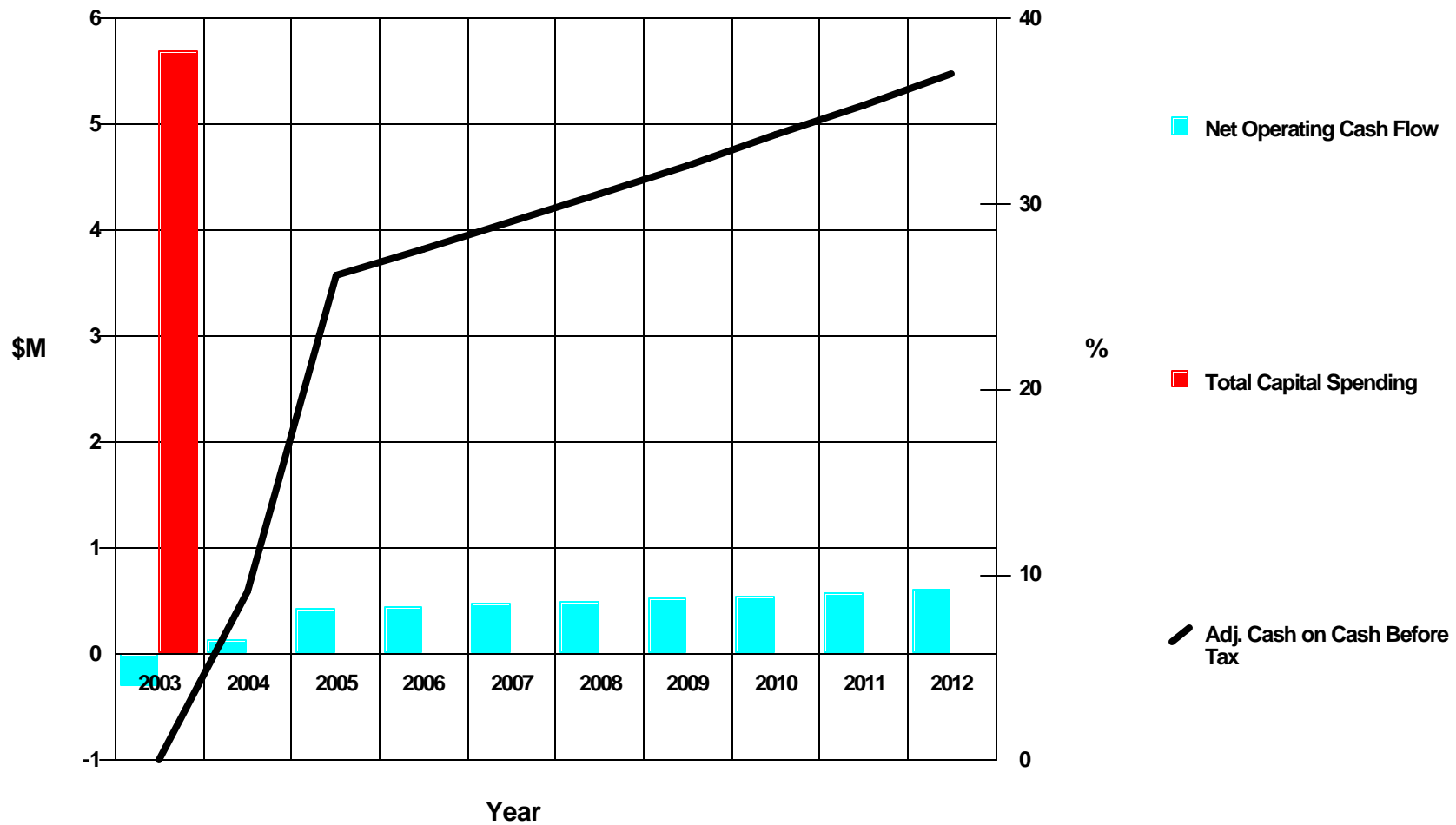
Apartment Development

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Gross Income										
Studio	\$36	\$779	\$1,088	\$1,121	\$1,154	\$1,189	\$1,225	\$1,261	\$1,299	\$1,338
One Bedroom	73	1,621	2,267	2,335	2,405	2,477	2,551	2,628	2,707	2,788
2 Bedroom 1 Bath	116	2,706	4,500	4,635	4,774	4,917	5,065	5,217	5,373	5,534
2 Bedroom 2 Bath	80	1,843	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515
Laundry	1	22	30	31	32	33	34	35	36	37
Total Gross Income	\$306	\$6,970	\$10,945	\$11,243	\$11,549	\$11,864	\$12,187	\$12,520	\$12,861	\$13,213
Less: Vacancy & Credit Loss	16	401	1,095	1,124	1,155	1,186	1,219	1,252	1,286	1,321
Effective Income	\$290	\$6,570	\$9,851	\$10,119	\$10,394	\$10,677	\$10,968	\$11,268	\$11,575	\$11,892
Less: Operating Expenses										
Management	15	328	493	506	520	534	548	563	579	595
Utilities	9	197	296	304	312	320	329	338	347	357
Property Tax	353	360	367	374	382	390	397	405	413	422
Gardner	10	10	11	11	11	12	12	12	13	13
Insurance	30	31	32	33	34	35	36	37	38	39
Pool	10	10	11	11	11	12	12	12	13	13
Reserve	3	66	99	101	104	107	110	113	116	119
Total Operating Expenses	\$429	\$1,003	\$1,307	\$1,340	\$1,374	\$1,408	\$1,444	\$1,481	\$1,519	\$1,557
Net Operating Income	(\$139)	\$5,567	\$8,544	\$8,779	\$9,020	\$9,269	\$9,524	\$9,787	\$10,057	\$10,334
Less: Debt Service										
Construction Draw	2,939	0	0	0	0	0	0	0	0	0
Permanent	0	4,265	4,265	4,265	4,265	4,265	4,265	4,265	4,265	4,265
Total Debt Service	\$2,939	\$4,265	\$4,265	\$4,265	\$4,265	\$4,265	\$4,265	\$4,265	\$4,265	\$4,265
Net Operating Cash Flow	(\$3,078)	\$1,302	\$4,279	\$4,514	\$4,755	\$5,004	\$5,259	\$5,522	\$5,792	\$6,069
Add: Debt Draw & Repay										
Construction Draw	42,632	(42,632)	0	0	0	0	0	0	0	0
Permanent	0	40,500	0	0	0	0	0	0	0	0
Total Debt Draw & Repay	\$42,632	(\$2,132)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Capital Spending										
Land	28,500	0	0	0	0	0	0	0	0	0
Sitework	8,550	0	0	0	0	0	0	0	0	0
Foundations & Floor Slab	3,892	0	0	0	0	0	0	0	0	0
Structure	2,660	0	0	0	0	0	0	0	0	0
Building Skin	4,616	0	0	0	0	0	0	0	0	0
Doors, Balconies	2,588	0	0	0	0	0	0	0	0	0
Roof Systems	2,064	0	0	0	0	0	0	0	0	0
Electrical	336	0	0	0	0	0	0	0	0	0
Exterior Contingency	792	0	0	0	0	0	0	0	0	0
Pool	1,500	0	0	0	0	0	0	0	0	0
Landscaping	1,104	0	0	0	0	0	0	0	0	0
Permits	100	0	0	0	0	0	0	0	0	0
Legal & Title	180	0	0	0	0	0	0	0	0	0
Total Capital Spending	\$56,882	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Tax	(\$17,328)	(\$830)	\$4,279	\$4,514	\$4,755	\$5,004	\$5,259	\$5,522	\$5,792	\$6,069

