

Projected Financial Analysis Summary

SunTrust Office Complex

1212 Main St
Atlanta GA 30303

Darren Johnston

Presented by

Your Name Here
Your Company Name Here

1212 Main St
Atlanta GA 30303
866-290-4183
YourEmail@YourCompany.com



Disclaimer: All information presented is believed to be accurate.

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



Property Information

| | |
|-----------------------------|--------------|
| Type: | Commercial |
| Total Cost: | \$ 1,235,000 |
| Fair Market Value: | \$ 1,439,082 |
| Number of Units: | 15 |
| Sq. Footage: | 17,250 |
| Capitalization Rate (Cost): | 9.90% |

Financial Information

| | | % of P. Price | % of Cost | % of FMV |
|-------------------------------------|------------|---------------|-----------|----------|
| Projected Down Payment/ Investment: | \$ 247,000 | 20.00% | 20.00% | 17.16% |
| Initial Loan Balance: | \$ 988,000 | 80.00% | 80.00% | 68.65% |

| | Amount | Rate | Term (Years) | Payment |
|-------------|------------|-------|--------------|----------|
| Mortgage #1 | \$ 988,000 | 8.00% | 30 | \$ 7,250 |

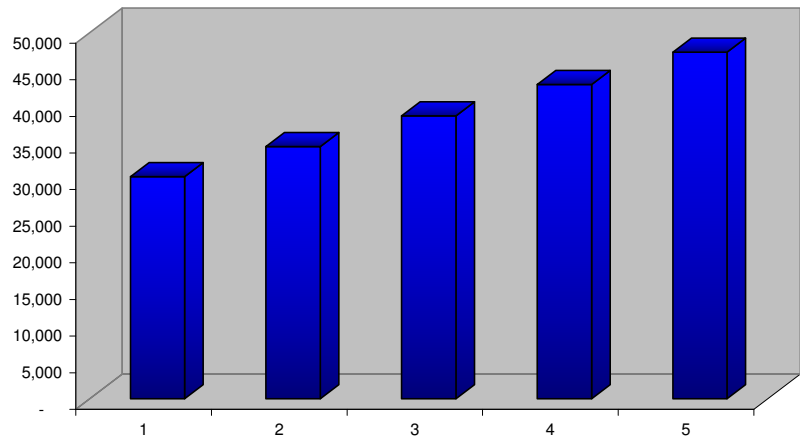
Rental Income & Expenses

| | |
|----------------------|--------------|
| Monthly Rents: | \$ 24,850 |
| Annual Rents: | \$ 298,200 |
| Other Annual Income: | \$ 6,000 |
| Annual Vacancy: | \$ (11,928) |
| Annual Expenses: | \$ (169,950) |
| Annual Reserves: | \$ (5,000) |
| Annual Debt Service: | \$ (86,995) |

Assumptions:

| | |
|-------------------------------|--------|
| Rental Growth Rate: | 2.00% |
| Expense Growth Rate: | 1.00% |
| Capitalization Rate (Resale): | 8.50% |
| Marginal Tax Rate: | 32.00% |
| Capital Gain Tax Rate: | 19.00% |

5 Year Projected Cash Flow Before Taxes



Financial Ratios & Return on Investment (ROI)

| | |
|---|--------|
| Debt Coverage Ratio (DCR) | |
| Loan to Value Ratio (LVR) | |
| Capitalization Rate Based on Cost | 9.90% |
| Capitalization Rate Based on Resale Price | 8.50% |
| Gross Rent Monthly Multiplier (GRM) | 48.69 |
| Gross Rent Yearly Multiplier (GRM) | 4.06 |
| Net Present Value (NPV) - Before Taxes @ | 13.50% |
| Net Present Value (NPV) - After Taxes @ | 10.00% |
| Cash on Cash Return - Before Taxes | 12.28% |
| Cash on Cash Return - After Taxes | 9.59% |
| Internal Rate of Return (IRR) - Before Taxes | 63.29% |
| Internal Rate of Return (IRR) - After Taxes | 48.68% |
| Modified Internal Rate of Return (MIRR) - Before Taxes | 63.29% |
| Modified Internal Rate of Return (MIRR) - After Taxes | 48.68% |

| | Year 1 | Year 5 |
|------------------------------------|------------|------------|
| DCR | 1.41 | 1.60 |
| LVR | 81.65% | 59.83% |
| Cap Rate (Cost) | 9.90% | 11.30% |
| Cap Rate (Resale) | 8.50% | 8.50% |
| GRM (Monthly) | 48.69 | 61.02 |
| GRM (Yearly) | 4.06 | 5.08 |
| NPV - Before Taxes | \$ 108,346 | \$ 204,274 |
| NPV - After Taxes | \$ 86,857 | \$ 183,547 |
| Cash on Cash Return - Before Taxes | 12.28% | 19.16% |
| Cash on Cash Return - After Taxes | 9.59% | 14.86% |
| IRR - Before Taxes | 63.29% | 30.58% |
| IRR - After Taxes | 48.68% | 24.88% |
| MIRR - Before Taxes | 63.29% | 26.63% |
| MIRR - After Taxes | 48.68% | 22.04% |

| Rental Activity Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-----------------------------------|------------|------------|------------|------------|------------|
| Potential Rental Income | \$ 298,200 | \$ 304,164 | \$ 310,247 | \$ 316,452 | \$ 322,781 |
| Other Income | 6,000 | 6,120 | 6,242 | 6,367 | 6,495 |
| Less: Vacancy & Credit Losses | (11,928) | (12,167) | (12,410) | (12,658) | (12,911) |
| Less: Operating Expenses | (169,950) | (171,650) | (173,366) | (175,100) | (176,851) |
| Net Operating Income (NOI) | \$ 122,322 | \$ 126,468 | \$ 130,714 | \$ 135,062 | \$ 139,514 |
| Less: Annual Debt Service | (86,995) | (86,995) | (86,995) | (86,995) | (86,995) |
| Less: Funded Reserves | (5,000) | (5,050) | (5,101) | (5,152) | (5,203) |
| CASH FLOW Before Taxes | \$ 30,327 | \$ 34,423 | \$ 38,618 | \$ 42,915 | \$ 47,316 |
| Income Taxes: Benefit (Expense) | (6,629) | (5,709) | (7,287) | (8,918) | (10,603) |
| CASH FLOW After Taxes | \$ 23,698 | \$ 28,714 | \$ 31,331 | \$ 33,997 | \$ 36,713 |

| Property Resale Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------------|--------------|--------------|--------------|--------------|
| Projected Sales Price | \$ 1,439,082 | \$ 1,487,858 | \$ 1,537,809 | \$ 1,588,962 | \$ 1,641,341 |
| Less: Selling Expenses | (86,345) | (89,271) | (92,269) | (95,338) | (98,480) |
| Adjusted Projected Sales Price | \$ 1,352,737 | \$ 1,398,587 | \$ 1,445,541 | \$ 1,493,624 | \$ 1,542,860 |
| Less: Mortgage(s) Balance Payoff | (979,747) | (970,808) | (961,128) | (950,644) | (939,290) |
| SALE PROCEEDS Before Taxes | \$ 372,991 | \$ 427,778 | \$ 484,413 | \$ 542,980 | \$ 603,570 |
| Income Taxes from Sale: Benefit (Expense) | (29,446) | (45,541) | (61,847) | (78,366) | (95,105) |
| SALE PROCEEDS After Taxes | \$ 343,544 | \$ 382,237 | \$ 422,566 | \$ 464,613 | \$ 508,465 |

