Willowview LOFTS
10620 Taylorsville Road
Jeffersontown, KY 40299

		No. of Units	Price per Unit	Land (10%)	Improvements	Total Purch Price
PURCHASE PRICE		**37**	**249,000**	921,300	8,291,700	**9,213,000**
LTV	85%				1,381,950	7,831,050
					Down Pmt	Loan Amt

INCOME

		No. of Units	Monthly/ per unit	Monthy/ all units	Annual
Potential Gross Income (**PGI**)		37	1,600	59,200	710,400
Vacancy + Collection loss	**5%**	37	(80)	(2,960)	(35,520)
Other income (laundry, parking, etc.)		37		0	
Effective Gross Income (EGI)			1,520	56,240	674,880

EXPENSES

Operating Expenses

Fixed

	Cnty Tax %	City Tax %	% of PP	No. of Units	Monthly	Total Monthly		Annual
insurance (walls IN - exterior included in HOA dues)			**0.20%**	1				**18,426**
R.E. taxes	1.07050	0.14010	**1.21060%**	1				**111,533**
Variable								
cleaning + maintenance				37	**15**	555		6,660
HOA Dues				37		0		0
		% of PGI						
management		**6.00%**		1	96	3,552		42,624
repairs				37	**5**	185		2,220
supplies				37		0		0
trash removal				37		0		0
utilities				37		0		0
other				37		0		0
TOTAL OPERATING EXPENSES			**OE**		116	4,292		181,463
Net Operating Income (EGI - OE)					1,404	**51,948**	**NOI**	**493,417**
Mortgage Pmts , P+I, XX-yr XX% Financing						**0**		**0**
Cash Flow / (Loss)								**493,417**
Principal Paid				1st year				
Principal Paid				2nd year				
Principal Paid				3rd year				
Principal Paid				4th year				
Principal Paid				5th year				
Cap Rate (=NOI / Purchase Price)								**5.36%**
Depreciation Tax Shelter (27.5-yrs amortization / No 1031 Carryover)								**301,516**
Taxable Income (Year 1)								**191,901**

	Income >	Federal Tax Rate	Eff Cap Rate	Tax Shelter Tax Savings
Income Tax Savings federal				
(includes Kentucky 5% Inc Tax Shelter)	38,700	22%	6.24%	**81,409**
	82,500	24%	6.30%	**87,440**
	157,500	32%	6.57%	**111,561**
Income Tax Savings per Kentucky (5% - fixed)		**5%**		

The above assumptions, comments and formulas used though believed to be correct as of the date written are subject to errors and omissions. They are subject to change without notice. Buyer should not rely on this Pro Forma without independent verification. Buyer should conduct his own inspections, surveys and due diligence.