Unless otherwise noted, based on 100 Units

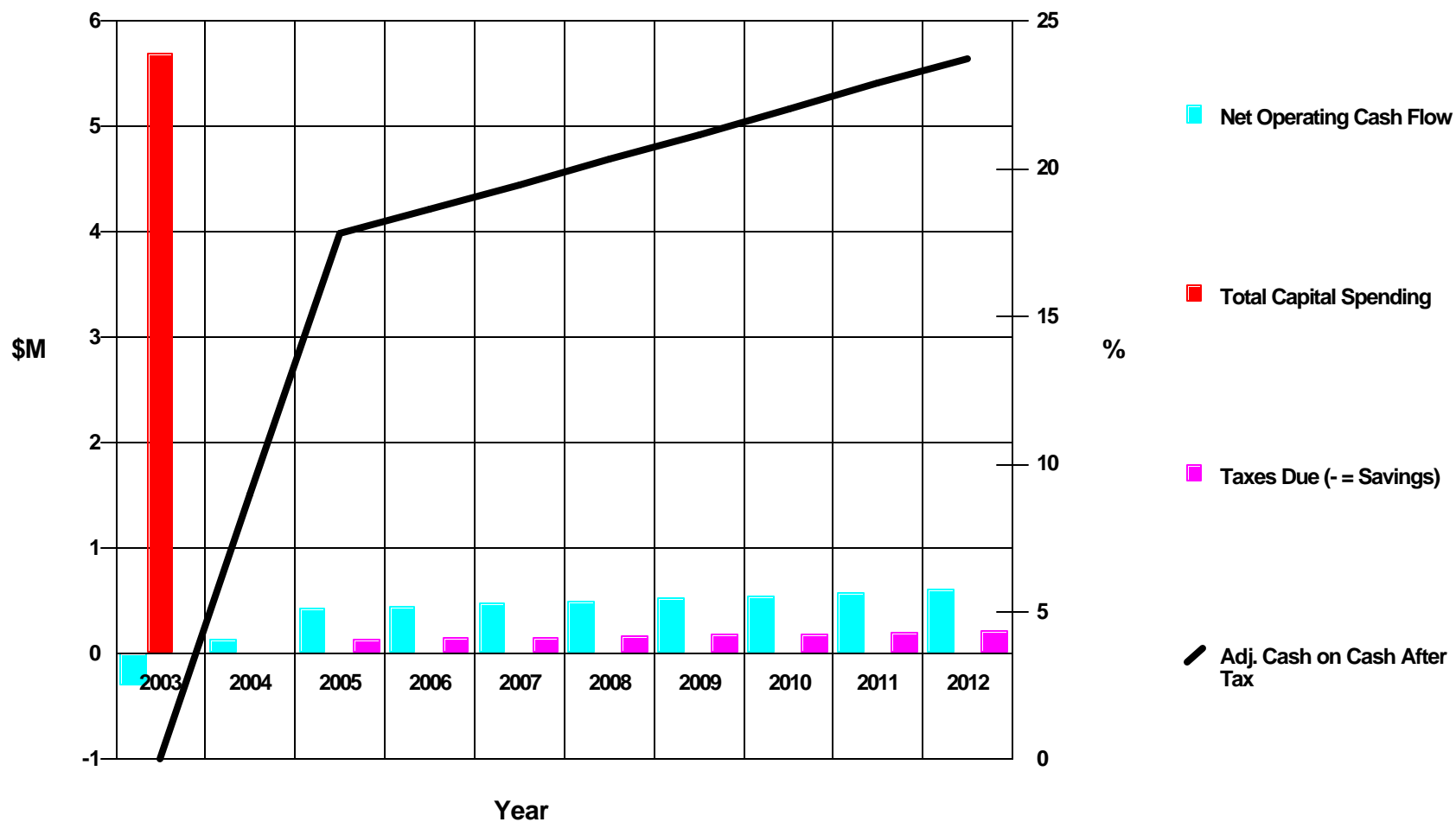
Adj Cash on Cash Before Tax *Apartment Development*

Adj Cash on Cash Before Tax is Net Operating Cash Flow divided by Initial Equity adjusted both for additional investments and dispositions made since acquisition, and for additional loans and loan repayments since acquisition.



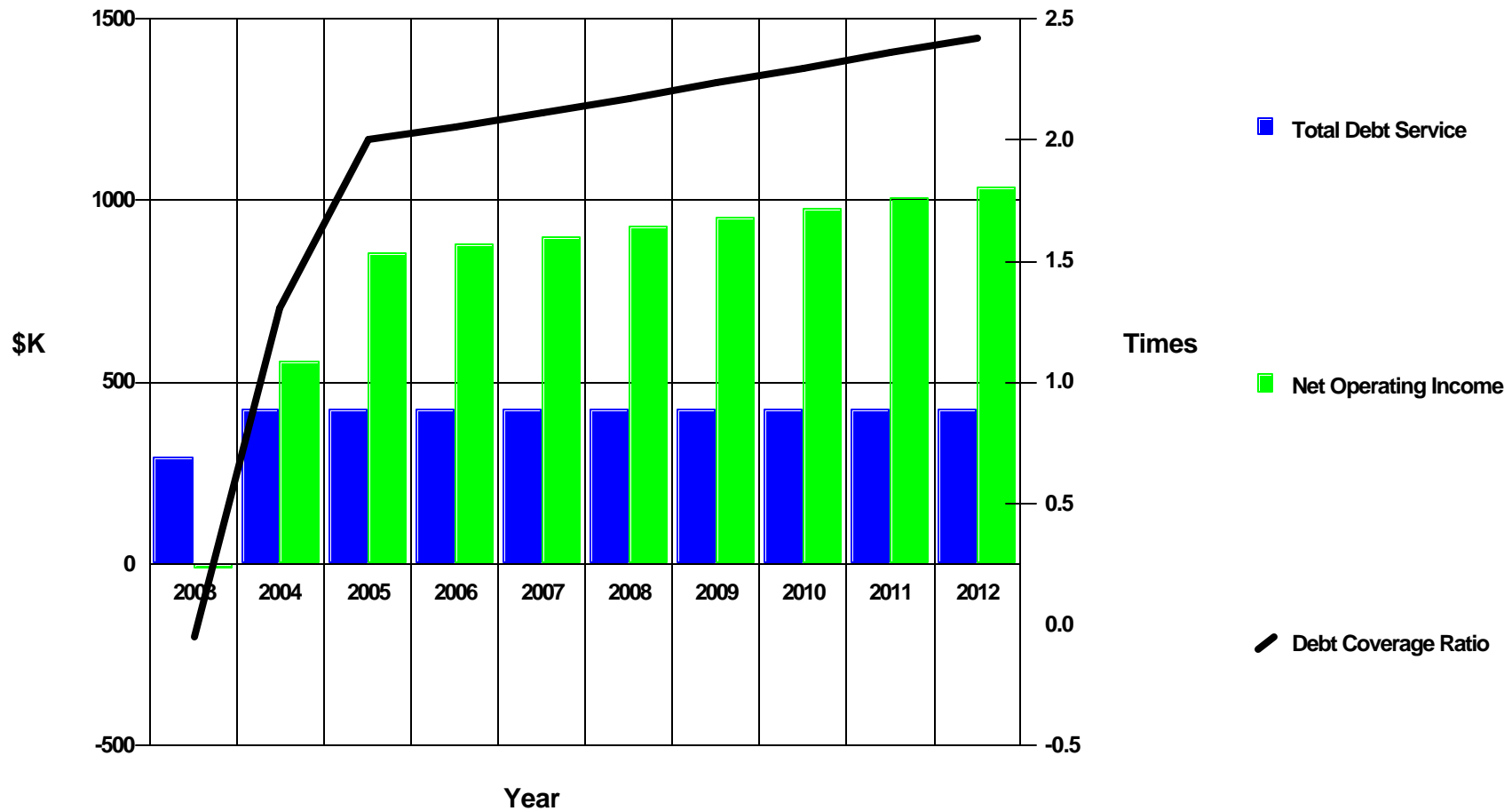
Adj Cash on Cash After Tax Apartment Development

Adj Cash on Cash After Tax is Net Operating Cash Flow less Taxes Due divided by Initial Equity adjusted both for additional investments and dispositions made since acquisition, and for additional loans and loan repayments since acquisition.



Debt Coverage Ratio Apartment Development

Debt Coverage Ratio is the Net Operating Income divided by Debt Service, measuring the margin of safety for the lender in assuring that money will be available to service his loan. The debt coverage ratio takes the current year Net Operating Income and divides it by the current year Debt Service. If the Net Operating Income is greater than the Debt Service the Debt Coverage Ratio will be greater than 1.