| Cash Position | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------------------|------------|------------|------------|------------|------------|
| Cash Generated in Current Year | \$ 23,698 | \$ 28,714 | \$ 31,331 | \$ 33,997 | \$ 36,713 |
| Cash Generated in Previous Years | n/a | 23,698 | 52,412 | 83,742 | 117,740 |
| Cash Generated from Property Sale | 343,544 | 382,237 | 422,566 | 464,613 | 508,465 |
| Original Initial Investment | (247,000) | (247,000) | (247,000) | (247,000) | (247,000) |
| Total Potential CASH Generated | \$ 120,242 | \$ 187,648 | \$ 259,309 | \$ 335,353 | \$ 415,918 |

| Financial Measures | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------|---------|---------|---------|---------|
| Debt Coverage Ratio (DCR) | 1.41 | 1.45 | 1.50 | 1.55 | 1.60 |
| Loan to Value Ratio (LVR) | 81.7% | 68.1% | 65.2% | 62.5% | 59.8% |
| Capitalization Rate Based on Cost | 9.90% | 10.24% | 10.58% | 10.94% | 11.30% |
| Capitalization Rate Based on Resale Price | 8.50% | 8.50% | 8.50% | 8.50% | 8.50% |
| Value of Property Using this Cap Rate | 0.00% | | | | |
| Net Present Value (NPV) - Before Taxes | 13.50% | 108,346 | 138,509 | 164,158 | 185,903 |
| Net Present Value (NPV) - After Taxes | 10.00% | 86,857 | 114,172 | 139,293 | 162,371 |
| Cash on Cash Return with Equity Build-up | 48.68% | 18.35% | 16.49% | 15.02% | 13.83% |
| Cash on Cash Return - Before Taxes | 12.28% | 13.94% | 15.63% | 17.37% | 19.16% |
| Cash on Cash Return - After Taxes | 9.59% | 11.63% | 12.68% | 13.76% | 14.86% |
| Internal Rate of Return (IRR) - Before Taxes | 63.29% | 43.07% | 36.37% | 32.83% | 30.58% |
| Internal Rate of Return (IRR) - After Taxes | 48.68% | 33.87% | 29.01% | 26.48% | 24.88% |
| Modified Internal Rate of Return (MIRR) - Before Taxes | 63.29% | 41.30% | 33.65% | 29.44% | 26.63% |
| Modified Internal Rate of Return (MIRR) - After Taxes | 48.68% | 32.73% | 27.16% | 24.09% | 22.04% |

SunTrust Office Complex1212 Main St
Atlanta GA 30303**Income Tax Analysis**Your Name Here
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| Tax Analysis - Operations | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|-------------------|-------------------|-------------------|-------------------|--------------------|
| Net Operating Income (NOI) from Report | \$ 122,322 | \$ 126,468 | \$ 130,714 | \$ 135,062 | \$ 139,514 |
| Expense Portion of Capital Reserve | (5,000) | (5,050) | (5,101) | (5,152) | (5,203) |
| Tax Depreciation | (24,401) | (25,462) | (25,462) | (25,462) | (25,462) |
| Interest Expense - Mortgage #1 | (72,205) | (78,116) | (77,379) | (76,581) | (75,716) |
| Operating Taxable Income (Loss) | <u>\$ 20,716</u> | <u>\$ 17,841</u> | <u>\$ 22,773</u> | <u>\$ 27,868</u> | <u>\$ 33,133</u> |
| Federal & State Tax Rate | 32.00% | 32.00% | 32.00% | 32.00% | 32.00% |
| Income Tax Benefit (Expense) | <u>\$ (6,629)</u> | <u>\$ (5,709)</u> | <u>\$ (7,287)</u> | <u>\$ (8,918)</u> | <u>\$ (10,603)</u> |

Subject to Suspended Loss Rules?

No

| Tax Analysis - Property Sale | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Adjusted Projected Sales Price | \$ 1,352,737 | \$ 1,398,587 | \$ 1,445,541 | \$ 1,493,624 | \$ 1,542,860 |
| Original Cost of Property | (1,235,000) | (1,235,000) | (1,235,000) | (1,235,000) | (1,235,000) |
| Gain (Loss) on Property | <u>\$ 117,737</u> | <u>\$ 163,587</u> | <u>\$ 210,541</u> | <u>\$ 258,624</u> | <u>\$ 307,860</u> |
| Accumulated Depreciation/Amortization | 24,401 | 49,862 | 75,324 | 100,785 | 126,247 |
| Taxable Gain (Loss) on Property Sale | <u>\$ 142,138</u> | <u>\$ 213,449</u> | <u>\$ 285,864</u> | <u>\$ 359,409</u> | <u>\$ 434,107</u> |
| Capital Gain & State Rate on Sale | 19.00% | 19.00% | 19.00% | 19.00% | 19.00% |
| Income Tax Benefit (Expense) | (27,006) | (40,555) | (54,314) | (68,288) | (82,480) |
| Recapture Tax | (2,440) | (4,986) | (7,532) | (10,079) | (12,625) |
| Income Tax Benefit (Expense) | <u>\$ (29,446)</u> | <u>\$ (45,541)</u> | <u>\$ (61,847)</u> | <u>\$ (78,366)</u> | <u>\$ (95,105)</u> |

SunTrust Office Complex

1212 Main St
Atlanta GA 30303

Rent Roll Summary



Your Name Here
866-290-4183

| Unit Type | Number of Units | Percent of Total | Unit Sq Ft | Total Sq Ft | Rent Per Square Ft | Monthly Rent | Annual Rent |
|---------------------|-----------------|------------------|------------|---------------|--------------------|------------------|-------------------|
| Office - Large | 5 | 33.33% | 1,450 | 7,250 | 1.55 | \$ 11,250 | \$ 135,000 |
| Office - 2 Room | 2 | 13.33% | 1,200 | 2,400 | 1.67 | \$ 4,000 | \$ 48,000 |
| Office - Single Roo | 8 | 53.33% | 950 | 7,600 | 1.26 | \$ 9,600 | \$ 115,200 |
| Totals | 15 | 100.00% | | 17,250 | 1.44 | \$ 24,850 | \$ 298,200 |

SunTrust Office Complex

1212 Main St
Atlanta GA 30303

Annual Expenses



Your Name Here
866-290-4183

| Expense Description | Annual Amount | Annual Increase | % of Expenses | % of Revenue |
|---------------------|---------------|-----------------|---------------|--------------|
| Accounting | \$ 5,200 | 1.0% | 3.1% | 1.7% |
| Advertising | 3,200 | 1.0% | 1.9% | 1.1% |
| Cleaning | 5,600 | 1.0% | 3.3% | 1.9% |
| Commissions | 3,800 | 1.0% | 2.2% | 1.3% |
| Insurance | 3,200 | 1.0% | 1.9% | 1.1% |
| Landscaping | 10,500 | 1.0% | 6.2% | 3.5% |
| Legal | 7,500 | 1.0% | 4.4% | 2.5% |
| Maintenance | 17,500 | 1.0% | 10.3% | 5.9% |
| Payroll | 75,000 | 1.0% | 44.1% | 25.2% |
| Pest Control | 2,500 | 1.0% | 1.5% | 0.8% |
| Professional Fees | 3,000 | 1.0% | 1.8% | 1.0% |
| Property Taxes | 18,900 | 1.0% | 11.1% | 6.3% |
| Personal Property | 1,200 | 1.0% | 0.7% | 0.4% |
| Payroll | 3,500 | 1.0% | 2.1% | 1.2% |
| Trash Removal | 1,250 | 1.0% | 0.7% | 0.4% |
| Electricity | 1,200 | 1.0% | 0.7% | 0.4% |
| Water | 1,450 | 1.0% | 0.9% | 0.5% |
| Gas | 250 | 1.0% | 0.1% | 0.1% |
| Telephone | 3,200 | 1.0% | 1.9% | 1.1% |
| Other Utilities | 2,000 | 1.0% | 1.2% | 0.7% |

| | | | |
|--|-------------------|---------------|--------------|
| Total Annual Operating Expenses | \$ 169,950 | 100.0% | 57.0% |
|--|-------------------|---------------|--------------|

