

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

		1	2	3	4	5	6	7
	t=0	2022	2023	2024	2025	2026	2027	2028
<b>Cap Rate</b>								
Total Property Development Costs:		\$454,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500
REAL Total Prop Development Costs @ 2.5%:		\$454,500	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018
Normal (2 Yr) Ann Op Cash Flow:		\$34,989	\$34,989	\$40,655	\$41,672	\$42,714	\$43,781	\$44,876
REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:		\$34,135	\$33,303	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753
<b>Cap Rate</b>		7.7%	7.5%	8.8%	9.0%	9.2%	9.4%	9.7%
<b>REAL Cap Rate @ 2.5%</b>		7.5%	7.2%	8.1%	8.1%	8.1%	8.1%	8.1%
<b>Price to Earnings</b>								
<b>Price to Earnings</b>		13.0	13.3	11.4	11.1	10.9	10.6	10.4
<b>REAL Price to Earnings @ 2.5%</b>		13.3	13.9	12.3	12.3	12.3	12.3	12.3
<b>Rental Revenue Value</b>								
Normal (2 Yr) Ann Rental Rev:		\$51,425	\$51,425	\$54,464	\$58,221	\$59,677	\$61,169	\$62,698
REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:		\$50,171	\$48,947	\$50,575	\$52,746	\$52,746	\$52,746	\$52,746
<b>Annual Rental Revenue Value</b>		11.3%	11.1%	11.7%	12.5%	12.8%	13.2%	13.5%
<b>REAL Annual Rental Revenue Value @ 2.5%</b>		11.0%	10.5%	10.9%	11.4%	11.4%	11.4%	11.4%
<b>Monthly Rental Revenue Value</b>		0.9%	0.9%	1.0%	1.0%	1.1%	1.1%	1.1%
<b>REAL Monthly Rental Revenue Value @ 2.5%</b>		0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
<b>Discounted Cash Flow (NPV): 10 Year @ 21.0%</b>								
<b>Discounted Cash Flow @ 21.0%</b>								
Annual NET Capital Investment	(\$98,257)	\$0	(\$4,209)	\$0	\$0	\$0	\$0	\$0
Increase to Free Cash Flow Value		\$21,507	\$3,226	\$14,896	\$16,088	\$17,371	\$18,699	\$20,074
Total NET Value LESS Increase to FCF Value		\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Discounted Cash Flow @ 21.0%:</b>	<b>(\$98,257)</b>	<b>\$21,507</b>	<b>(\$983)</b>	<b>\$14,896</b>	<b>\$16,088</b>	<b>\$17,371</b>	<b>\$18,699</b>	<b>\$20,074</b>
<b>Discounted Cash Flow @ 21.0%:</b>	<b>(\$98,257)</b>	<b>\$17,774</b>	<b>(\$671)</b>	<b>\$8,408</b>	<b>\$7,505</b>	<b>\$6,697</b>	<b>\$5,958</b>	<b>\$5,286</b>
<b>Discounted Cash Flow (NPV): 10 Year @ 21.0%</b>		<b>\$26,645</b>						

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	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>t=0</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>

## Valuation Iterations

### Property Cost

<b>Property Purchase Price</b>	<b>\$450,000</b>	<i>Model Property Purchase Price = \$450,000</i>
<b>Initial Renovations (t=0)</b>	<b>\$0</b>	<i>Model Initial Renovations (t=0) = \$00</i>
	<b>\$450,000</b>	

### REAL @ 2.5%

#### Year 3

<b>Ann Operating Cash Flow</b>	<b>\$37,753</b>	<i>Model Ann Operating Cash Flow = \$37,753</i>
<b>Annual Rental Revenue</b>	<b>\$50,575</b>	<i>Model Annual Rental Revenue = \$50,575</i>
<b>Monthly Rental Revenue</b>	<b>\$4,215</b>	<i>Model Monthly Rental Revenue = \$4,215</i>

<b>Cap Rate</b>	<b>8.4%</b>
<b>Price to Earnings</b>	<b>11.9</b>
<b>Annual Rental Revenue Value</b>	<b>11.2%</b>
<b>Monthly Rental Revenue Value</b>	<b>0.9%</b>

#### Cost Per Sq Ft    Total Price

<b>Multi-Family Unit</b>	<b>N/A</b>	<b>N/A</b>	<i>Model Multi-Family Unit = N/A</i>
<b>Comp Properties Average</b>	<b>N/A</b>	<b>N/A</b>	<i>Model Comp Properties Average = N/A</i>

<b>% Premium or Discount</b>	<b>N/A</b>
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<b>Discount Rate</b>	<b>21.0%</b>	<i>Model Discount Rate = 21%</i>
<b>Discounted Cash Flow (NPV)</b>	<b>\$26,645</b>	<i>Model Discounted Cash Flow (NPV) = \$26,645</i>