IRR After Tax

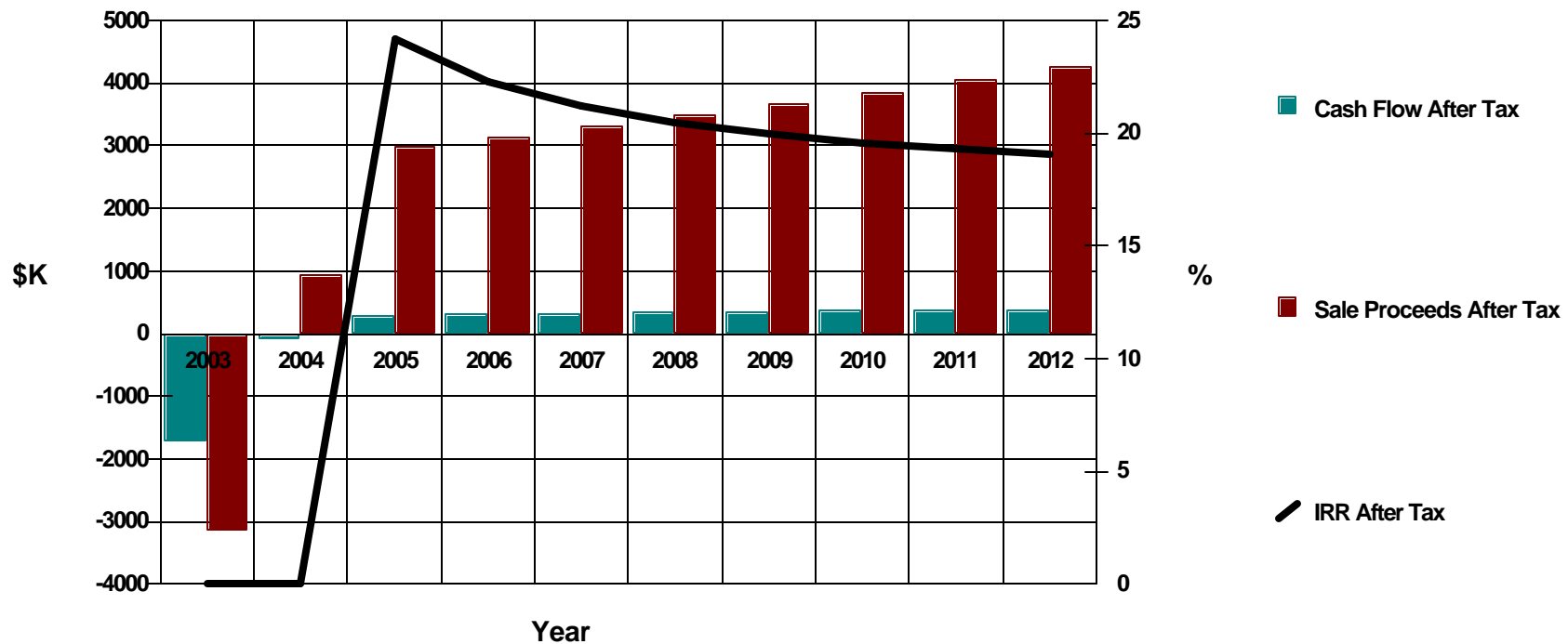
Apartment Development

Internal Rate of Return (IRR)

The Internal Rate of Return (IRR) of an investment is defined as the Present Value Discount Rate that makes the Net Present Value of the Investment equal to zero.

You may think of the IRR as the annual Interest Rate or Yield (compounded annually) that the investment is paying you over the Holding Period. Naturally, the higher the yield, the better the investment.

Unlike the ratios (current year only) the IRR takes into account all the before tax cash flows up to the time of calculation. For this reason the IRR is sometimes called the time value of money, because it not only takes into account the value but also the time necessary to create the value. In addition to the Cash Flow After Tax and the Sales Proceeds After Tax the initial equity is included in this measure.



2005 Proforma Annual Statement

Apartment Development

This report is similar the income statement, but only shows one year. Here the report reflects the first year of the project completed and leased up.

Price	\$0
-Loans	0
-Down Payment	0
+Acq Costs	0
+Loan Points	0
Investment	0

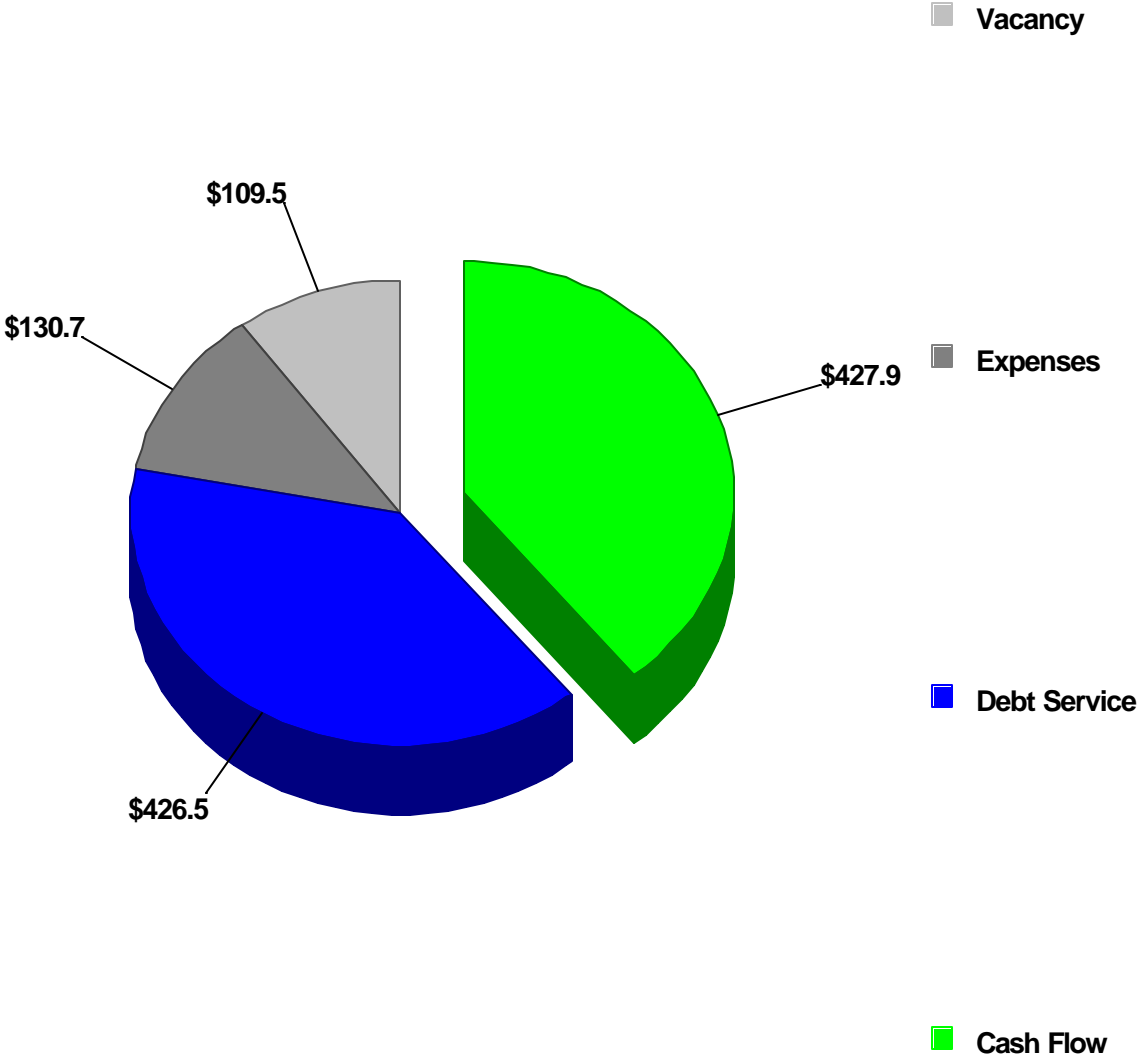
Sale Value	\$7,767,254
Less: Sale Costs (6%)	466,035
Less: Loan Repayment	4,002,656
Sale Proceeds Before Tax	3,298,563
Less: Taxes due to Sale	323,578
Sale Proceeds After Tax	2,974,985

	\$/Unit	% of GI	Annual \$
Gross Income			
Studio	\$1,088	9.9%	\$108,810
One Bedroom	2,267	20.7%	226,688
2 Bedroom 1 Bath	4,500	41.1%	450,000
2 Bedroom 2 Bath	3,060	28.0%	306,000
Laundry	30	0.3%	3,023
Total Gross Income	\$10,945	100.0%	\$1,094,520
Less: Vacancy & Credit Loss	1,095	10.0%	109,452
Effective Income	\$9,851	90.0%	\$985,068
Less: Operating Expenses			
Management	493	4.5%	49,253
Utilities	296	2.7%	29,552
Property Tax	367	3.4%	36,709
Gardner	11	0.1%	1,061
Insurance	32	0.3%	3,183
Pool	11	0.1%	1,061
Reserve	99	0.9%	9,851
Total Operating Expenses	\$1,307	11.9%	\$130,670
Net Operating Income	\$8,544	78.1%	\$854,398
Less: Debt Service			
Construction Draw	0	0.0%	0
Permanent	4,265	39.0%	426,504
Total Debt Service	\$4,265	39.0%	\$426,504
Net Operating Cash Flow	\$4,279	39.1%	\$427,894
Add: Debt Draw & Repay			
Construction Draw	0	0.0%	0
Permanent	0	0.0%	0
Total Debt Draw & Repay	\$0	0.0%	\$0
Less: Capital Spending			
Land	0	0.0%	0
Sitework	0	0.0%	0
Foundations & Floor Slab	0	0.0%	0
Structure	0	0.0%	0
Building Skin	0	0.0%	0
Doors, Balconies	0	0.0%	0
Roof Systems	0	0.0%	0
Electrical	0	0.0%	0
Exterior Contingency	0	0.0%	0
Pool	0	0.0%	0
Landscaping	0	0.0%	0
Permits	0	0.0%	0
Legal & Title	0	0.0%	0
Total Capital Spending	\$0	0.0%	\$0
Cash Flow Before Tax	\$4,279	39.1%	\$427,894
Taxable Income and Taxes			
(Losses Carried Forward)			
Taxable Revenues	\$9,851	90.0%	\$985,068
Less: Deducted Expenses	1,307	11.9%	130,670
Less: Interest Expense	4,016	36.7%	401,633
Less: Depreciation			
Sitework	332	3.0%	33,234
Foundations & Floor Slab	151	1.4%	15,128
Structure	103	0.9%	10,340
Building Skin	179	1.6%	17,943
Doors, Balconies	101	0.9%	10,060
Roof Systems	80	0.7%	8,023
Electrical	13	0.1%	1,306
Exterior Contingency	31	0.3%	3,079
Pool	58	0.5%	5,831
Landscaping	43	0.4%	4,291
Permits	4	0.0%	389
Legal & Title	7	0.1%	700
Total Depreciation	\$1,103	10.1%	\$110,323
Ordinary Income	\$3,424	31.3%	\$342,442
Taxable Income	3,424	31.3%	342,442
(Cum Suspended Losses)	0	0.0%	0
Taxes Due (- = Savings)	1,356	12.4%	135,607
Cash Flow After Tax	\$2,923	26.7%	\$292,287