SunTrust Office Complex

1212 Main St
Atlanta GA 30303

Annual Property Operating Data



Your Name Here

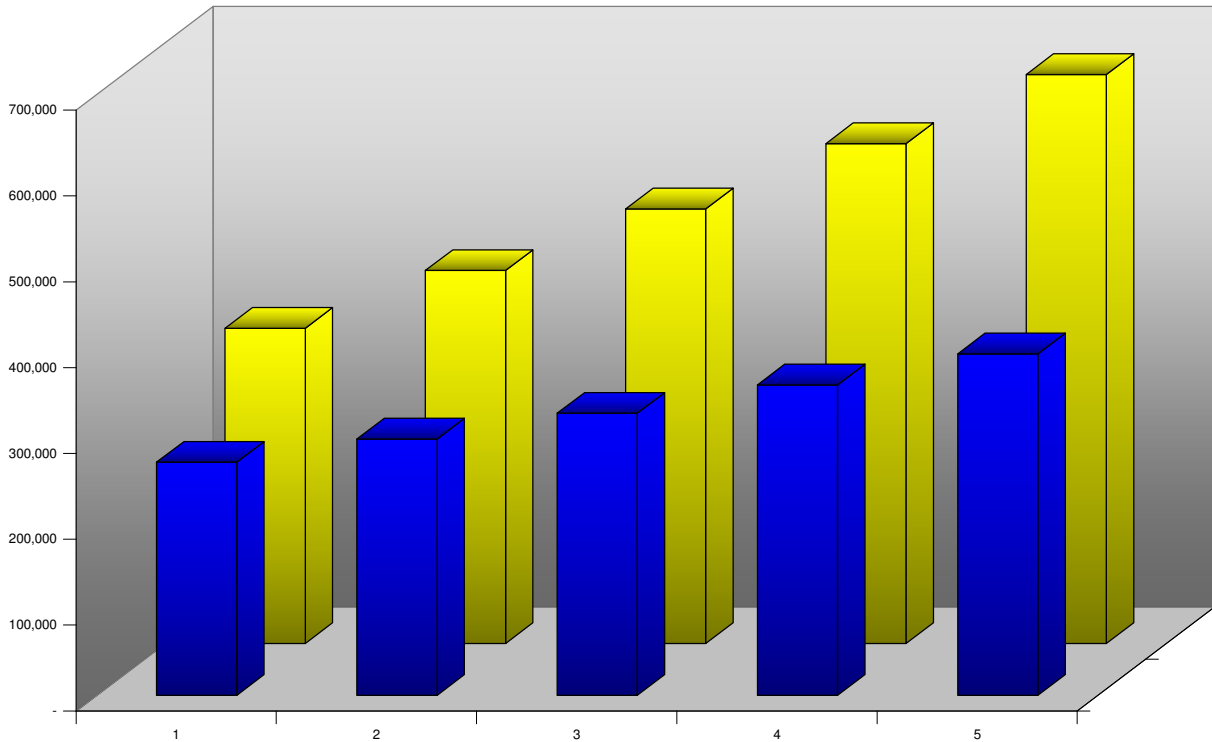
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| | Year 1 | \$/Sq Ft | Year 2 | \$/Sq Ft | Year 3 | \$/Sq Ft | Year 4 | \$/Sq Ft | Year 5 | \$/Sq Ft |
|-----------------------------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|
| Potential Rental Income | \$ 298,200 | 17.29 | \$ 304,164 | 17.63 | \$ 310,247 | 17.99 | \$ 316,452 | 18.35 | \$ 322,781 | 18.71 |
| Less: Vacancy & Credit Losses | (11,928) | (0.69) | (12,167) | (0.71) | (12,410) | (0.72) | (12,658) | (0.73) | (12,911) | (0.75) |
| Effective Rental Income | <u>\$ 286,272</u> | <u>16.60</u> | <u>\$ 291,997</u> | <u>16.93</u> | <u>\$ 297,837</u> | <u>17.27</u> | <u>\$ 303,794</u> | <u>17.61</u> | <u>\$ 309,870</u> | <u>17.96</u> |
| Other Income | 6,000 | 0.35 | 6,120 | 0.35 | 6,242 | 0.36 | 6,367 | 0.37 | 6,495 | 0.38 |
| Gross Operating Income | <u>\$ 292,272</u> | <u>16.94</u> | <u>\$ 298,117</u> | <u>17.28</u> | <u>\$ 304,080</u> | <u>17.63</u> | <u>\$ 310,161</u> | <u>17.98</u> | <u>\$ 316,365</u> | <u>18.34</u> |
| Operating Expenses | | | | | | | | | | |
| Accounting | 5,200 | 0.30 | 5,252 | 0.30 | 5,305 | 0.31 | 5,358 | 0.31 | 5,411 | 0.31 |
| Advertising | 3,200 | 0.19 | 3,232 | 0.19 | 3,264 | 0.19 | 3,297 | 0.19 | 3,330 | 0.19 |
| Cleaning | 5,600 | 0.32 | 5,656 | 0.33 | 5,713 | 0.33 | 5,770 | 0.33 | 5,827 | 0.34 |
| Commissions | 3,800 | 0.22 | 3,838 | 0.22 | 3,876 | 0.22 | 3,915 | 0.23 | 3,954 | 0.23 |
| Insurance | 3,200 | 0.19 | 3,232 | 0.19 | 3,264 | 0.19 | 3,297 | 0.19 | 3,330 | 0.19 |
| Landscaping | 10,500 | 0.61 | 10,605 | 0.61 | 10,711 | 0.62 | 10,818 | 0.63 | 10,926 | 0.63 |
| Legal | 7,500 | 0.43 | 7,575 | 0.44 | 7,651 | 0.44 | 7,727 | 0.45 | 7,805 | 0.45 |
| Maintenance | 17,500 | 1.01 | 17,675 | 1.02 | 17,852 | 1.03 | 18,030 | 1.05 | 18,211 | 1.06 |
| Payroll | 75,000 | 4.35 | 75,750 | 4.39 | 76,508 | 4.44 | 77,273 | 4.48 | 78,045 | 4.52 |
| Pest Control | 2,500 | 0.14 | 2,525 | 0.15 | 2,550 | 0.15 | 2,576 | 0.15 | 2,602 | 0.15 |
| Professional Fees | 3,000 | 0.17 | 3,030 | 0.18 | 3,060 | 0.18 | 3,091 | 0.18 | 3,122 | 0.18 |
| Property Taxes | 18,900 | 1.10 | 19,089 | 1.11 | 19,280 | 1.12 | 19,473 | 1.13 | 19,667 | 1.14 |
| Personal Property | 1,200 | 0.07 | 1,212 | 0.07 | 1,224 | 0.07 | 1,236 | 0.07 | 1,249 | 0.07 |
| Payroll | 3,500 | 0.20 | 3,535 | 0.20 | 3,570 | 0.21 | 3,606 | 0.21 | 3,642 | 0.21 |
| Trash Removal | 1,250 | 0.07 | 1,263 | 0.07 | 1,275 | 0.07 | 1,288 | 0.07 | 1,301 | 0.08 |
| Electricity | 1,200 | 0.07 | 1,212 | 0.07 | 1,224 | 0.07 | 1,236 | 0.07 | 1,249 | 0.07 |
| Water | 1,450 | 0.08 | 1,465 | 0.08 | 1,479 | 0.09 | 1,494 | 0.09 | 1,509 | 0.09 |
| Gas | 250 | 0.01 | 253 | 0.01 | 255 | 0.01 | 258 | 0.01 | 260 | 0.02 |
| Telephone | 3,200 | 0.19 | 3,232 | 0.19 | 3,264 | 0.19 | 3,297 | 0.19 | 3,330 | 0.19 |
| Other Utilities | 2,000 | 0.12 | 2,020 | 0.12 | 2,040 | 0.12 | 2,061 | 0.12 | 2,081 | 0.12 |
| Total Operating Expenses | <u>\$ 169,950</u> | <u>9.85</u> | <u>\$ 171,650</u> | <u>9.95</u> | <u>\$ 173,366</u> | <u>10.05</u> | <u>\$ 175,100</u> | <u>10.15</u> | <u>\$ 176,851</u> | <u>10.25</u> |
| Net Operating Income (NOI) | <u>\$ 122,322</u> | <u>7.09</u> | <u>\$ 126,468</u> | <u>7.33</u> | <u>\$ 130,714</u> | <u>7.58</u> | <u>\$ 135,062</u> | <u>7.83</u> | <u>\$ 139,514</u> | <u>8.09</u> |
| Less: Annual Debt Service | (86,995) | (5.04) | (86,995) | (5.04) | (86,995) | (5.04) | (86,995) | (5.04) | (86,995) | (5.04) |
| Less: Funded Reserves | (5,000) | (0.29) | (5,050) | (0.29) | (5,101) | (0.30) | (5,152) | (0.30) | (5,203) | (0.30) |
| Cash Flow Before Taxes | <u>\$ 30,327</u> | <u>1.76</u> | <u>\$ 34,423</u> | <u>2.00</u> | <u>\$ 38,618</u> | <u>2.24</u> | <u>\$ 42,915</u> | <u>2.49</u> | <u>\$ 47,316</u> | <u>2.74</u> |