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

		1	2	3	4	5	6	7
	t=0	2022	2023	2024	2025	2026	2027	2028
<b>vs Opportunity Cost Investment</b>								
<b>Opportunity Cost Investment @ 7.00%</b>								
Beginning Value		\$0	\$105,134	\$116,998	\$125,187	\$133,950	\$143,327	\$153,360
Changes to Net Investment		\$98,257	\$4,209	\$0	\$0	\$0	\$0	\$0
Growth @ 7.00%		\$6,878	\$7,654	\$8,190	\$8,763	\$9,377	\$10,033	\$10,735
Adjustments to Opportunity Cost Investment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>		<b>\$105,134</b>	<b>\$116,998</b>	<b>\$125,187</b>	<b>\$133,950</b>	<b>\$143,327</b>	<b>\$153,360</b>	<b>\$164,095</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>		<b>\$102,570</b>	<b>\$111,360</b>	<b>\$116,249</b>	<b>\$121,353</b>	<b>\$126,680</b>	<b>\$132,242</b>	<b>\$138,048</b>
<b>Opportunity Cost Investment Total Gain   Loss:</b>		<b>\$6,878</b>	<b>\$14,532</b>	<b>\$22,722</b>	<b>\$31,485</b>	<b>\$40,861</b>	<b>\$50,894</b>	<b>\$61,630</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>		<b>\$6,710</b>	<b>\$13,832</b>	<b>\$21,099</b>	<b>\$28,524</b>	<b>\$36,116</b>	<b>\$43,886</b>	<b>\$51,847</b>
Ann ROR Opportunity Cost Investment:		-93.0%	6.9%	6.9%	6.9%	6.9%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:		-93.2%	4.2%	4.3%	4.3%	4.3%	4.3%	4.4%
Total NET Value: Multi-Family Unit		\$134,399	\$165,405	\$215,356	\$289,352	\$334,345	\$381,578	\$431,129
REAL Total NET Value @ 2.5%: Multi-Family Unit		\$131,121	\$157,435	\$199,979	\$262,138	\$295,512	\$329,033	\$362,694
<b>Multi-Family Unit Gain   Loss:</b>		<b>\$36,143</b>	<b>\$62,940</b>	<b>\$112,890</b>	<b>\$186,886</b>	<b>\$231,879</b>	<b>\$279,112</b>	<b>\$328,664</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>		<b>\$35,261</b>	<b>\$59,907</b>	<b>\$104,830</b>	<b>\$169,310</b>	<b>\$204,948</b>	<b>\$240,678</b>	<b>\$276,493</b>
<b>\$ Gain   Loss</b>								
<b>Multi-Family Unit LESS Opp Cost Inv</b>		<b>\$29,265</b>	<b>\$48,408</b>	<b>\$90,168</b>	<b>\$155,401</b>	<b>\$191,018</b>	<b>\$228,218</b>	<b>\$267,034</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>		<b>\$28,551</b>	<b>\$46,075</b>	<b>\$83,730</b>	<b>\$140,786</b>	<b>\$168,832</b>	<b>\$196,792</b>	<b>\$224,646</b>
<b>Multi-Family Unit / Opp Cost Inv</b>		<b>5.3</b>	<b>4.3</b>	<b>5.0</b>	<b>5.9</b>	<b>5.7</b>	<b>5.5</b>	<b>5.3</b>
<b>Total Value</b>								
<b>Multi-Family Unit LESS Opp Cost Inv</b>		<b>\$29,265</b>	<b>\$48,408</b>	<b>\$90,168</b>	<b>\$155,401</b>	<b>\$191,018</b>	<b>\$228,218</b>	<b>\$267,034</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>		<b>\$28,551</b>	<b>\$46,075</b>	<b>\$83,730</b>	<b>\$140,786</b>	<b>\$168,832</b>	<b>\$196,792</b>	<b>\$224,646</b>
<b>Multi-Family Unit / Opp Cost Inv</b>		<b>1.3</b>	<b>1.4</b>	<b>1.7</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	8	9	10	11	12	13	14	15
	2029	2030	2031	2032	2033	2034	2035	2036

### Cap Rate

<b>Total Property Development Costs:</b>	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500
<b>REAL Total Prop Development Costs @ 2.5%:</b>	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018
<b>Normal (2 Yr) Ann Op Cash Flow:</b>	\$45,998	\$47,148	\$48,326	\$49,535	\$50,773	\$52,042	\$53,343	\$54,677
<b>REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:</b>	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753

<b>Cap Rate</b>	9.9%	10.2%	10.4%	10.7%	10.9%	11.2%	11.5%	11.8%
<b>REAL Cap Rate @ 2.5%</b>	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%

### Price to Earnings

<b>Price to Earnings</b>	10.1	9.9	9.6	9.4	9.1	8.9	8.7	8.5
<b>REAL Price to Earnings @ 2.5%</b>	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3

### Rental Revenue Value

<b>Normal (2 Yr) Ann Rental Rev:</b>	\$64,265	\$65,872	\$67,519	\$69,207	\$70,937	\$72,710	\$74,528	\$76,391
<b>REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:</b>	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746

<b>Annual Rental Revenue Value</b>	13.8%	14.2%	14.5%	14.9%	15.3%	15.7%	16.0%	16.4%
<b>REAL Annual Rental Revenue Value @ 2.5%</b>	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%

<b>Monthly Rental Revenue Value</b>	1.2%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%	1.4%
<b>REAL Monthly Rental Revenue Value @ 2.5%</b>	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

#### Discounted Cash Flow @ 21.0%

Annual NET Capital Investment	\$0	\$0	\$0
Increase to Free Cash Flow Value	\$21,497	\$22,970	\$24,493
Total NET Value LESS Increase to FCF Value	\$0	\$0	\$413,692
	\$21,497	\$22,970	\$438,185
<b>Discounted Cash Flow @ 21.0%:</b>	<b>\$4,678</b>	<b>\$4,131</b>	<b>\$65,133</b>

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

**VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO**

<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>
<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>

**Valuation Iterations**

**Property Cost**

<b>Property Purchase Price</b>	<b>\$450,000</b>
<b>Initial Renovations (t=0)</b>	<b>\$0</b>
	<b>\$450,000</b>

<b>REAL @ 2.5%</b>	<b>Year 3</b>
<b>Ann Operating Cash Flow</b>	<b>\$37,753</b>
<b>Annual Rental Revenue</b>	<b>\$50,575</b>
<b>Monthly Rental Revenue</b>	<b>\$4,215</b>

<b>Cap Rate</b>	<b>8.4%</b>
<b>Price to Earnings</b>	<b>11.9</b>
<b>Annual Rental Revenue Value</b>	<b>11.2%</b>
<b>Monthly Rental Revenue Value</b>	<b>0.9%</b>

**Cost Per Sq Ft**

<b>Multi-Family Unit</b>	<b>N/A</b>
<b>Comp Properties Average</b>	<b>N/A</b>

<b>% Premium or Discount</b>	<b>N/A</b>
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<b>Discount Rate</b>	<b>21.0%</b>
<b>Discounted Cash Flow (NPV)</b>	<b>\$26,645</b>

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	8	9	10	11	12	13	14	15
	2029	2030	2031	2032	2033	2034	2035	2036