Unless otherwise noted, based on 100 Units

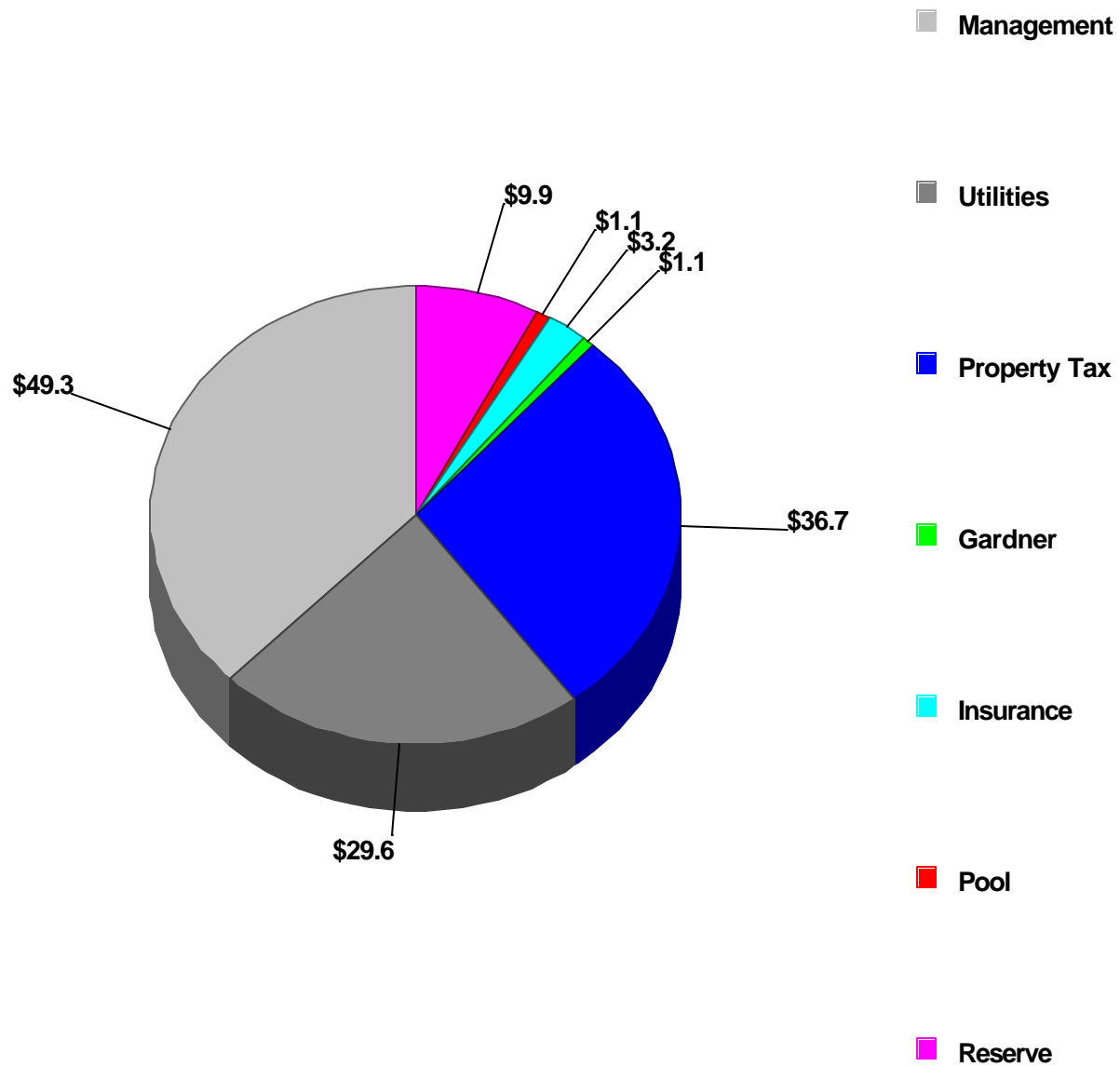
Adj. Capitalization Rate	15.02%
Adj. Cash on Cash Before Tax	26.12%
Adj. Cash on Cash After Tax	17.84%
Debt Coverage Ratio	2.003
Breakeven Occupancy	50.9%
Loan Balance/Property Value	51.5%
NOI/Property Value	11.00%
Operating Expense Ratio	11.9%
IRR Before Debt	17.8%
IRR Before Tax	30.7%
IRR After Tax	24.2%
NPV Before Debt @10.00%	\$1,072,495
NPV Before Tax @10.00%	\$1,041,673
NPV After Tax @10.00%	\$688,452

2005 Use of Gross Income Apartment Development



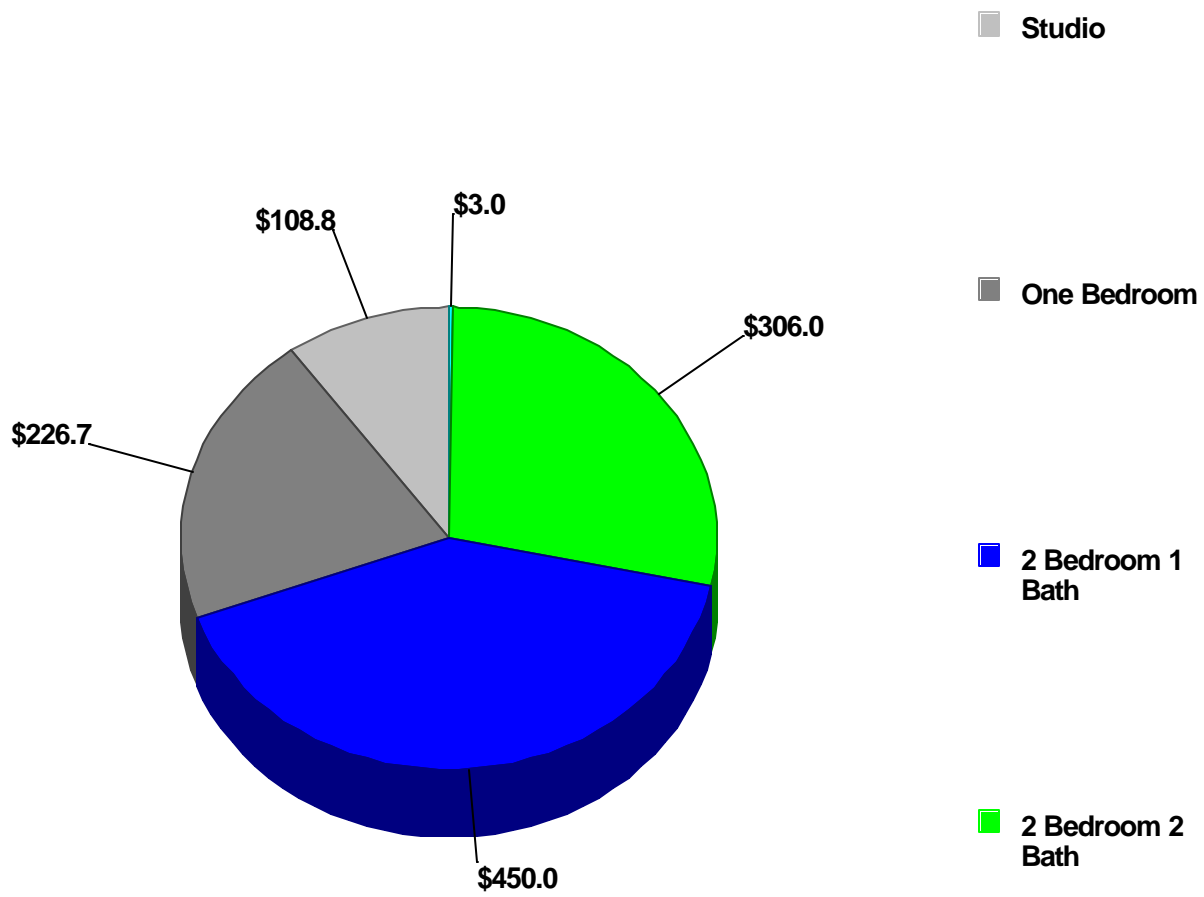
Dollars in Thousands
Total \$ Shown - \$1,094.5