Alternative Investment Comparison



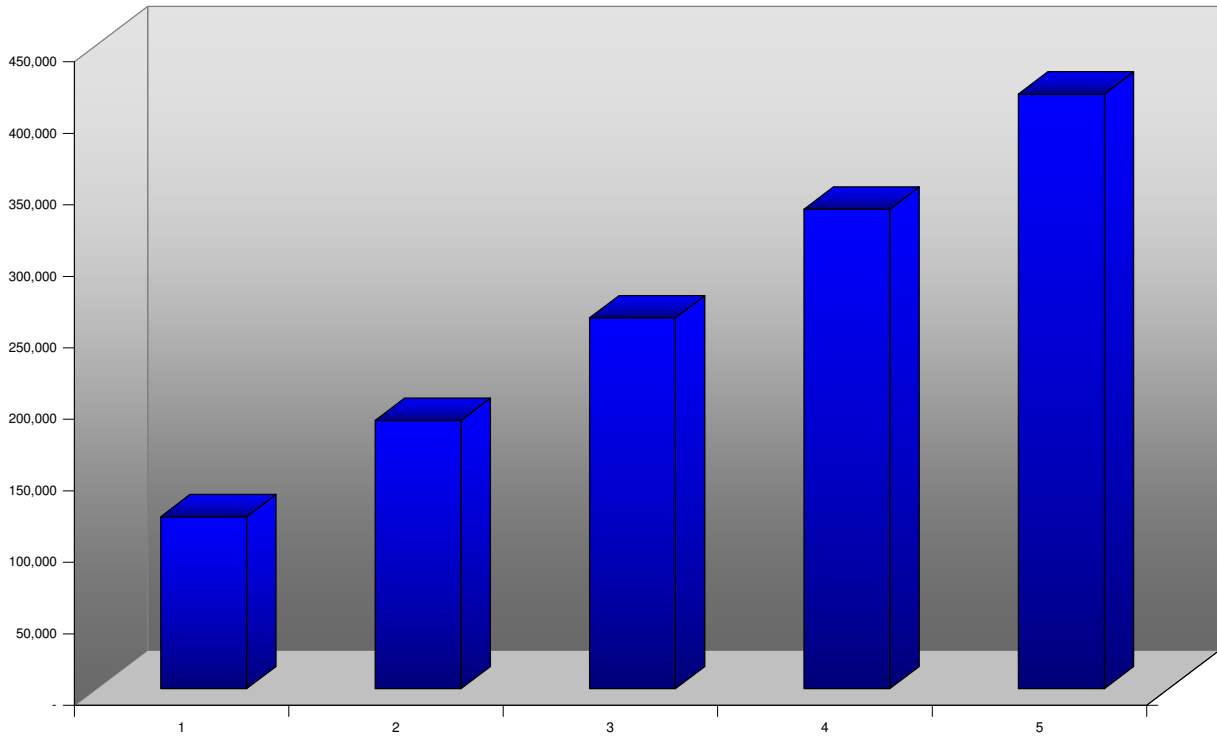
■ Alternative Investment
■ Subject Property - After Taxes



| Alt Investment Return (after taxes) | Time Period | Alternative | Property | Difference | Better Investment | Property | Difference | Better Investment |
|-------------------------------------|--------------------|------------------|-----------------------|------------|-------------------|------------------------|------------|-------------------|
| | | Investment Value | After-Taxes Net Value | | | Before-Taxes Net Value | | |
| 10.00% | Initial Investment | \$ 247,000 | \$ 247,000 | | | \$ 247,000 | | |
| | Year 1 | 271,700 | 367,242 | \$ 95,542 | Property | 403,318 | \$ 131,618 | Property |
| | Year 2 | 298,870 | 434,648 | 135,778 | Property | 492,528 | 193,658 | Property |
| | Year 3 | 328,757 | 506,309 | 177,552 | Property | 587,781 | 259,024 | Property |
| | Year 4 | 361,633 | 582,353 | 220,720 | Property | 689,262 | 327,630 | Property |
| | Year 5 | 397,796 | 662,918 | 265,122 | Property | 797,169 | 399,373 | Property |