### vs Opportunity Cost Investment

#### Opportunity Cost Investment @ 7.00%

Beginning Value	\$164,095	\$175,582	\$187,872	\$201,024	\$215,095	\$230,152	\$246,263	\$263,501
Changes to Net Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth @ 7.00%	\$11,487	\$12,291	\$13,151	\$14,072	\$15,057	\$16,111	\$17,238	\$18,445
Adjustments to Opportunity Cost Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>	<b>\$175,582</b>	<b>\$187,872</b>	<b>\$201,024</b>	<b>\$215,095</b>	<b>\$230,152</b>	<b>\$246,263</b>	<b>\$263,501</b>	<b>\$281,946</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>	<b>\$144,108</b>	<b>\$150,435</b>	<b>\$157,039</b>	<b>\$163,934</b>	<b>\$171,131</b>	<b>\$178,644</b>	<b>\$186,487</b>	<b>\$194,674</b>
<b>Opportunity Cost Investment Total Gain   Loss:</b>	<b>\$73,116</b>	<b>\$85,407</b>	<b>\$98,558</b>	<b>\$112,630</b>	<b>\$127,686</b>	<b>\$143,797</b>	<b>\$161,035</b>	<b>\$179,480</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>	<b>\$60,010</b>	<b>\$68,388</b>	<b>\$76,993</b>	<b>\$85,840</b>	<b>\$94,942</b>	<b>\$104,313</b>	<b>\$113,969</b>	<b>\$123,925</b>
Ann ROR Opportunity Cost Investment:	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Total NET Value: Multi-Family Unit	\$483,079	\$537,512	\$594,514	\$654,174	\$716,583	\$781,838	\$850,034	\$921,274
REAL Total NET Value @ 2.5%: Multi-Family Unit	\$396,486	\$430,401	\$464,434	\$498,575	\$532,820	\$567,161	\$601,592	\$636,108
<b>Multi-Family Unit Gain   Loss:</b>	<b>\$380,614</b>	<b>\$435,047</b>	<b>\$492,049</b>	<b>\$551,708</b>	<b>\$614,118</b>	<b>\$679,372</b>	<b>\$747,569</b>	<b>\$818,809</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>	<b>\$312,387</b>	<b>\$348,354</b>	<b>\$384,388</b>	<b>\$420,482</b>	<b>\$456,631</b>	<b>\$492,830</b>	<b>\$529,075</b>	<b>\$565,359</b>

#### \$ Gain | Loss

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$307,498</b>	<b>\$349,640</b>	<b>\$393,491</b>	<b>\$439,079</b>	<b>\$486,432</b>	<b>\$535,575</b>	<b>\$586,533</b>	<b>\$639,329</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$252,378</b>	<b>\$279,967</b>	<b>\$307,394</b>	<b>\$334,642</b>	<b>\$361,689</b>	<b>\$388,517</b>	<b>\$415,106</b>	<b>\$441,434</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>5.2</b>	<b>5.1</b>	<b>5.0</b>	<b>4.9</b>	<b>4.8</b>	<b>4.7</b>	<b>4.6</b>	<b>4.6</b>
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#### Total Value

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$307,498</b>	<b>\$349,640</b>	<b>\$393,491</b>	<b>\$439,079</b>	<b>\$486,432</b>	<b>\$535,575</b>	<b>\$586,533</b>	<b>\$639,329</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$252,378</b>	<b>\$279,967</b>	<b>\$307,394</b>	<b>\$334,642</b>	<b>\$361,689</b>	<b>\$388,517</b>	<b>\$415,106</b>	<b>\$441,434</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>2.8</b>	<b>2.9</b>	<b>3.0</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>3.2</b>	<b>3.3</b>
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## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	16	17	18	19	20	21	22	23
	2037	2038	2039	2040	2041	2042	2043	2044

### Cap Rate

Total Property Development Costs:	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500
REAL Total Prop Development Costs @ 2.5%:	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018
Normal (2 Yr) Ann Op Cash Flow:	\$56,044	\$57,445	\$58,881	\$60,353	\$61,862	\$63,408	\$64,994	\$66,619
REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753

<b>Cap Rate</b>	<b>12.1%</b>	<b>12.4%</b>	<b>12.7%</b>	<b>13.0%</b>	<b>13.3%</b>	<b>13.7%</b>	<b>14.0%</b>	<b>14.3%</b>
REAL Cap Rate @ 2.5%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%

### Price to Earnings

<b>Price to Earnings</b>	<b>8.3</b>	<b>8.1</b>	<b>7.9</b>	<b>7.7</b>	<b>7.5</b>	<b>7.3</b>	<b>7.1</b>	<b>7.0</b>
REAL Price to Earnings @ 2.5%	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3

### Rental Revenue Value

Normal (2 Yr) Ann Rental Rev:	\$78,301	\$80,259	\$82,265	\$84,322	\$86,430	\$88,591	\$90,805	\$93,075
REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746
<b>Annual Rental Revenue Value</b>	<b>16.9%</b>	<b>17.3%</b>	<b>17.7%</b>	<b>18.2%</b>	<b>18.6%</b>	<b>19.1%</b>	<b>19.5%</b>	<b>20.0%</b>
REAL Annual Rental Revenue Value @ 2.5%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%

<b>Monthly Rental Revenue Value</b>	<b>1.4%</b>	<b>1.4%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.7%</b>
REAL Monthly Rental Revenue Value @ 2.5%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

#### Discounted Cash Flow @ 21.0%

Annual NET Capital Investment  
 Increase to Free Cash Flow Value  
 Total NET Value LESS Increase to FCF Value

**Discounted Cash Flow @ 21.0%:**

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

**VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO**

<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>	<b>2044</b>

**Valuation Iterations**

**Property Cost**

<b>Property Purchase Price</b>	<b>\$450,000</b>
<b>Initial Renovations (t=0)</b>	<b>\$0</b>
	<b>\$450,000</b>