2005 Operating Expenses Apartment Development



Dollars in Thousands
Total \$ Shown - \$130.7

2005 Source of Gross Income Apartment Development



Dollars in Thousands
Total \$ Shown - \$1,094.5

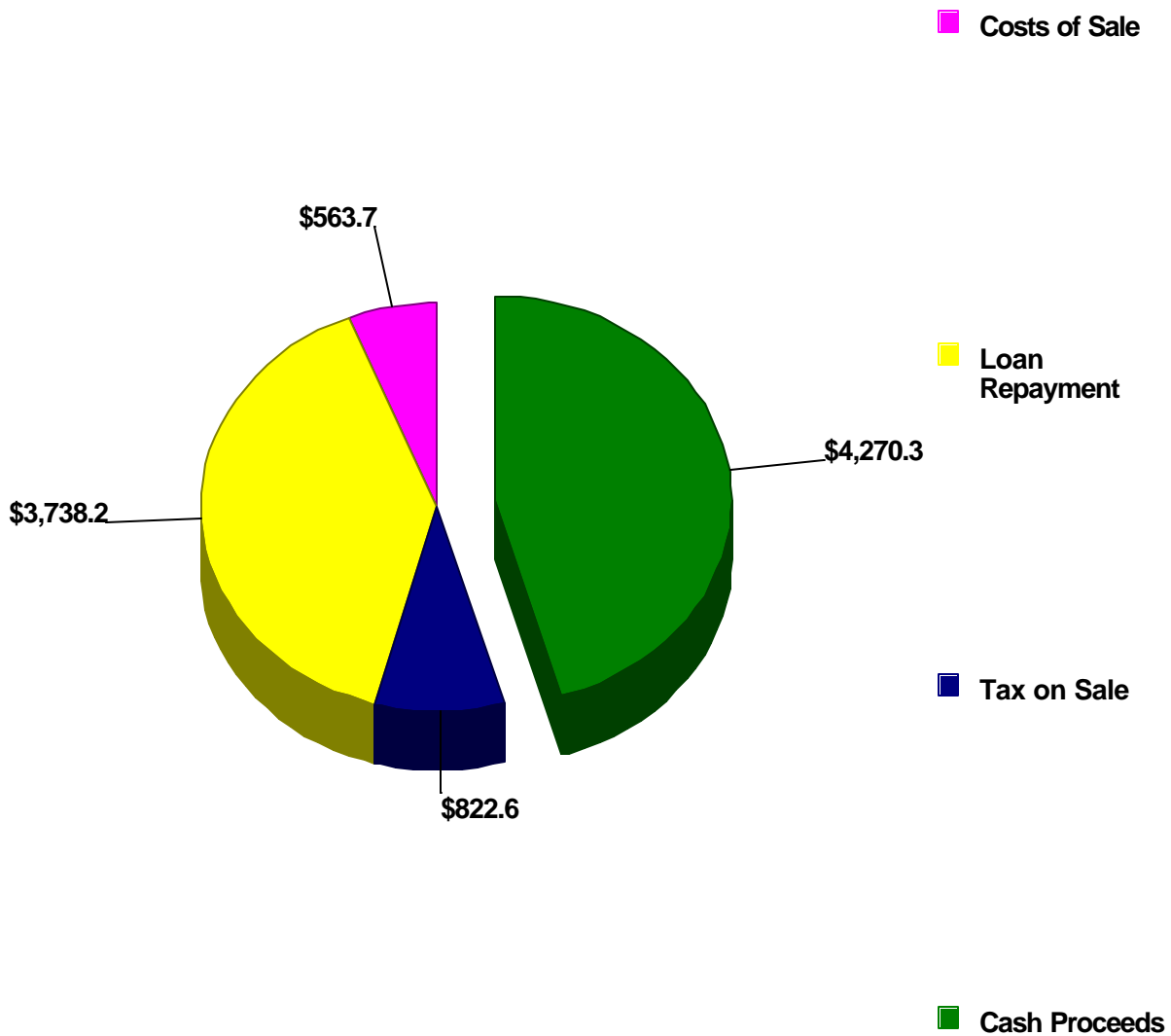
Property Sale Report

Apartment Development

This report shows the results of a projected sale of the Apartment Development on 31 December 2012. The Sale Price of \$9,394,865 is projected by using a Net Capitalization Rate of 11% on the Net Operating Income of \$1,033,435 projected to be received during the previous 12 months, according to the analysis assumptions.

Analysis of Sale Proceeds			
Sale Price (as discussed above)	\$9,394,865		
- Costs of Sale (6%)	563,692		
- Loan Balances	3,738,194		
- Prepayment Penalties	0		
Sale Proceeds Before Tax			\$5,092,979
Analysis of Capital Gain Results			
Sale Price	\$9,394,865		
- Capitalized Costs of Sale (100%)	563,692		
Net Sale Price for Tax Purposes		\$8,831,173	
Property Basis at Acquisition	\$0		
+ Capitalized Closing Costs (100%)	0		
+ Capital Additions	5,982,119		
- Depreciation Taken	1,011,292		
+ Excess Depreciation Recaptured	0		
Adjusted Basis at Sale		4,970,827	
Capital Gain (or Loss)		\$3,860,346	
- Suspended Passive Losses		0	
Net Capital Gain (or Loss)		\$3,860,346	
- Cost Recovery Recaptured		1,011,292	
Adjusted Net Capital Gain (or Loss)		\$2,849,054	
Cost Recovery Recapture Tax (@ 25%)			(252,823)
Tax on Adjusted Net Capital Gain (@ 20%)			(569,811)
Expenses Recognized at Sale			
Expensed Costs of Sale	0		
+ Accrued Loan Interest	0		
+ Unamortized Points	0		
+ Prepayment Penalties	0		
- Excess Depreciation Recaptured	0		
Total Expenses Recognized at Sale		0	
Tax Savings Due to Sale Expenses (@ 39.6%)			0
Net Taxable Income		\$3,860,346	
After Tax Cash Proceeds of Sale			\$4,270,346

Sale Proceeds After Tax Apartment Development



Dollars in Thousands
Total \$ Shown - \$9,394.9

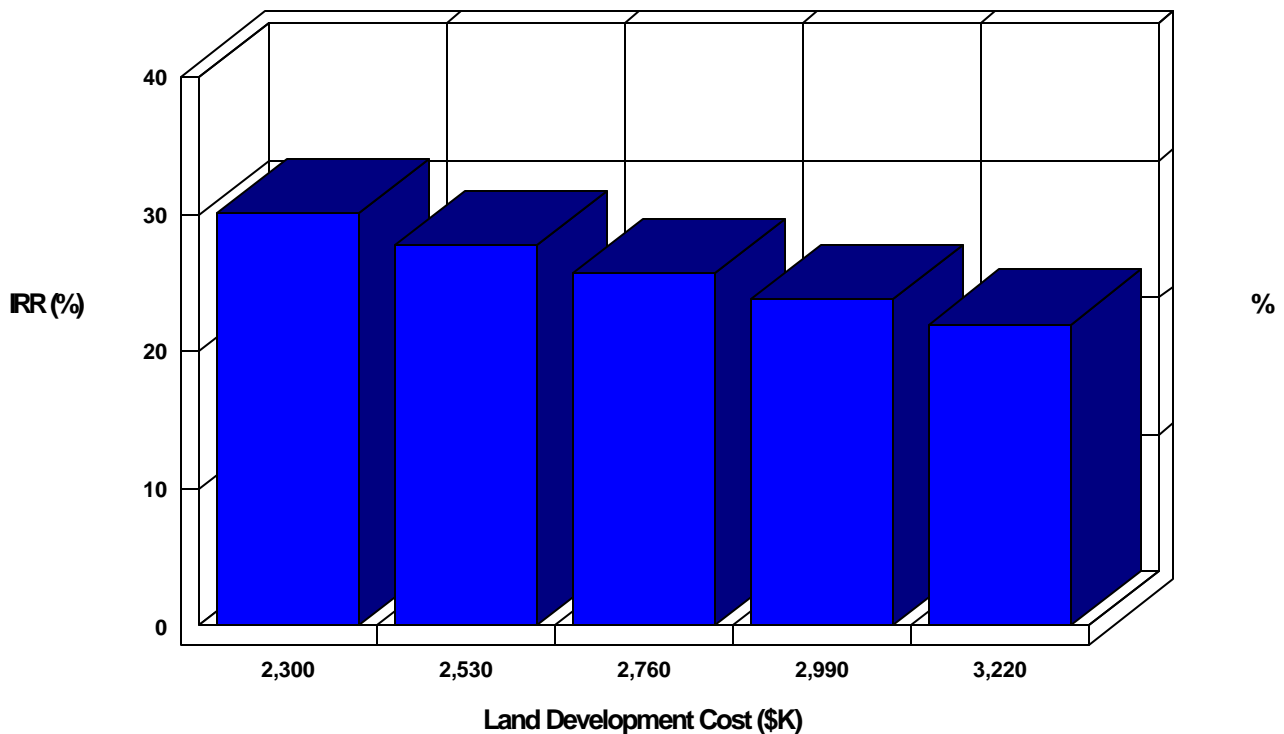
Sensitivity Analysis

Apartment Development

As you perform an analysis, planEASe measures the worth of the investment in terms of rates of return and net present values. Sensitivity Analysis allows you to investigate how these measures vary with a change in one of the assumptions. Any measure may be chosen for the Sensitivity Analysis, and any assumption may be chosen as well. Sensitivity Analysis provides a one page table and graph which describes the relationship between the assumption value and the resulting measure.