Hold/Sell Analysis

■ Cash Generated Per Year



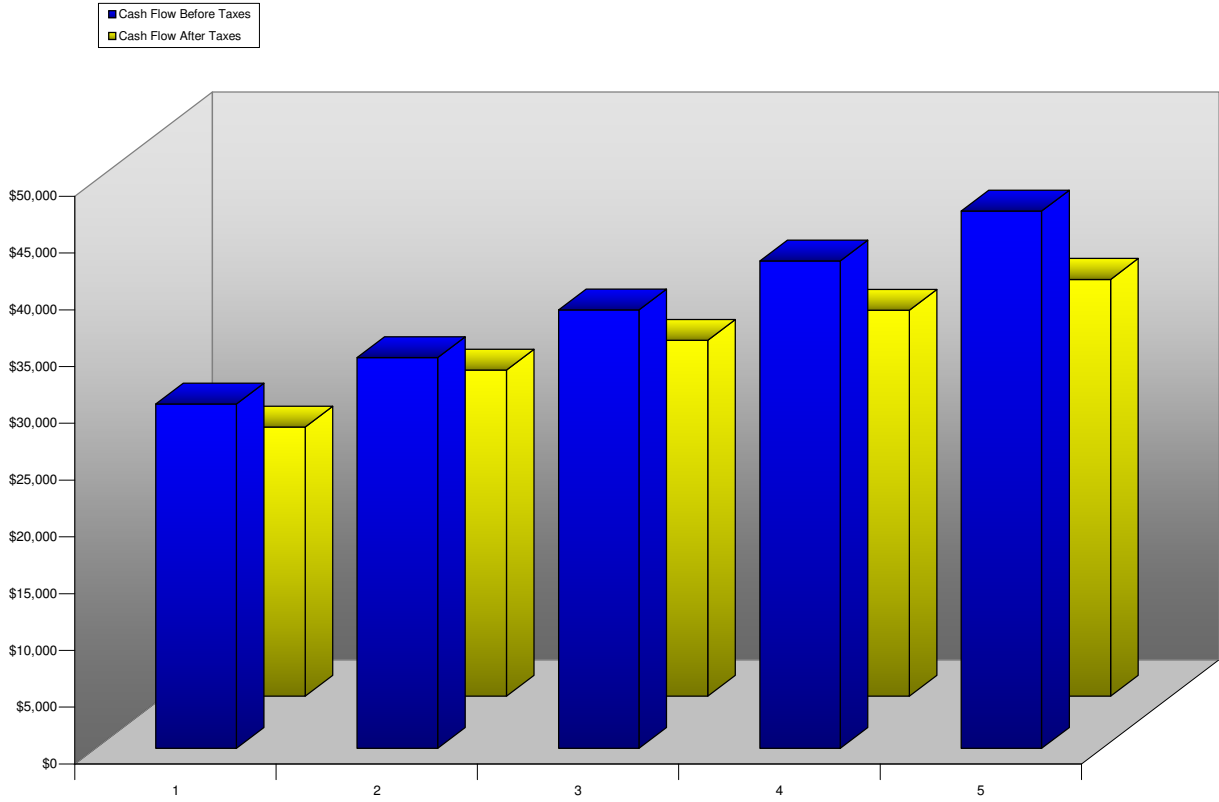
| Required Return on Equity | Time Period | Cash Generated | Year over Year Change | Cash Change Percentage | Hold or Sell |
|---------------------------|--------------------|----------------|-----------------------|------------------------|--------------|
| 15.00% | Initial Investment | \$ 247,000 | | | |
| | Year 1 | 120,242 | 120,242 | 48.68% | Hold |
| | Year 2 | 187,648 | 67,406 | 56.06% | Hold |
| | Year 3 | 259,309 | 71,660 | 38.19% | Hold |
| | Year 4 | 335,353 | 76,044 | 29.33% | Hold |
| | Year 5 | 415,918 | 80,565 | 24.02% | Hold |

Cash Flow Projections



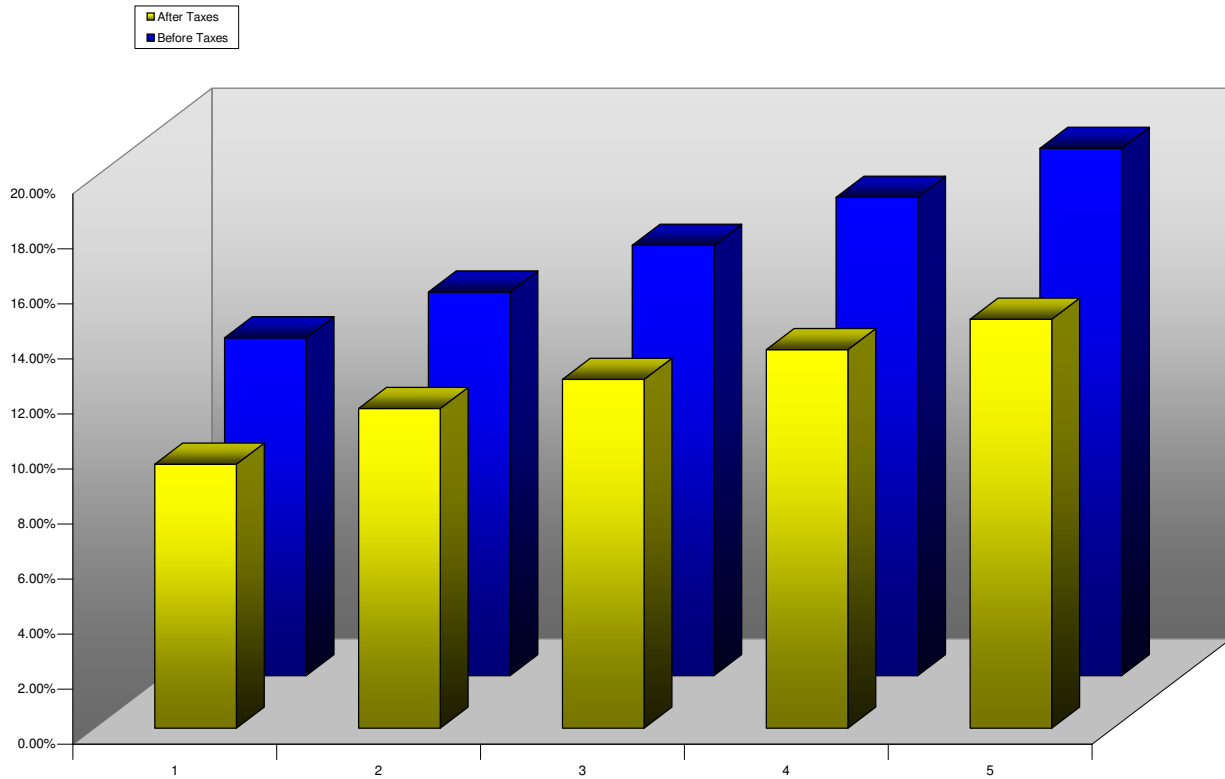
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| Time Period | Net Operating Income | Reserves & Improvements | Debt Service | Cash Flow Before Tax | Incomes Taxes | Cash Flow After Tax |
|----------------|----------------------|-------------------------|--------------|----------------------|---------------|---------------------|
| Int Investment | | | | \$ (247,000) | | \$ (247,000) |
| Year 1 | 122,322 | (5,000) | (86,995) | 30,327 | (6,629) | 23,698 |
| Year 2 | 126,468 | (5,050) | (86,995) | 34,423 | (5,709) | 28,714 |
| Year 3 | 130,714 | (5,101) | (86,995) | 38,618 | (7,287) | 31,331 |
| Year 4 | 135,062 | (5,152) | (86,995) | 42,915 | (8,918) | 33,997 |
| Year 5 | 139,514 | (5,203) | (86,995) | 47,316 | (10,603) | 36,713 |