<b>REAL @ 2.5%</b>	<b>Year 3</b>
<b>Ann Operating Cash Flow</b>	<b>\$37,753</b>
<b>Annual Rental Revenue</b>	<b>\$50,575</b>
<b>Monthly Rental Revenue</b>	<b>\$4,215</b>

<b>Cap Rate</b>	<b>8.4%</b>
<b>Price to Earnings</b>	<b>11.9</b>
<b>Annual Rental Revenue Value</b>	<b>11.2%</b>
<b>Monthly Rental Revenue Value</b>	<b>0.9%</b>

**Cost Per Sq Ft**

<b>Multi-Family Unit</b>	<b>N/A</b>
<b>Comp Properties Average</b>	<b>N/A</b>

<b>% Premium or Discount</b>	<b>N/A</b>
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<b>Discount Rate</b>	<b>21.0%</b>
<b>Discounted Cash Flow (NPV)</b>	<b>\$26,645</b>



## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	16	17	18	19	20	21	22	23
	2037	2038	2039	2040	2041	2042	2043	2044

### vs Opportunity Cost Investment

#### Opportunity Cost Investment @ 7.00%

Beginning Value	\$281,946	\$301,682	\$322,800	\$345,396	\$369,574	\$395,444	\$423,125	\$452,744
Changes to Net Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth @ 7.00%	\$19,736	\$21,118	\$22,596	\$24,178	\$25,870	\$27,681	\$29,619	\$31,692
Adjustments to Opportunity Cost Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>	<b>\$301,682</b>	<b>\$322,800</b>	<b>\$345,396</b>	<b>\$369,574</b>	<b>\$395,444</b>	<b>\$423,125</b>	<b>\$452,744</b>	<b>\$484,436</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>	<b>\$203,221</b>	<b>\$212,143</b>	<b>\$221,456</b>	<b>\$231,179</b>	<b>\$241,328</b>	<b>\$251,923</b>	<b>\$262,983</b>	<b>\$274,528</b>
<b>Opportunity Cost Investment Total Gain   Loss:</b>	<b>\$199,217</b>	<b>\$220,334</b>	<b>\$242,930</b>	<b>\$267,108</b>	<b>\$292,978</b>	<b>\$320,659</b>	<b>\$350,278</b>	<b>\$381,970</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>	<b>\$134,197</b>	<b>\$144,803</b>	<b>\$155,759</b>	<b>\$167,084</b>	<b>\$178,796</b>	<b>\$190,916</b>	<b>\$203,464</b>	<b>\$216,461</b>
Ann ROR Opportunity Cost Investment:	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Total NET Value: Multi-Family Unit	\$995,663	\$1,073,306	\$1,154,317	\$1,238,808	\$1,326,900	\$1,418,310	\$1,512,853	\$1,610,645
REAL Total NET Value @ 2.5%: Multi-Family Unit	\$670,703	\$705,372	\$740,108	\$774,909	\$809,769	\$844,442	\$878,763	\$912,748
<b>Multi-Family Unit Gain   Loss:</b>	<b>\$893,197</b>	<b>\$970,841</b>	<b>\$1,051,851</b>	<b>\$1,136,343</b>	<b>\$1,224,435</b>	<b>\$1,315,844</b>	<b>\$1,410,387</b>	<b>\$1,508,179</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>	<b>\$601,680</b>	<b>\$638,032</b>	<b>\$674,411</b>	<b>\$710,814</b>	<b>\$747,237</b>	<b>\$783,436</b>	<b>\$819,244</b>	<b>\$854,681</b>

#### \$ Gain | Loss

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$693,980</b>	<b>\$750,506</b>	<b>\$808,921</b>	<b>\$869,235</b>	<b>\$931,456</b>	<b>\$995,185</b>	<b>\$1,060,109</b>	<b>\$1,126,209</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$467,483</b>	<b>\$493,229</b>	<b>\$518,652</b>	<b>\$543,730</b>	<b>\$568,441</b>	<b>\$592,520</b>	<b>\$615,780</b>	<b>\$638,220</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>4.5</b>	<b>4.4</b>	<b>4.3</b>	<b>4.3</b>	<b>4.2</b>	<b>4.1</b>	<b>4.0</b>	<b>3.9</b>
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#### Total Value

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$693,980</b>	<b>\$750,506</b>	<b>\$808,921</b>	<b>\$869,235</b>	<b>\$931,456</b>	<b>\$995,185</b>	<b>\$1,060,109</b>	<b>\$1,126,209</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$467,483</b>	<b>\$493,229</b>	<b>\$518,652</b>	<b>\$543,730</b>	<b>\$568,441</b>	<b>\$592,520</b>	<b>\$615,780</b>	<b>\$638,220</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.4</b>	<b>3.4</b>	<b>3.4</b>	<b>3.3</b>	<b>3.3</b>
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## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	24	25	26	27	28	29	30	31
	2045	2046	2047	2048	2049	2050	2051	2052

### Cap Rate

Total Property Development Costs:	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500
REAL Total Prop Development Costs @ 2.5%:	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018
Normal (2 Yr) Ann Op Cash Flow:	\$68,284	\$69,991	\$71,741	\$73,534	\$75,373	\$77,257	\$79,188	\$81,168
REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753

<b>Cap Rate</b>	<b>14.7%</b>	<b>15.1%</b>	<b>15.4%</b>	<b>15.8%</b>	<b>16.2%</b>	<b>16.6%</b>	<b>17.0%</b>	<b>17.5%</b>
REAL Cap Rate @ 2.5%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%

### Price to Earnings

<b>Price to Earnings</b>	<b>6.8</b>	<b>6.6</b>	<b>6.5</b>	<b>6.3</b>	<b>6.2</b>	<b>6.0</b>	<b>5.9</b>	<b>5.7</b>
REAL Price to Earnings @ 2.5%	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3

### Rental Revenue Value

Normal (2 Yr) Ann Rental Rev:	\$95,402	\$97,787	\$100,232	\$102,738	\$105,306	\$107,939	\$110,637	\$113,403
REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746