Land Development Cost versus Rate of Return Before Tax

Assumption	IRR
\$2,300,000.00	30.1%
\$2,530,000.00	27.8%
\$2,760,000.00	25.7%
\$2,990,000.00	23.8%
\$3,220,000.00	22.0%



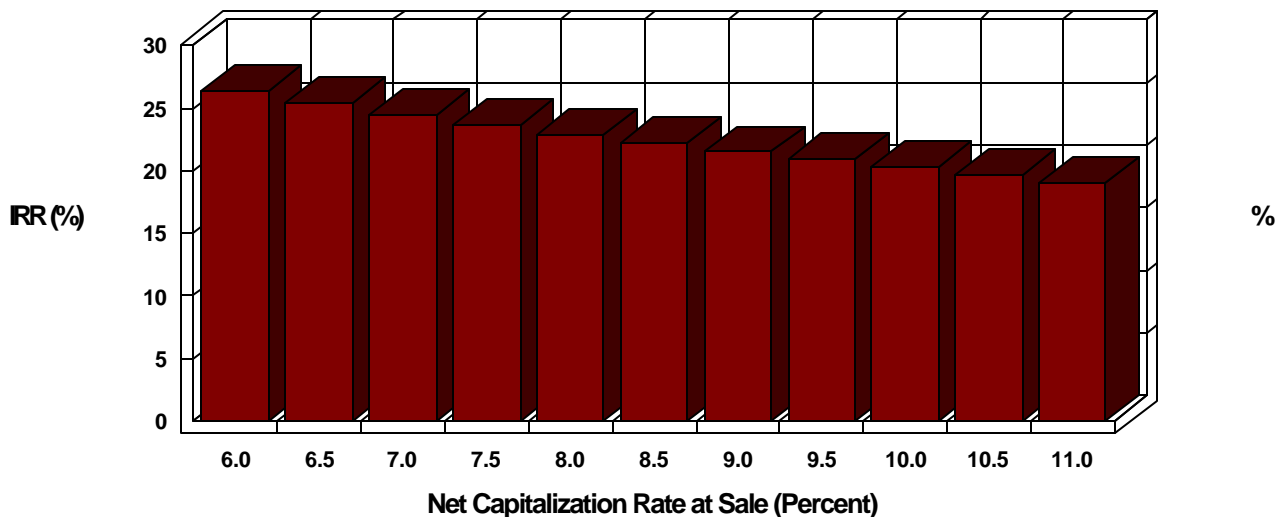
Sensitivity Analysis

Apartment Development

As you perform an analysis, planEASe measures the worth of the investment in terms of rates of return and net present values. Sensitivity Analysis allows you to investigate how these measures vary with a change in one of the assumptions. Any measure may be chosen for the Sensitivity Analysis, and any assumption may be chosen as well. Sensitivity Analysis provides a one page table and graph which describes the relationship between the assumption value and the resulting measure.

Net Capitalization Rate at Sale versus Rate of Return After Tax

Assumption	IRR
6% Net Cap Rate	26.4%
6.5% Net Cap Rate	25.4%
7% Net Cap Rate	24.5%
7.5% Net Cap Rate	23.7%
8% Net Cap Rate	22.9%
8.5% Net Cap Rate	22.2%
9% Net Cap Rate	21.5%
9.5% Net Cap Rate	20.9%
10% Net Cap Rate	20.3%
10.5% Net Cap Rate	19.7%
11% Net Cap Rate	19.1%

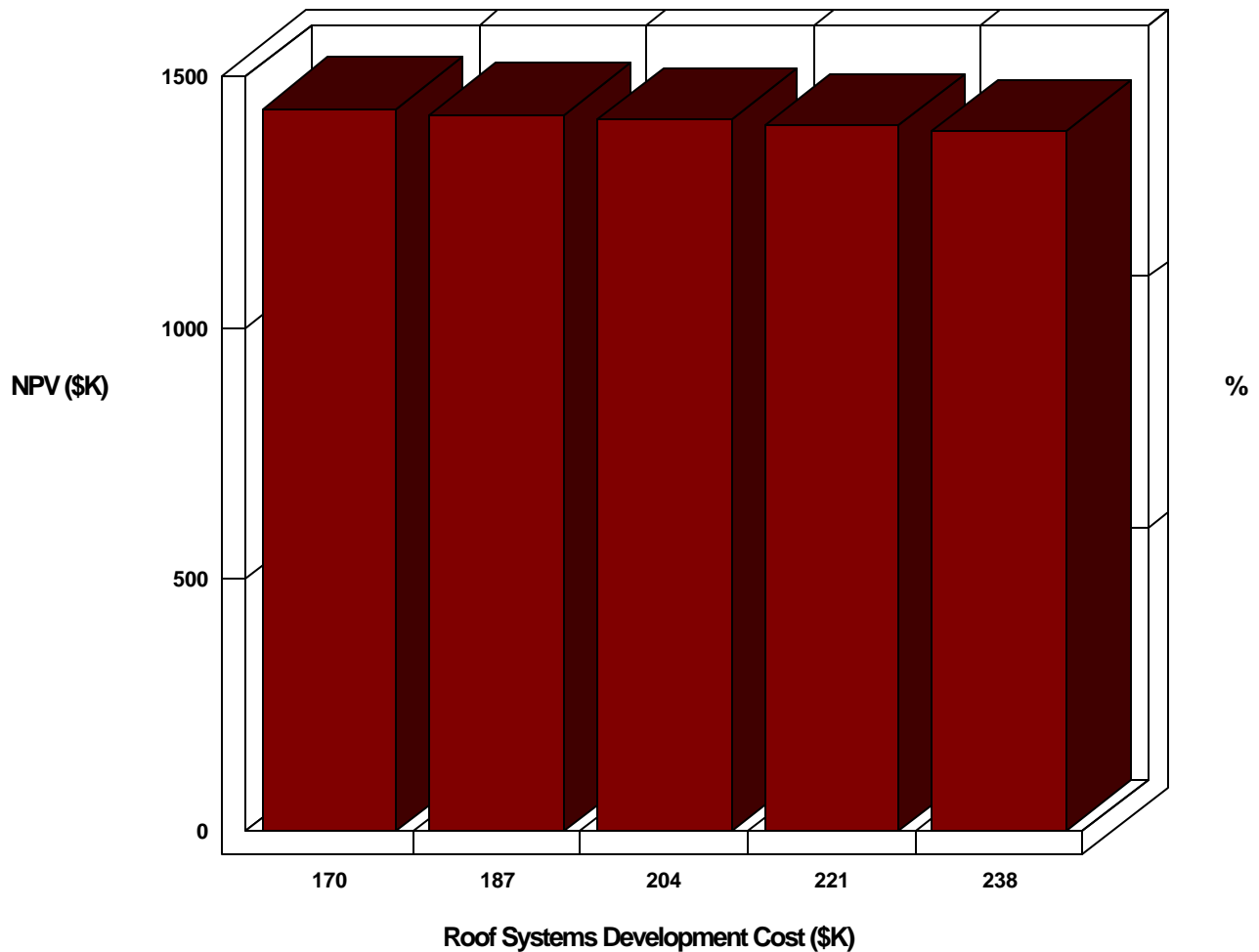


Sensitivity Analysis

Apartment Development

**Roof Systems Development Cost
versus
Net Present Value After Tax @10%**

Assumption	NPV
\$170,000.00	1,435,986
\$187,000.00	1,424,942
\$204,000.00	1,413,897
\$221,000.00	1,402,853
\$238,000.00	1,391,809