Cash on Cash Return

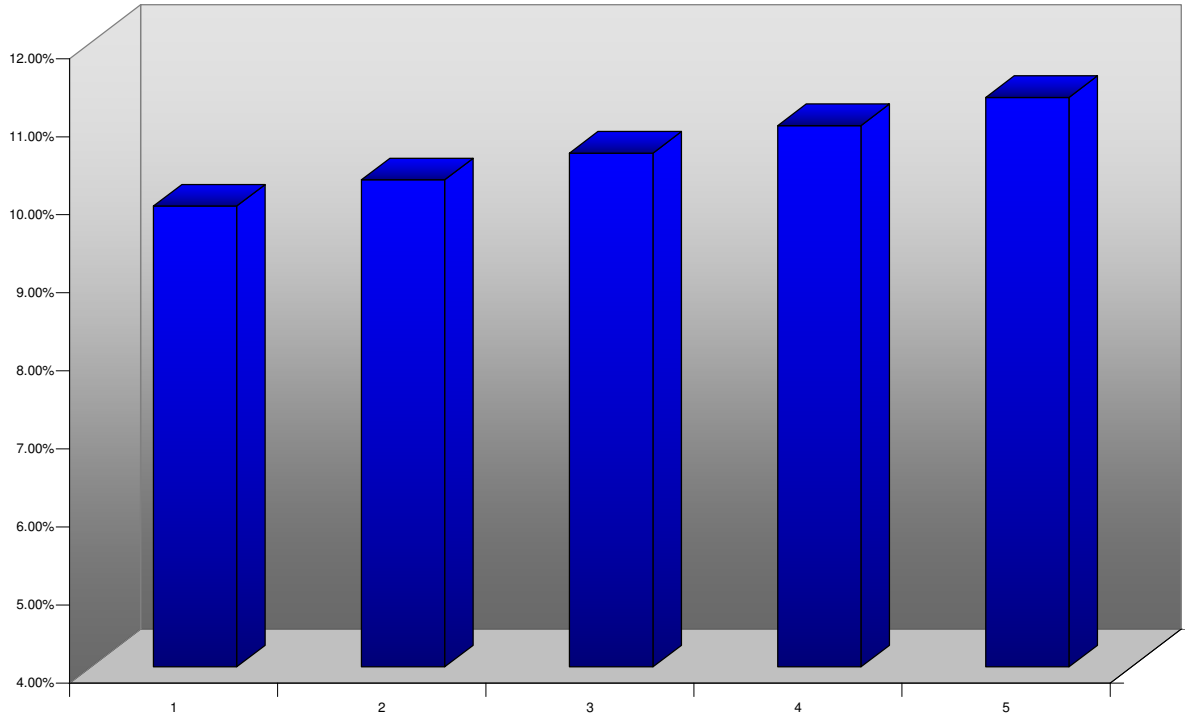


| Time | Cash Flow | Cash on Cash | Income | Cash Flow | Cash on Cash |
|--------|--------------|--------------|------------|-------------|--------------|
| Period | Before Taxes | Before Taxes | Taxes | After Taxes | After Taxes |
| Year 1 | \$ 30,327 | 12.28% | \$ (6,629) | \$ 23,698 | 9.59% |
| Year 2 | 34,423 | 13.94% | (5,709) | 28,714 | 11.63% |
| Year 3 | 38,618 | 15.63% | (7,287) | 31,331 | 12.68% |
| Year 4 | 42,915 | 17.37% | (8,918) | 33,997 | 13.76% |
| Year 5 | 47,316 | 19.16% | (10,603) | 36,713 | 14.86% |

Capitalization Rate

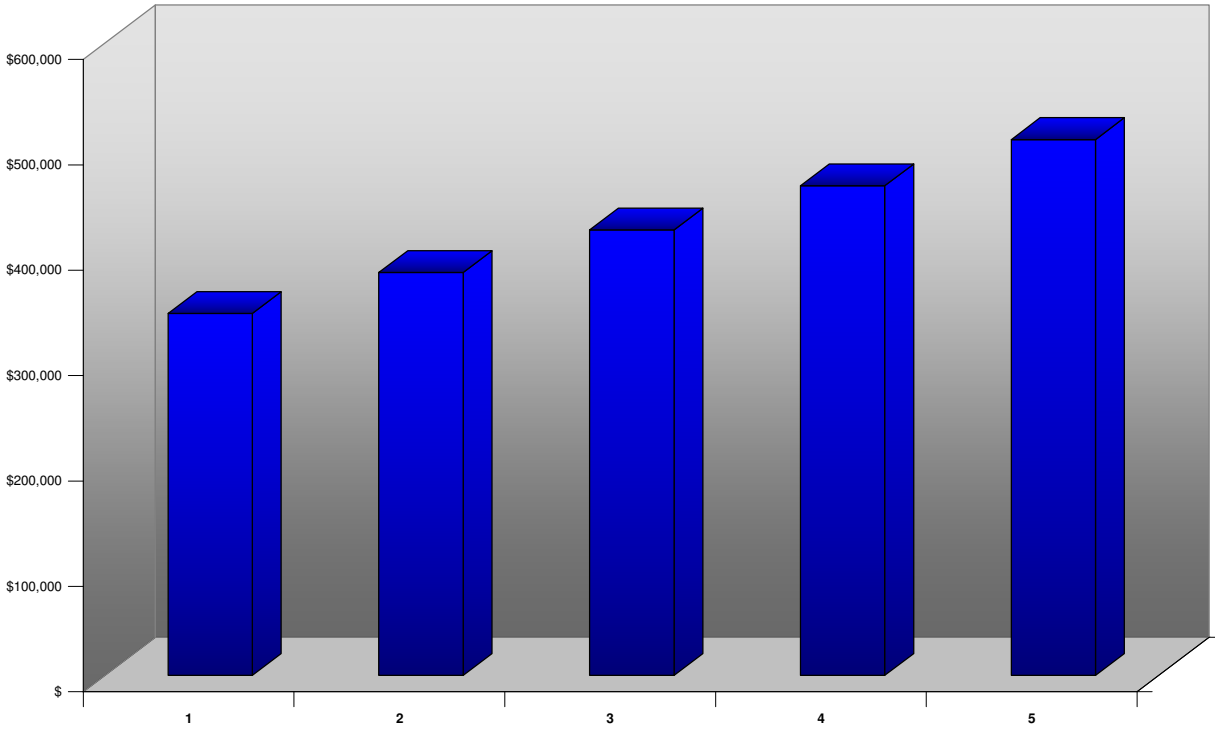


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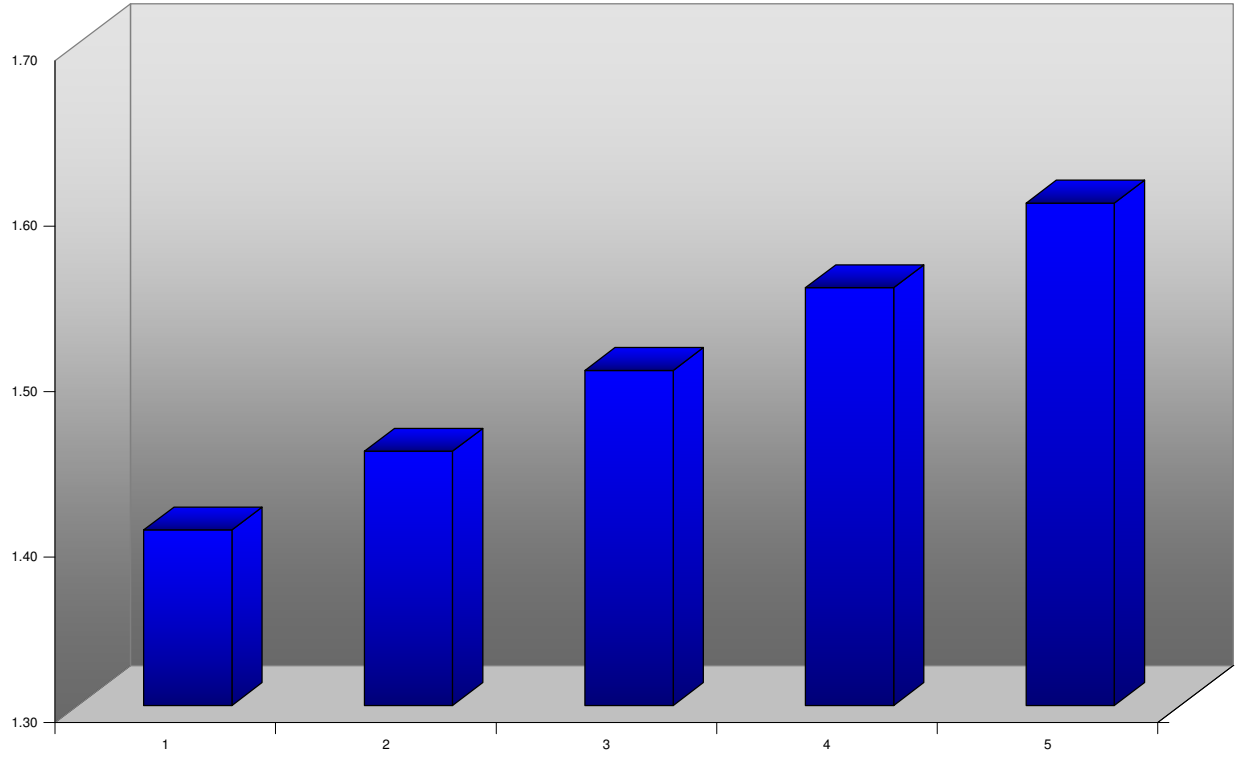
| <i>Time</i> | <i>Net Operating</i> | <i>Cap Rate on Cost</i> | <i>Resale</i> |
|---------------|----------------------|-------------------------|---------------|
| <i>Period</i> | <i>Income (NOI)</i> | <i>\$ 1,235,000</i> | <i>Value</i> |
| Year 1 | \$ 122,322 | 9.90% | \$ 1,439,082 |
| Year 2 | 126,468 | 10.24% | 1,487,858 |
| Year 3 | 130,714 | 10.58% | 1,537,809 |
| Year 4 | 135,062 | 10.94% | 1,588,962 |
| Year 5 | 139,514 | 11.30% | 1,641,341 |