<b>Annual Rental Revenue Value</b>	<b>20.5%</b>	<b>21.1%</b>	<b>21.6%</b>	<b>22.1%</b>	<b>22.7%</b>	<b>23.2%</b>	<b>23.8%</b>	<b>24.4%</b>
REAL Annual Rental Revenue Value @ 2.5%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%

<b>Monthly Rental Revenue Value</b>	<b>1.7%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.0%</b>
REAL Monthly Rental Revenue Value @ 2.5%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

#### Discounted Cash Flow @ 21.0%

Annual NET Capital Investment  
 Increase to Free Cash Flow Value  
 Total NET Value LESS Increase to FCF Value

**Discounted Cash Flow @ 21.0%:**

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

**VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO**

24	25	26	27	28	29	30	31
2045	2046	2047	2048	2049	2050	2051	2052

**Valuation Iterations**

**Property Cost**

Property Purchase Price	\$450,000
Initial Renovations (t=0)	\$0
	\$450,000

<b>REAL @ 2.5%</b>	<b>Year 3</b>
Ann Operating Cash Flow	\$37,753
Annual Rental Revenue	\$50,575
Monthly Rental Revenue	\$4,215

Cap Rate	8.4%
Price to Earnings	11.9
Annual Rental Revenue Value	11.2%
Monthly Rental Revenue Value	0.9%

**Cost Per Sq Ft**

Multi-Family Unit	N/A
Comp Properties Average	N/A

<b>% Premium or Discount</b>	N/A
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Discount Rate	21.0%
Discounted Cash Flow (NPV)	\$26,645

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

24	25	26	27	28	29	30	31
2045	2046	2047	2048	2049	2050	2051	2052

### vs Opportunity Cost Investment

#### Opportunity Cost Investment @ 7.00%

Beginning Value	\$484,436	\$518,346	\$554,630	\$593,454	\$634,996	\$679,446	\$727,007	\$777,898
Changes to Net Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth @ 7.00%	\$33,910	\$36,284	\$38,824	\$41,542	\$44,450	\$47,561	\$50,891	\$54,453
Adjustments to Opportunity Cost Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>	<b>\$518,346</b>	<b>\$554,630</b>	<b>\$593,454</b>	<b>\$634,996</b>	<b>\$679,446</b>	<b>\$727,007</b>	<b>\$777,898</b>	<b>\$832,351</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>	<b>\$286,581</b>	<b>\$299,162</b>	<b>\$312,296</b>	<b>\$326,007</b>	<b>\$340,319</b>	<b>\$355,260</b>	<b>\$370,857</b>	<b>\$387,139</b>
<b>Opportunity Cost Investment Total Gain   Loss:</b>	<b>\$415,881</b>	<b>\$452,165</b>	<b>\$490,989</b>	<b>\$532,531</b>	<b>\$576,980</b>	<b>\$624,542</b>	<b>\$675,432</b>	<b>\$729,885</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>	<b>\$229,930</b>	<b>\$243,893</b>	<b>\$258,375</b>	<b>\$273,401</b>	<b>\$288,997</b>	<b>\$305,189</b>	<b>\$322,007</b>	<b>\$339,480</b>
Ann ROR Opportunity Cost Investment:	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Total NET Value: Multi-Family Unit	\$1,711,782	\$1,816,360	\$1,924,480	\$2,036,243	\$2,151,755	\$2,271,124	\$2,394,460	\$2,521,879
REAL Total NET Value @ 2.5%: Multi-Family Unit	\$946,402	\$979,728	\$1,012,728	\$1,045,407	\$1,077,766	\$1,109,810	\$1,141,542	\$1,172,963
<b>Multi-Family Unit Gain   Loss:</b>	<b>\$1,609,316</b>	<b>\$1,713,895</b>	<b>\$1,822,014</b>	<b>\$1,933,777</b>	<b>\$2,049,289</b>	<b>\$2,168,658</b>	<b>\$2,291,995</b>	<b>\$2,419,414</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>	<b>\$889,751</b>	<b>\$924,459</b>	<b>\$958,807</b>	<b>\$992,801</b>	<b>\$1,026,443</b>	<b>\$1,059,739</b>	<b>\$1,092,692</b>	<b>\$1,125,305</b>

#### \$ Gain | Loss

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$1,193,436</b>	<b>\$1,261,730</b>	<b>\$1,331,025</b>	<b>\$1,401,247</b>	<b>\$1,472,309</b>	<b>\$1,544,116</b>	<b>\$1,616,563</b>	<b>\$1,689,528</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$659,821</b>	<b>\$680,565</b>	<b>\$700,432</b>	<b>\$719,400</b>	<b>\$737,447</b>	<b>\$754,550</b>	<b>\$770,684</b>	<b>\$785,825</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>3.9</b>	<b>3.8</b>	<b>3.7</b>	<b>3.6</b>	<b>3.6</b>	<b>3.5</b>	<b>3.4</b>	<b>3.3</b>
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#### Total Value

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$1,193,436</b>	<b>\$1,261,730</b>	<b>\$1,331,025</b>	<b>\$1,401,247</b>	<b>\$1,472,309</b>	<b>\$1,544,116</b>	<b>\$1,616,563</b>	<b>\$1,689,528</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$659,821</b>	<b>\$680,565</b>	<b>\$700,432</b>	<b>\$719,400</b>	<b>\$737,447</b>	<b>\$754,550</b>	<b>\$770,684</b>	<b>\$785,825</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>3.3</b>	<b>3.3</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>3.1</b>	<b>3.1</b>	<b>3.0</b>
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## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	32	33	34	35	36	37	38	39
	2053	2054	2055	2056	2057	2058	2059	2060

### Cap Rate

Total Property Development Costs:	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500
REAL Total Prop Development Costs @ 2.5%:	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018
Normal (2 Yr) Ann Op Cash Flow:	\$83,197	\$85,277	\$87,409	\$89,594	\$91,834	\$94,130	\$96,483	\$98,896
REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753