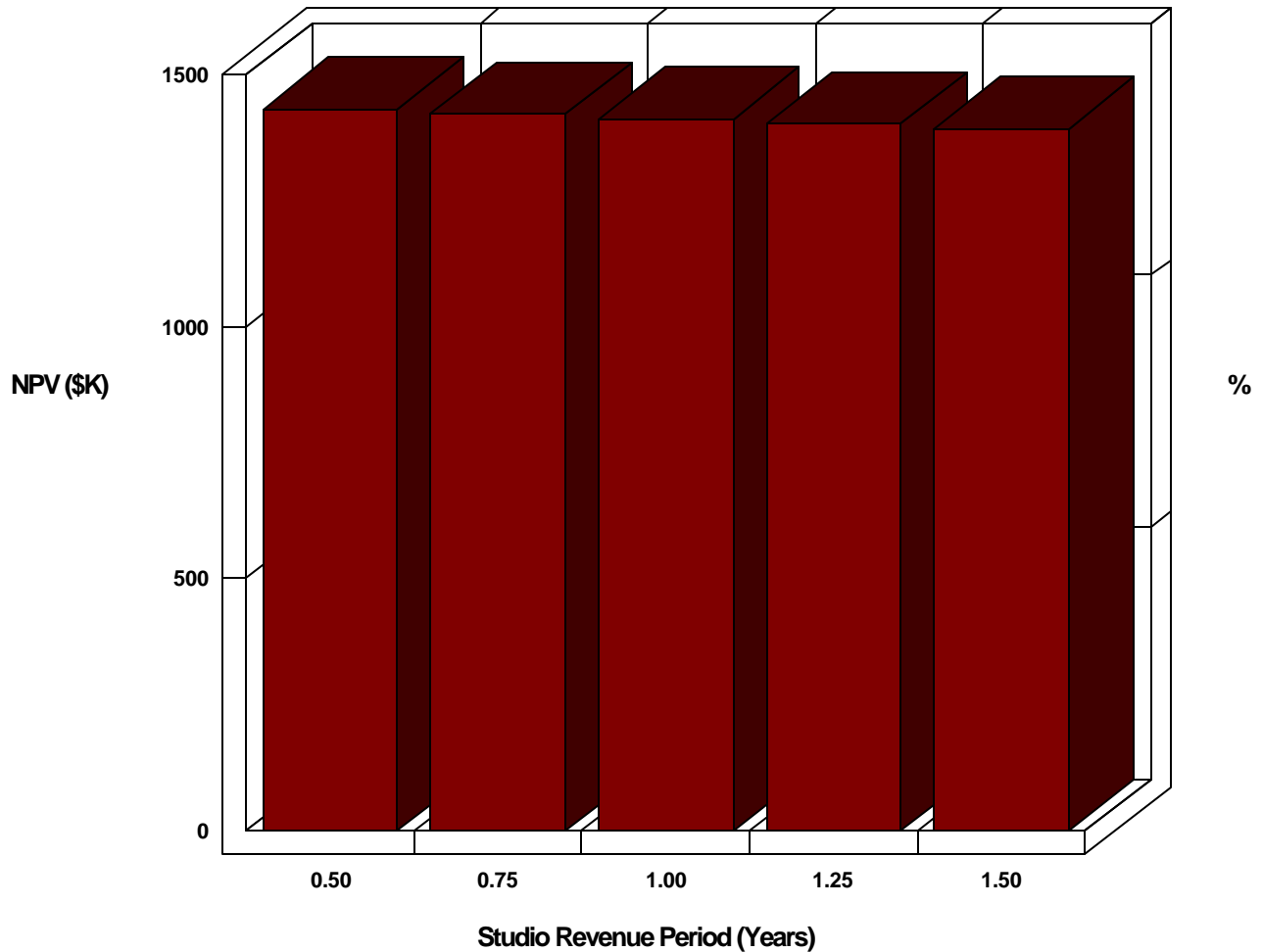


Sensitivity Analysis

Apartment Development

**Studio Revenue Period
versus
Net Present Value After Tax @10%**

Assumption	NPV
.5 Years	1,432,322
.75 Years	1,422,237
1 Year	1,412,338
1.25 Years	1,402,609
1.5 Years	1,393,294

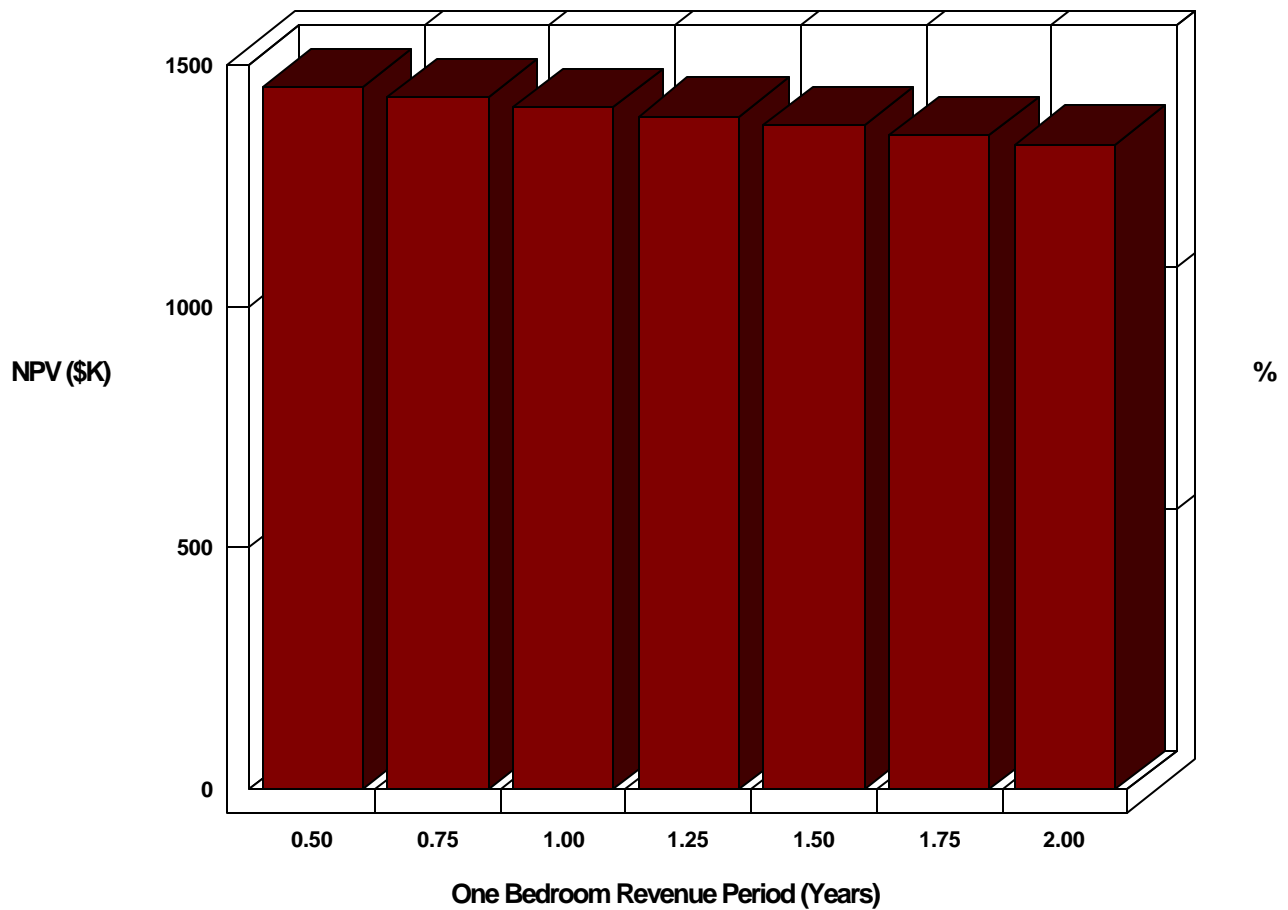


Sensitivity Analysis

Apartment Development

**One Bedroom Revenue Period
versus
Net Present Value After Tax @10%**

Assumption	NPV
.5 Years	1,453,995
.75 Years	1,432,999
1 Year	1,412,338
1.25 Years	1,392,016
1.5 Years	1,372,550
1.75 Years	1,353,400
2 Years	1,334,522

