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Orange, CA

MONTHLY Cash Flow — Year 1

Rental Income:	$3,687
Expenses:	$5,013
Year 1 MONTHLY Cash Flow:	**-$1,326**

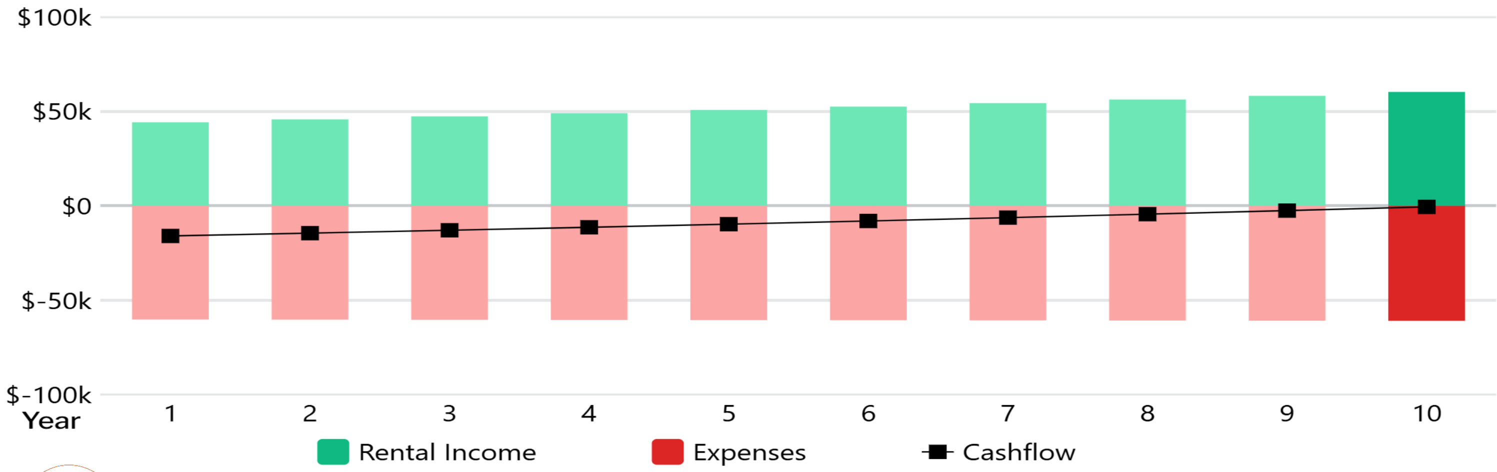
Cumulative Cash Flow Through — Year 10

Rental Income:	$519,044
Expenses:	$604,938
Year 10 CUMULATIVE Cash Flow:	**-$85,894**

Cumulative Cash on Cash Return -43.1%

Estimated Annual Cash Flow

Cash Flow Details	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rental Income	$44,244	$45,793	$47,395	$49,054	$50,771	$52,548	$54,387	$56,291	$58,261	**$60,300**
Expenses										
Principal & Interest	$42,569	$42,569	$42,569	$42,569	$42,569	$42,569	$42,569	$42,569	$42,569	**$42,569**
Property Tax / Ins.	$9,000	$9,072	$9,145	$9,218	$9,292	$9,367	$9,443	$9,519	$9,597	**$9,675**
Maint. & Repairs	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	**$1,800**
HOA Fees	$6,792	$6,792	$6,792	$6,792	$6,792	$6,792	$6,792	$6,792	$6,792	**$6,792**
Property Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Total Expenses	$60,161	$60,233	$60,306	$60,379	$60,453	$60,528	$60,604	$60,680	$60,758	**$60,836**
Total Cash Flow	$-15,917	$-14,440	$-12,910	$-11,325	$-9,682	$-7,980	$-6,217	$-4,390	$-2,497	**$-535**
Cash on Cash Return	**-8.0%**	**-7.2%**	**-6.5%**	**-5.7%**	**-4.9%**	**-4.0%**	**-3.1%**	**-2.2%**	**-1.3%**	**-0.3%**



Equal Housing Lender

Appreciation Gain **$484,483**

Starting Home Value:	$720,000
Forecasted Appreciation (Avg./Yr):	5.28%
Estimated Value After 10	$1,204,483

Amortization Gain **$77,985**

Original Loan Amount:	$540,000
Remaining Principal Balance:	$462,015

Interest Rate
6.875%

APR
7.023%

Annual Rental Increase
3.5%

Total Return on Investment

Rental Income	$519,044
Appreciation	$484,483
Gross Revenue	**$1,003,527**
Expenses *Int. + Prop. Tax + Ins. + Repairs + Closing Costs to Buy & Sell + Fees*	-$618,627
Profit	**$384,900**
Investment *Down Payment + Renovation Costs*	$180,000
Return on Investment	**213.8%**
Average Annual Compounded Return	**12.1%**

Annual Total Return on Investment