<b>Cap Rate</b>	<b>17.9%</b>	<b>18.4%</b>	<b>18.8%</b>	<b>19.3%</b>	<b>19.8%</b>	<b>20.3%</b>	<b>20.8%</b>	<b>21.3%</b>
REAL Cap Rate @ 2.5%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%

### Price to Earnings

<b>Price to Earnings</b>	<b>5.6</b>	<b>5.4</b>	<b>5.3</b>	<b>5.2</b>	<b>5.1</b>	<b>4.9</b>	<b>4.8</b>	<b>4.7</b>
REAL Price to Earnings @ 2.5%	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3

### Rental Revenue Value

Normal (2 Yr) Ann Rental Rev:	\$116,238	\$119,144	\$122,123	\$125,176	\$128,306	\$131,513	\$134,801	\$138,171
REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746

<b>Annual Rental Revenue Value</b>	<b>25.0%</b>	<b>25.7%</b>	<b>26.3%</b>	<b>26.9%</b>	<b>27.6%</b>	<b>28.3%</b>	<b>29.0%</b>	<b>29.7%</b>
REAL Annual Rental Revenue Value @ 2.5%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%

<b>Monthly Rental Revenue Value</b>	<b>2.1%</b>	<b>2.1%</b>	<b>2.2%</b>	<b>2.2%</b>	<b>2.3%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.5%</b>
REAL Monthly Rental Revenue Value @ 2.5%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

#### Discounted Cash Flow @ 21.0%

Annual NET Capital Investment  
 Increase to Free Cash Flow Value  
 Total NET Value LESS Increase to FCF Value

**Discounted Cash Flow @ 21.0%:**

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

**VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO**

<b>32</b>	<b>33</b>	<b>34</b>	<b>35</b>	<b>36</b>	<b>37</b>	<b>38</b>	<b>39</b>
<b>2053</b>	<b>2054</b>	<b>2055</b>	<b>2056</b>	<b>2057</b>	<b>2058</b>	<b>2059</b>	<b>2060</b>

**Valuation Iterations**

**Property Cost**

<b>Property Purchase Price</b>	\$450,000
<b>Initial Renovations (t=0)</b>	\$0
	\$450,000

<b>REAL @ 2.5%</b>	<b>Year 3</b>
<b>Ann Operating Cash Flow</b>	\$37,753
<b>Annual Rental Revenue</b>	\$50,575
<b>Monthly Rental Revenue</b>	\$4,215

<b>Cap Rate</b>	8.4%
<b>Price to Earnings</b>	11.9
<b>Annual Rental Revenue Value</b>	11.2%
<b>Monthly Rental Revenue Value</b>	0.9%

**Cost Per Sq Ft**

<b>Multi-Family Unit</b>	N/A
<b>Comp Properties Average</b>	N/A

<b>% Premium or Discount</b>	N/A
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<b>Discount Rate</b>	21.0%
<b>Discounted Cash Flow (NPV)</b>	\$26,645

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	32	33	34	35	36	37	38	39
	2053	2054	2055	2056	2057	2058	2059	2060

### vs Opportunity Cost Investment

#### Opportunity Cost Investment @ 7.00%

Beginning Value	\$832,351	\$890,615	\$952,958	\$1,019,665	\$1,091,042	\$1,167,415	\$1,249,134	\$1,336,573
Changes to Net Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth @ 7.00%	\$58,265	\$62,343	\$66,707	\$71,377	\$76,373	\$81,719	\$87,439	\$93,560
Adjustments to Opportunity Cost Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>	<b>\$890,615</b>	<b>\$952,958</b>	<b>\$1,019,665</b>	<b>\$1,091,042</b>	<b>\$1,167,415</b>	<b>\$1,249,134</b>	<b>\$1,336,573</b>	<b>\$1,430,133</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>	<b>\$404,135</b>	<b>\$421,877</b>	<b>\$440,399</b>	<b>\$459,733</b>	<b>\$479,917</b>	<b>\$500,986</b>	<b>\$522,981</b>	<b>\$545,941</b>
<b>Opportunity Cost Investment Total Gain   Loss:</b>	<b>\$788,150</b>	<b>\$850,493</b>	<b>\$917,200</b>	<b>\$988,576</b>	<b>\$1,064,949</b>	<b>\$1,146,668</b>	<b>\$1,234,108</b>	<b>\$1,327,668</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>	<b>\$357,639</b>	<b>\$376,516</b>	<b>\$396,143</b>	<b>\$416,557</b>	<b>\$437,794</b>	<b>\$459,891</b>	<b>\$482,888</b>	<b>\$506,826</b>
Ann ROR Opportunity Cost Investment:	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Total NET Value: Multi-Family Unit	\$2,653,496	\$2,789,433	\$2,929,812	\$3,074,759	\$3,224,407	\$3,378,886	\$3,538,336	\$3,702,897
REAL Total NET Value @ 2.5%: Multi-Family Unit	\$1,204,079	\$1,234,890	\$1,265,401	\$1,295,615	\$1,325,533	\$1,355,160	\$1,384,498	\$1,413,549
<b>Multi-Family Unit Gain   Loss:</b>	<b>\$2,551,031</b>	<b>\$2,686,967</b>	<b>\$2,827,346</b>	<b>\$2,972,294</b>	<b>\$3,121,941</b>	<b>\$3,276,421</b>	<b>\$3,435,871</b>	<b>\$3,600,432</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>	<b>\$1,157,583</b>	<b>\$1,189,528</b>	<b>\$1,221,146</b>	<b>\$1,252,439</b>	<b>\$1,283,410</b>	<b>\$1,314,064</b>	<b>\$1,344,405</b>	<b>\$1,374,434</b>

#### \$ Gain | Loss

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$1,762,881</b>	<b>\$1,836,475</b>	<b>\$1,910,146</b>	<b>\$1,983,718</b>	<b>\$2,056,992</b>	<b>\$2,129,753</b>	<b>\$2,201,763</b>	<b>\$2,272,764</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$799,944</b>	<b>\$813,013</b>	<b>\$825,002</b>	<b>\$835,881</b>	<b>\$845,616</b>	<b>\$854,174</b>	<b>\$861,517</b>	<b>\$867,608</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	3.2	3.2	3.1	3.0	2.9	2.9	2.8	2.7
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#### Total Value