Property Equity Analysis



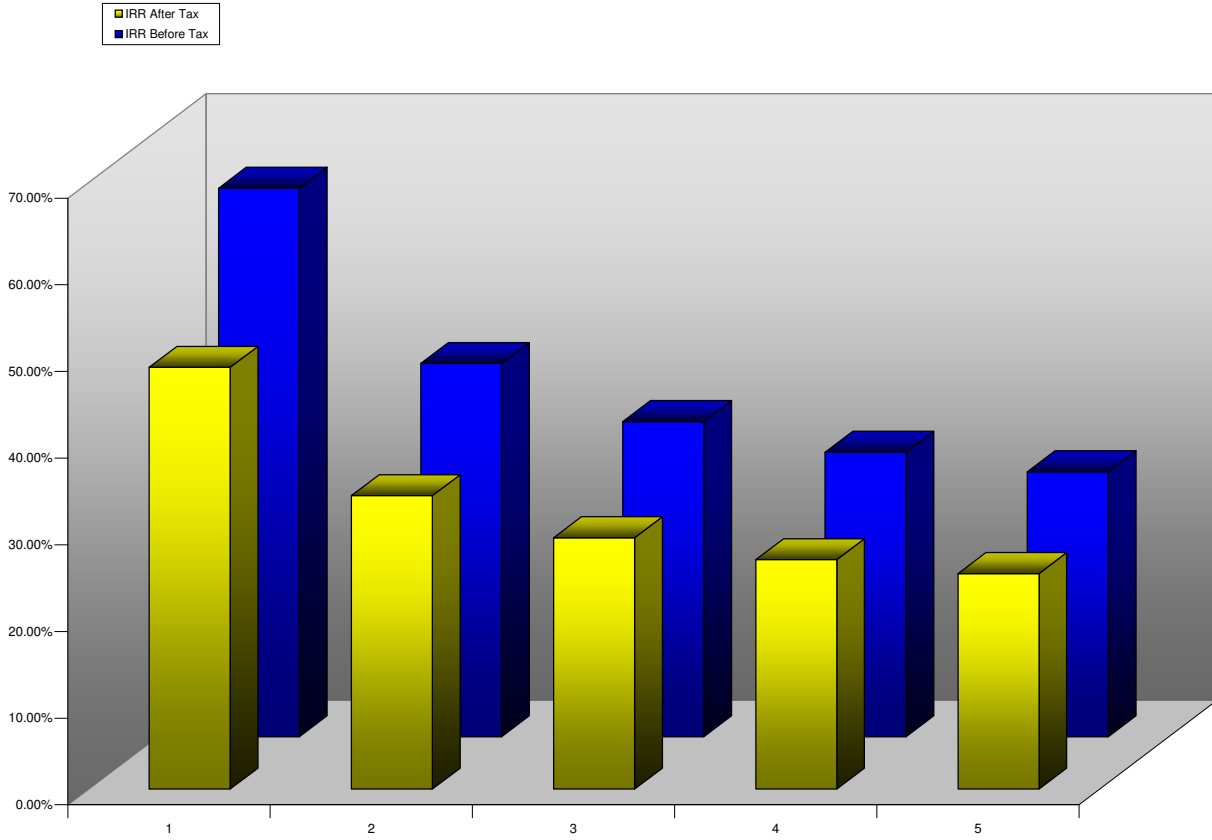
| <i>Time Period</i> | <i>Projected Resale Value</i> | <i>Estimated Selling Expenses</i> | <i>Mortgage(s) Balance Payoff</i> | <i>Sale Proceeds Before Taxes</i> | <i>Income Taxes From Sale</i> | <i>Sale Proceeds After Taxes</i> | <i>Property Equity</i> | <i>Year / Year Equity Increase</i> | <i>Loan to Value Ratio</i> |
|--------------------|-------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------|------------------------|------------------------------------|----------------------------|
| Year 1 | \$ 1,439,082 | \$ (86,345) | \$ (979,747) | \$ 372,991 | \$ (29,446) | \$ 343,544 | \$ 343,544 | \$ 96,544 | 68.1% |
| Year 2 | 1,487,858 | (89,271) | (970,808) | 427,778 | (45,541) | 382,237 | 382,237 | 38,692 | 65.2% |
| Year 3 | 1,537,809 | (92,269) | (961,128) | 484,413 | (61,847) | 422,566 | 422,566 | 40,329 | 62.5% |
| Year 4 | 1,588,962 | (95,338) | (950,644) | 542,980 | (78,366) | 464,613 | 464,613 | 42,047 | 59.8% |
| Year 5 | 1,641,341 | (98,480) | (939,290) | 603,570 | (95,105) | 508,465 | 508,465 | 43,852 | 57.2% |

