

## Assumptions

Ordinary Income Tax Bracket      35%  
 Capital Gain Max Tax Rate        15%  
 Tax Rate on Straight Line Recaptur   25%

Month Placed in Service: 1  
 (from CashFlows Sheet)

Year---->	1	2	3	4	5	6	7	8	9	10	11 thru 39
Vacancy Rates (enter just year 1, or each year)	25.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Rent Income Escalators (enter just year 2, or each year)		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Income Escalator		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Expense Escalators (enter just year 2, or each year)		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Construction Cost Escalator		2.50%									

	Alternative 1	Alternative 2	Alternative 3
Cap rate used in Sale*	Not Sold **	9.00%	10.00%
Expenses of Sale	7.00%		

(\*The capitalization rates used in Sale have been chosen to provide return on capital in the range of 99% to 10% over the remaining years of the ground ground lease.

<b>Participation:</b>	
<b>Sales Proceeds --</b>	<b>0%</b>
<b>Cash Flows --</b>	<b>0%</b>

### Estimated Rents:

	Sq. Ft.	Monthly	Annual
Apartment 101 (1 Bedroom/1 Bath)	485	1,200	14,400
Apartment 102 (1 Bedroom/1 Bath)	467	1,200	14,400
Apartment 103 (1 Bedroom/1 Bath)	465	1,200	14,400
Apartment 104 (1 Bedroom/1 Bath)	467	1,200	14,400
Apartment 105 (1 Bedroom/1 Bath)	507	1,200	14,400
Apartment 106 (Studio)	365	900	10,800
Apartment 201 (2 Bedroom/2 Bath)	952	2,000	24,000
Apartment 202 (1 Bedroom/1 Bath)	463	1,200	14,400
Apartment 203 (1 Bedroom/1 Bath)	469	1,200	14,400
Apartment 204 (1 Bedroom/1 Bath)	507	1,200	14,400
Apartment 205 (Studio)	348	900	10,800
Apartment 301 (1 Bedroom/1 Bath)	483	1,200	14,400
Apartment 302 (1 Bedroom/1 Bath)	467	1,200	14,400
Apartment 303 (1 Bedroom/1 Bath)	465	1,200	14,400
Apartment 304 (1 Bedroom/1 Bath)	469	1,200	14,400
Apartment 305 (1 Bedroom/1 Bath)	501	1,200	14,400

## Assumptions

Penthouse 401 (2 Bedroom/1 Bath)	825	2,000	24,000
Penthouse 501 (2 Bedroom/1 Bath)	956	2,000	24,000
Total Annual Gross Rent Projection	9,661		\$280,800