

Rent Roll

38478-38506 4th Street
Palmdale, CA 93550

Unit #	Unit Type	Actual Rent	Pro Forma Rent
1	One Bedroom, One Bathroom	\$ 600	\$ 795
2	One Bedroom, One Bathroom	\$ 575	\$ 795
3	One Bedroom, One Bathroom	\$ 650	\$ 795
4	One Bedroom, One Bathroom	\$ 650	\$ 795
5	One Bedroom, One Bathroom	\$ 650	\$ 795
6	Two Bedroom, One Bathroom	\$ 750	\$ 900
7	One Bedroom, One Bathroom	\$ 600	\$ 795
8	One Bedroom, One Bathroom	\$ 575	\$ 795
9	One Bedroom, One Bathroom	\$ 600	\$ 795
10	One Bedroom, One Bathroom	\$ 600	\$ 795
11	One Bedroom, One Bathroom	\$ 600	\$ 795
12	Two Bedroom, One Bathroom	\$ 700	\$ 900
Gross Scheduled Monthly Rental Income		\$ 7,550	\$ 9,750
Gross Scheduled Annual Rental Income		\$ 90,600	\$ 117,000
Monthly Laundry Income		\$ 200	\$ 200
Annual Laundry Income		\$ 2,400	\$ 2,400
Total Yearly Schedule Income		\$ 93,000	\$ 119,400

38478-38506 4th Street
 Palmdale, CA 93550

Units: 12
 List Price: \$1,000,000
 Year Built: 1973
 Building Sq. Ft.: 8,290
 Lot Sq. Ft. 15,978
 Price/Unit: \$83,333
 Price/Sq. Ft. \$121
 CAP Rate: 5.80%
 Pro Forma CAP: 8.30%
 GRM: 10.75
 Pro Forma GRM: 8.38
 Proposed Loan Amount: \$729,842 5.25%
 Proposed Down Payment: \$270,158 27.02%
 Proposed Loan 5 Year Fixed Rate: 5.25%



ESTIMATED ANNUALIZED OPERATING DATA:	ACTUAL	PRO FORMA
Potential Gross Income:	\$93,000	\$119,400
- Vacancy/Collection:	(\$2,790)	(\$3,582)
Effective Gross Income:	\$90,210	\$115,818
- Operating Expenses:	(\$32,174)	(\$32,768)
Net Operating Income:	\$58,036	\$83,050
- Debt Service:	(\$48,363)	(\$48,363)
Before Tax Cash Flow:	\$9,673	\$34,687
Cash on Cash:	3.6%	12.8%
Annualized 5 Year IRR:	16.3%	24.2%
Annualized 5 Year ATROE : (After Tax Return on Equity)	14.5%	19.1%

RENT ROLL SUMMARY:		ACTUAL	PRO FORMA
# Units	Type	Avg Rent	Avg Rent
10	1+1	\$ 600	\$ 795
2	2+1	\$ 725	\$ 900

ESTIMATED ANNUALIZED EXPENSES:		DESCRIPTION
Taxes	\$ 12,367	28% Immediate Rental Upside
Insurance	\$ 2,819	
Offsite Management	\$ 4,653	No Rent Control
Utilities	\$ 6,536	
Rubbish	\$ 900	Clean and Well Maintained Building
Landscaping & Pest Control	\$ 900	
Maintenance and Repair	\$ 3,000	
Misc. & Reserves	\$ 1,000	10.75 GRM at Current Rents
TOTAL EXPENSES: \$	32,174	8.4 GRM at Market Rents
<small>Expenses estimated based on BOMA guidelines and prevailing market conditions</small>		
Operating Expenses as % of PGI	34.6%	Over 15,000 Square Foot Lot
Operating Expenses Per Unit	\$2,681	
Operating Expenses Per Sq. Ft.	\$3.88	

If you would like further details about this property, please contact Kitty Wallace @ 310-979-0800 ext. 204 or kitty.wallace@svn.com.