Debt Coverage Ratio



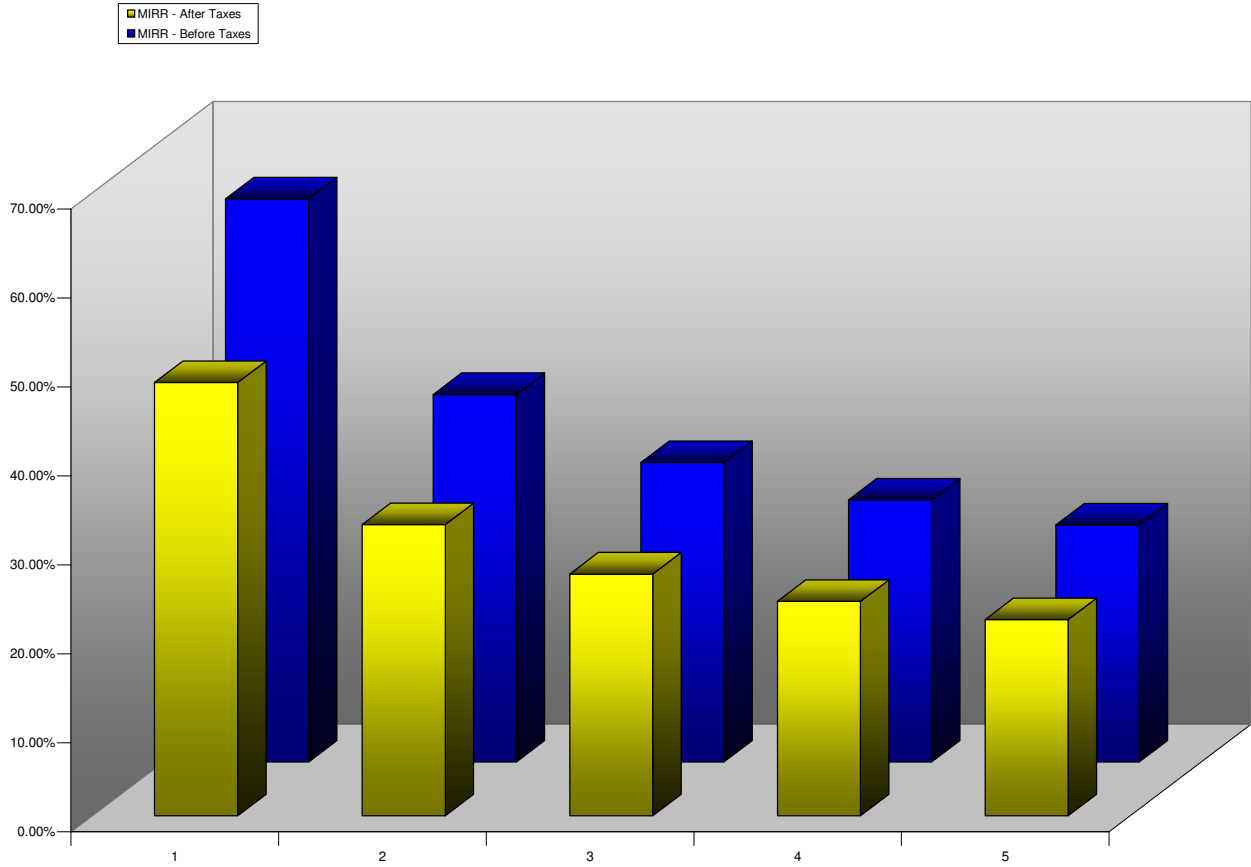
| <i>Time</i> | <i>Net Operating</i> | <i>Mortgage</i> | <i>Debt Coverage</i> |
|---------------|----------------------|-----------------|----------------------|
| <i>Period</i> | <i>Income</i> | <i>Payments</i> | <i>Before Taxes</i> |
| Year 1 | \$ 122,322 | \$ (86,995) | 1.41 |
| Year 2 | 126,468 | (86,995) | 1.45 |
| Year 3 | 130,714 | (86,995) | 1.50 |
| Year 4 | 135,062 | (86,995) | 1.55 |
| Year 5 | 139,514 | (86,995) | 1.60 |

Internal Rate of Return



| Time Period | Internal Rate of Return (IRR) | |
|-------------|-------------------------------|-------------|
| | Before Taxes | After Taxes |
| Year 1 | 63.29% | 48.68% |
| Year 2 | 43.07% | 33.87% |
| Year 3 | 36.37% | 29.01% |
| Year 4 | 32.83% | 26.48% |
| Year 5 | 30.58% | 24.88% |

Modified Internal Rate of Return



| <i>Time</i> | <i>Modified Internal Rate of Return</i> | |
|---------------|---|--------------------|
| <i>Period</i> | <i>Before Taxes</i> | <i>After Taxes</i> |
| Year 1 | 63.29% | 48.68% |
| Year 2 | 41.30% | 32.73% |
| Year 3 | 33.65% | 27.16% |
| Year 4 | 29.44% | 24.09% |
| Year 5 | 26.63% | 22.04% |

| CASH FLOW After Taxes | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|-----------------|-----------------|------------------|------------------|------------------|
| Total Partnership Cash Flow | \$ 23,698 | \$ 28,714 | \$ 31,331 | \$ 33,997 | \$ 36,713 |
| Limited Partner's Preferred Return | (4,960) | (4,960) | (4,960) | (4,960) | (4,960) |
| Other Limited Partner's Preferred Return | (4,960) | (4,960) | (4,960) | (4,960) | (4,960) |
| Managing Partner's Share | (6,889) | (9,397) | (10,705) | (12,039) | (13,397) |
| Other Limited Partner's Share | (3,444) | (4,698) | (5,353) | (6,019) | (6,698) |
| Limited Partner's Share | \$ 3,444 | \$ 4,698 | \$ 5,353 | \$ 6,019 | \$ 6,698 |
| Limited Partner's Share with Preferred Return | \$ 8,404 | \$ 9,658 | \$ 10,313 | \$ 10,979 | \$ 11,658 |

| SALE PROCEEDS After Taxes | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| Total Partnership Cash Flow from Sale | \$ 343,544 | \$ 382,237 | \$ 422,566 | \$ 464,613 | \$ 508,465 |
| All Partner's Return of Investment Capital | (247,000) | (247,000) | (247,000) | (247,000) | (247,000) |
| Remaining Funds from Sale to be Distributed | \$ 96,544 | \$ 135,237 | \$ 175,566 | \$ 217,613 | \$ 261,465 |
| Managing Partner's Share | (48,272) | (67,618) | (87,783) | (108,807) | (130,732) |
| Other Limited Partner's Share | (24,136) | (33,809) | (43,892) | (54,403) | (65,366) |
| Limited Partner's Share | \$ 24,136 | \$ 33,809 | \$ 43,892 | \$ 54,403 | \$ 65,366 |
| This Partner's Share with Preferred Return | \$ 24,136 | \$ 33,809 | \$ 43,892 | \$ 54,403 | \$ 65,366 |

Total Potential CASH Generated

Partnership

| | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash Generated this year | \$ 23,698 | \$ 28,714 | \$ 31,331 | \$ 33,997 | \$ 36,713 |
| Previous Year's Cash Generated | n/a | 23,698 | 52,412 | 83,742 | 117,740 |
| Cash Flow From Property Sale | 343,544 | 382,237 | 422,566 | 464,613 | 508,465 |
| All Partner's Return of Investment Capital | (247,000) | (247,000) | (247,000) | (247,000) | (247,000) |
| Total Partnership Profit Generated | \$ 120,242 | \$ 187,648 | \$ 259,309 | \$ 335,353 | \$ 415,918 |

Limited Partner Interest **25.00%**

| | | | | | |
|--|------------------|-------------------|-------------------|-------------------|-------------------|
| Net Cash Flow Allocation - Rent Activity | \$ 8,404 | \$ 9,658 | \$ 10,313 | \$ 10,979 | \$ 11,658 |
| Previous Year's Cash Generated | n/a | 8,404 | 18,062 | 28,375 | 39,354 |
| Net Cash Flow Allocation - Sale | 24,136 | 33,809 | 43,892 | 54,403 | 65,366 |
| Limited Partner's Share of Profit | \$ 32,540 | \$ 51,871 | \$ 72,267 | \$ 93,757 | \$ 116,378 |
| Partner's Return of Investment Capital | 62,000 | 62,000 | 62,000 | 62,000 | 62,000 |
| Limited Partner's Share of Total Cash | \$ 94,540 | \$ 113,871 | \$ 134,267 | \$ 155,757 | \$ 178,378 |
| Limited Partner's Percentage Share | 25.74% | 26.20% | 26.52% | 26.75% | 26.91% |

Return on Investment (ROI)

Partnership's Return on Investment

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Cash on Cash Return - After Taxes | 9.59% | 11.63% | 12.68% | 13.76% | 14.86% |
| Internal Rate of Return (IRR) - After Taxes | 48.68% | 33.87% | 29.01% | 26.48% | 24.88% |
| Modified Internal Rate of Return (MIRR) - After Taxes | 48.68% | 32.73% | 27.16% | 24.09% | 22.04% |

Limited Partner's Return on Investment

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Cash on Cash Return - After Taxes | 13.55% | 15.58% | 16.63% | 17.71% | 18.80% |
| Internal Rate of Return (IRR) - After Taxes | 52.48% | 37.38% | 32.34% | 29.68% | 27.96% |
| Modified Internal Rate of Return (MIRR) - After Taxes | 52.48% | 35.62% | 29.55% | 26.12% | 23.80% |

SunTrust Office Complex