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$1,762,881</b>	<b>\$1,836,475</b>	<b>\$1,910,146</b>	<b>\$1,983,718</b>	<b>\$2,056,992</b>	<b>\$2,129,753</b>	<b>\$2,201,763</b>	<b>\$2,272,764</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$799,944</b>	<b>\$813,013</b>	<b>\$825,002</b>	<b>\$835,881</b>	<b>\$845,616</b>	<b>\$854,174</b>	<b>\$861,517</b>	<b>\$867,608</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	3.0	2.9	2.9	2.8	2.8	2.7	2.6	2.6
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## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	40	41	42	43	44	45	46	47
	2061	2062	2063	2064	2065	2066	2067	2068

### Cap Rate

Total Property Development Costs:	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500	\$464,500
REAL Total Prop Development Costs @ 2.5%:	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018	\$464,018
Normal (2 Yr) Ann Op Cash Flow:	\$101,368	\$103,902	\$106,500	\$109,162	\$111,891	\$114,689	\$117,556	\$120,495	\$120,495
REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753	\$37,753

<b>Cap Rate</b>	<b>21.8%</b>	<b>22.4%</b>	<b>22.9%</b>	<b>23.5%</b>	<b>24.1%</b>	<b>24.7%</b>	<b>25.3%</b>	<b>25.9%</b>
REAL Cap Rate @ 2.5%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%

### Price to Earnings

<b>Price to Earnings</b>	<b>4.6</b>	<b>4.5</b>	<b>4.4</b>	<b>4.3</b>	<b>4.2</b>	<b>4.1</b>	<b>4.0</b>	<b>3.9</b>
REAL Price to Earnings @ 2.5%	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3

### Rental Revenue Value

Normal (2 Yr) Ann Rental Rev:	\$141,625	\$145,166	\$148,795	\$152,515	\$156,328	\$160,236	\$164,242	\$168,348
REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746	\$52,746
<b>Annual Rental Revenue Value</b>	<b>30.5%</b>	<b>31.3%</b>	<b>32.0%</b>	<b>32.8%</b>	<b>33.7%</b>	<b>34.5%</b>	<b>35.4%</b>	<b>36.2%</b>
REAL Annual Rental Revenue Value @ 2.5%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%

<b>Monthly Rental Revenue Value</b>	<b>2.5%</b>	<b>2.6%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.8%</b>	<b>2.9%</b>	<b>2.9%</b>	<b>3.0%</b>
REAL Monthly Rental Revenue Value @ 2.5%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

#### Discounted Cash Flow @ 21.0%

Annual NET Capital Investment  
 Increase to Free Cash Flow Value  
 Total NET Value LESS Increase to FCF Value

**Discounted Cash Flow @ 21.0%:**

### Discounted Cash Flow (NPV): 10 Year @ 21.0%



**VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO**

40	41	42	43	44	45	46	47
2061	2062	2063	2064	2065	2066	2067	2068

**Valuation Iterations**

**Property Cost**

Property Purchase Price	\$450,000
Initial Renovations (t=0)	\$0
	\$450,000

<b>REAL @ 2.5%</b>	<b>Year 3</b>
Ann Operating Cash Flow	\$37,753
Annual Rental Revenue	\$50,575
Monthly Rental Revenue	\$4,215

Cap Rate	8.4%
Price to Earnings	11.9
Annual Rental Revenue Value	11.2%
Monthly Rental Revenue Value	0.9%

**Cost Per Sq Ft**

Multi-Family Unit	N/A
Comp Properties Average	N/A

<b>% Premium or Discount</b>	N/A
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Discount Rate	21.0%
Discounted Cash Flow (NPV)	\$26,645

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

	40	41	42	43	44	45	46	47
	2061	2062	2063	2064	2065	2066	2067	2068

### vs Opportunity Cost Investment

#### Opportunity Cost Investment @ 7.00%

Beginning Value	\$1,430,133	\$1,530,243	\$1,637,360	\$1,751,975	\$1,874,613	\$2,005,836	\$2,146,244	\$2,296,482
Changes to Net Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth @ 7.00%	\$100,109	\$107,117	\$114,615	\$122,638	\$131,223	\$140,409	\$150,237	\$160,754
Adjustments to Opportunity Cost Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>	<b>\$1,530,243</b>	<b>\$1,637,360</b>	<b>\$1,751,975</b>	<b>\$1,874,613</b>	<b>\$2,005,836</b>	<b>\$2,146,244</b>	<b>\$2,296,482</b>	<b>\$2,457,235</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>	<b>\$569,909</b>	<b>\$594,930</b>	<b>\$621,048</b>	<b>\$648,314</b>	<b>\$676,777</b>	<b>\$706,489</b>	<b>\$737,505</b>	<b>\$769,884</b>
<b>Opportunity Cost Investment Total Gain   Loss:</b>	<b>\$1,427,777</b>	<b>\$1,534,894</b>	<b>\$1,649,509</b>	<b>\$1,772,147</b>	<b>\$1,903,370</b>	<b>\$2,043,779</b>	<b>\$2,194,016</b>	<b>\$2,354,770</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>	<b>\$531,748</b>	<b>\$557,699</b>	<b>\$584,726</b>	<b>\$612,877</b>	<b>\$642,204</b>	<b>\$672,760</b>	<b>\$704,599</b>	<b>\$737,780</b>
Ann ROR Opportunity Cost Investment:	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Total NET Value: Multi-Family Unit	\$3,872,714	\$4,047,934	\$4,228,712	\$4,415,202	\$4,607,566	\$4,805,969	\$5,010,580	\$5,221,573
REAL Total NET Value @ 2.5%: Multi-Family Unit	\$1,442,317	\$1,470,805	\$1,499,014	\$1,526,948	\$1,554,610	\$1,582,002	\$1,609,127	\$1,635,986
<b>Multi-Family Unit Gain   Loss:</b>	<b>\$3,770,248</b>	<b>\$3,945,469</b>	<b>\$4,126,246</b>	<b>\$4,312,736</b>	<b>\$4,505,100</b>	<b>\$4,703,503</b>	<b>\$4,908,114</b>	<b>\$5,119,108</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>	<b>\$1,404,156</b>	<b>\$1,433,574</b>	<b>\$1,462,692</b>	<b>\$1,491,512</b>	<b>\$1,520,038</b>	<b>\$1,548,273</b>	<b>\$1,576,220</b>	<b>\$1,603,883</b>