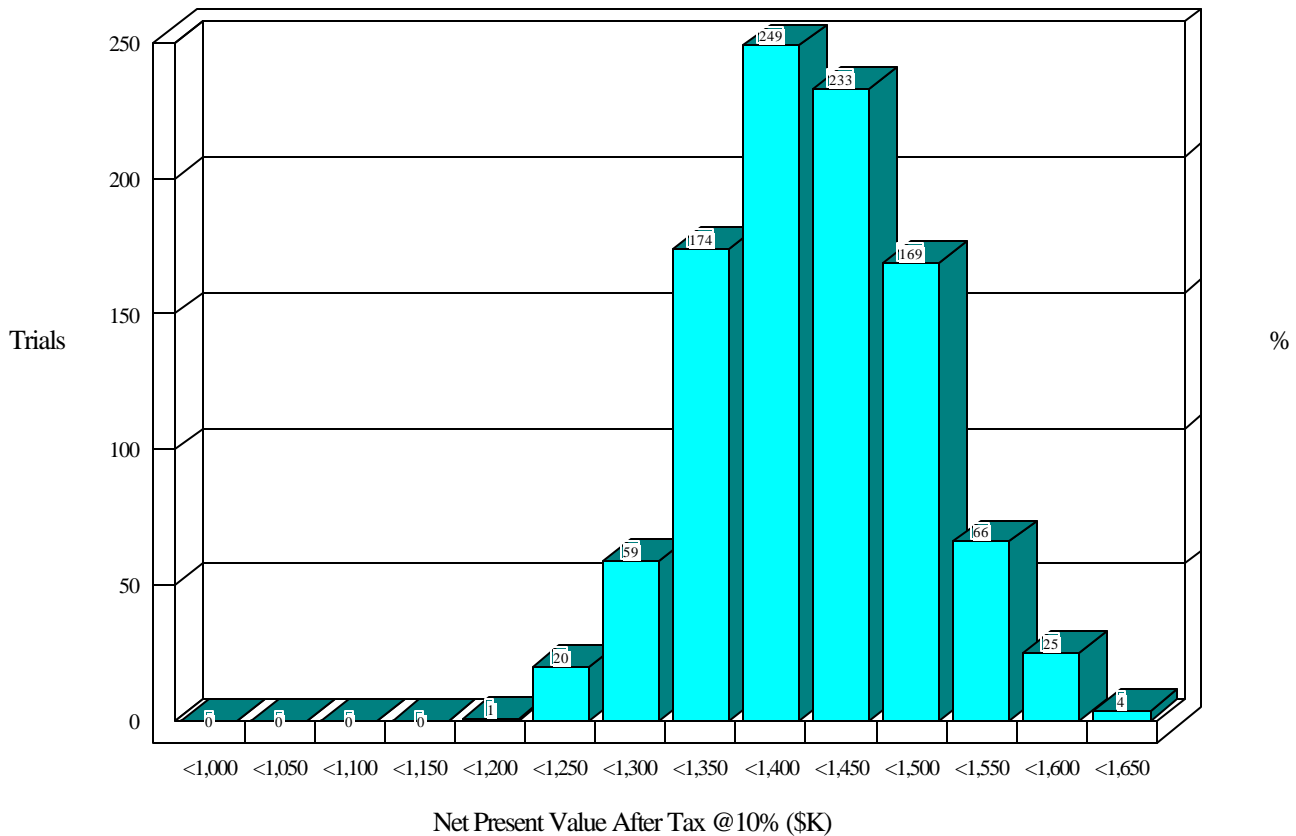


Risk Analysis

Apartment Development

As you perform an analysis, planEASe measures the worth of the investment in terms of rates of return and net present values. Risk Analysis allows you to investigate how these measures vary with a change in one or more of the assumptions. Any measure may be chosen for the Risk Analysis, and any group of assumptions may be chosen as well. Risk Analysis provides a one page table and graph which describes the relationship between the risky assumption values and the variability (or risk) of the resulting measure.

Risk Analysis Assumption	Lowest	Likely	Highest
Roof Systems Development Cost	\$170,000.00	\$206,400.00	\$250,000.00
Studio Revenue Period	.5 Years	1 Year	1.5 Years
One Bedroom Revenue Period	.5 Years	1 Year	2 Years
2 Bedroom 1 Bath Revenue Period	.5 Years	1.25 Years	2.25 Years
2 Bedroom 2 Bath Revenue Period	.5 Years	1.25 Years	2.25 Years
Electrical Development Cost	\$30,000.00	\$33,600.00	\$40,000.00
Pool Development Cost	\$120,000.00	\$150,000.00	\$180,000.00



Average NPV	1,401,792	Lowest NPV	1,183,441
Standard Deviation	75,481	Highest NPV	1,638,147

Analysis Assumptions Report

Apartment Development

Shows (in English) the assumptions used to generate the other reports. It was created with the idea of generating an assumptions report which can be presented to an investor or other concerned party to explain the assumptive basis of the other planEASe reports.

Investment Assumptions

Price of Property		None
Date of Acquisition		1 January 2003
Holding Period		10 Years
Inflation Rate		3% per Year
Sale Price Method	11% Capitalization of Last Year's NOI	
Selling Costs		6%

Investor's Assumptions

General Vacancy & Credit Loss		Zero
Tax Rate - First Year		39.6%
Tax Rate - Following Years		39.6%
Capital Gain Rate		20%
Cost Recovery Recapture Rate	25% - Losses Carried Forward	
Present Value Discount Rate Before Debt		10% per Year
Present Value Discount Rate Before Tax		10% per Year
Present Value Discount Rate After Tax		10% per Year

Land Development Spending Assumptions

Development Cost		\$2,850,000.00
Depreciable Life		Non-Depreciable Asset
Depreciation Method		Straight Line
Include in Draws		50%
Expenditure Start		1 March 2003
Depreciation Start Date		1 October 2003
Expenditure Months		1 Month

Sitework Development Spending Assumptions

Development Cost		\$855,000.00
Depreciable Life		27.5 Years
Depreciation Method		Straight Line
Include in Draws		100%
Expenditure Start		1 March 2003
Depreciation Start Date		1 October 2003
Expenditure Months		1 Month

Analysis Assumptions Report

Apartment Development

Foundations & Floor Slab Development Spending Assumptions

Development Cost	\$389,200.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 March 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Structure Development Spending Assumptions

Development Cost	\$266,000.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 April 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Building Skin Development Spending Assumptions

Development Cost	\$461,600.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 May 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Doors, Balconies Development Spending Assumptions

Development Cost	\$258,800.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 May 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Roof Systems Development Spending Assumptions

Development Cost	\$206,400.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 June 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Analysis Assumptions Report

Apartment Development

Electrical Development Spending Assumptions

Development Cost	\$33,600.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 July 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Exterior Contingency Development Spending Assumptions

Development Cost	\$79,200.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 May 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Pool Development Spending Assumptions

Development Cost	\$150,000.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 May 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Landscaping Development Spending Assumptions

Development Cost	\$110,400.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 August 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Permits Development Spending Assumptions

Development Cost	\$10,000.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 February 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Analysis Assumptions Report

Apartment Development

Legal & Title Development Spending Assumptions

Development Cost	\$18,000.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Include in Draws	100%
Expenditure Start	1 February 2003
Depreciation Start Date	1 October 2003
Expenditure Months	1 Month

Construction Draw Assumptions

Draw Percent	100%
Draw Rate	9% Annually
Draw Period	1 Month
Draw Treatment	Paid and Capitalized
Draw Limit	None
Draw Points	None

Permanent Loan Assumptions

Loan Amount	95% of Draw Loan Balance
Loan Interest Rate	10% Annually
Original Loan Period	30 Years
Loan Origination Date	1 January 2004
Loan Type	Monthly Payments, Amortizing

Studio Revenue Assumptions

Annual Revenue	\$900.00
Revenue Start Date	1 October 2003
Revenue Period	1 Year
Revenue Growth Method	Ramp to \$108,000.00
Vacancy Factor	5%

Studio Continued Revenue Assumptions

Annual Revenue	Continuation
Revenue Start Date	Continuation
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	10%

One Bedroom Revenue Assumptions

Annual Revenue	\$1,250.00
Revenue Start Date	1 October 2003
Revenue Period	1 Year
Revenue Growth Method	Ramp to \$225,000.00
Vacancy Factor	5%

Analysis Assumptions Report

Apartment Development

One Bedroom Continued Revenue Assumptions

Annual Revenue	Continuation
Revenue Start Date	Continuation
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	10%

2 Bedroom 1 Bath Revenue Assumptions

Annual Revenue	\$1,500.00
Revenue Start Date	1 October 2003
Revenue Period	1.25 Years
Revenue Growth Method	Ramp to \$450,000.00
Vacancy Factor	5%

2 Bedroom 1 Bath Continued Revenue Assumptions

Annual Revenue	Continuation
Revenue Start Date	Continuation
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	10%

2 Bedroom 2 Bath Revenue Assumptions

Annual Revenue	\$1,700.00
Revenue Start Date	1 October 2003
Revenue Period	1.25 Years
Revenue Growth Method	Ramp to \$306,000.00
Vacancy Factor	5%

2 Bedroom 2 Bath Continued Revenue Assumptions

Annual Revenue	Continuation
Revenue Start Date	Continuation
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at 1% Under Inflation
Vacancy Factor	10%

Laundry Revenue Assumptions

Annual Revenue	\$150.00
Revenue Start Date	1 October 2003
Revenue Period	1 Year
Revenue Growth Method	Ramp to \$3,000.00
Vacancy Factor	75%

Analysis Assumptions Report

Apartment Development

Laundry Continued Revenue Assumptions

Annual Revenue	Continuation
Revenue Start Date	Continuation
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	10%

Management Expense as % of EI Assumptions

Expense Percentage	5% of Effective Income
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale

Utilities Expense as % of EI Assumptions

Expense Percentage	3% of Effective Income
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale

Property Tax Expense Assumptions

Annual Expense	\$35,284.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at 2% Annually

Gardner Expense Assumptions

Annual Expense	\$1,000.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Insurance Expense Assumptions

Annual Expense	\$3,000.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Pool Expense Assumptions

Annual Expense	\$1,000.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Reserve Expense as % of EI Assumptions

Expense Percentage	1% of Effective Income
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale

Analysis Assumptions Report

Apartment Development

fee Expense Assumptions

Annual Expense	\$10,000.00
Expense Start Date	1 April 2000
Expense Period	ERROR
Expense Growth Method	Continuous at 1.04% Over Inflation