### \$ Gain | Loss

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$2,342,471</b>	<b>\$2,410,575</b>	<b>\$2,476,737</b>	<b>\$2,540,589</b>	<b>\$2,601,730</b>	<b>\$2,659,724</b>	<b>\$2,714,098</b>	<b>\$2,764,338</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$872,408</b>	<b>\$875,875</b>	<b>\$877,966</b>	<b>\$878,634</b>	<b>\$877,833</b>	<b>\$875,513</b>	<b>\$871,621</b>	<b>\$866,103</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	2.6	2.6	2.5	2.4	2.4	2.3	2.2	2.2
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### Total Value

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$2,342,471</b>	<b>\$2,410,575</b>	<b>\$2,476,737</b>	<b>\$2,540,589</b>	<b>\$2,601,730</b>	<b>\$2,659,724</b>	<b>\$2,714,098</b>	<b>\$2,764,338</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$872,408</b>	<b>\$875,875</b>	<b>\$877,966</b>	<b>\$878,634</b>	<b>\$877,833</b>	<b>\$875,513</b>	<b>\$871,621</b>	<b>\$866,103</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	2.5	2.5	2.4	2.4	2.3	2.2	2.2	2.1
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## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

48	49	50	51
2069	2070	2071	2072

### Cap Rate

Total Property Development Costs:	\$464,500	\$464,500	\$464,500	\$464,500
REAL Total Prop Development Costs @ 2.5%:	\$464,018	\$464,018	\$464,018	\$464,018
Normal (2 Yr) Ann Op Cash Flow:	\$123,507	\$126,595	\$129,760	(\$9,665)
REAL Normal (2 Yr) Ann Op Cash Flow @ 2.5%:	\$37,753	\$37,753	\$37,753	(\$2,743)

<b>Cap Rate</b>	<b>26.6%</b>	<b>27.3%</b>	<b>27.9%</b>	<b>-2.1%</b>
REAL Cap Rate @ 2.5%	8.1%	8.1%	8.1%	-0.6%

### Price to Earnings

<b>Price to Earnings</b>	<b>3.8</b>	<b>3.7</b>	<b>3.6</b>	<b>-48.1</b>
REAL Price to Earnings @ 2.5%	12.3	12.3	12.3	-169.1

### Rental Revenue Value

Normal (2 Yr) Ann Rental Rev:	\$172,557	\$176,871	\$181,292	\$99,604
REAL Normal (2 Yr) Ann Rental Rev @ 2.5%:	\$52,746	\$52,746	\$52,746	\$28,272
<b>Annual Rental Revenue Value</b>	<b>37.1%</b>	<b>38.1%</b>	<b>39.0%</b>	<b>21.4%</b>
REAL Annual Rental Revenue Value @ 2.5%	11.4%	11.4%	11.4%	6.1%

<b>Monthly Rental Revenue Value</b>	<b>3.1%</b>	<b>3.2%</b>	<b>3.3%</b>	<b>1.8%</b>
REAL Monthly Rental Revenue Value @ 2.5%	0.9%	0.9%	0.9%	0.5%

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

#### Discounted Cash Flow @ 21.0%

Annual NET Capital Investment  
 Increase to Free Cash Flow Value  
 Total NET Value LESS Increase to FCF Value

**Discounted Cash Flow @ 21.0%:**

### Discounted Cash Flow (NPV): 10 Year @ 21.0%

**VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO**

48	49	50	51
2069	2070	2071	2072

**Valuation Iterations**

**Property Cost**

Property Purchase Price	\$450,000
Initial Renovations (t=0)	\$0
	\$450,000

<b>REAL @ 2.5%</b>	<b>Year 3</b>
Ann Operating Cash Flow	\$37,753
Annual Rental Revenue	\$50,575
Monthly Rental Revenue	\$4,215

<b>Cap Rate</b>	<b>8.4%</b>
<b>Price to Earnings</b>	<b>11.9</b>
<b>Annual Rental Revenue Value</b>	<b>11.2%</b>
<b>Monthly Rental Revenue Value</b>	<b>0.9%</b>

**Cost Per Sq Ft**

Multi-Family Unit	N/A
Comp Properties Average	N/A

<b>% Premium or Discount</b>	<b>N/A</b>
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Discount Rate	21.0%
Discounted Cash Flow (NPV)	\$26,645

## VALUATION: MULTI-FAMILY UNIT | BASELINE SCENARIO

48	49	50	51
2069	2070	2071	2072

### vs Opportunity Cost Investment

#### Opportunity Cost Investment @ 7.00%

Beginning Value	\$2,457,235	\$2,629,242	\$2,813,289	\$3,010,219
Changes to Net Investment	\$0	\$0	\$0	\$0
Growth @ 7.00%	\$172,006	\$184,047	\$196,930	\$210,715
Adjustments to Opportunity Cost Investment	\$0	\$0	\$0	\$0
<b>Total NET Value Opportunity Cost Investment:</b>	<b>\$2,629,242</b>	<b>\$2,813,289</b>	<b>\$3,010,219</b>	<b>\$3,220,934</b>
<b>REAL Tot NET Value Opp Cost Invstmnt @ 2.5%:</b>	<b>\$803,683</b>	<b>\$838,967</b>	<b>\$875,800</b>	<b>\$914,249</b>

<b>Opportunity Cost Investment Total Gain   Loss:</b>	<b>\$2,526,776</b>	<b>\$2,710,823</b>	<b>\$2,907,753</b>	<b>\$3,118,469</b>
<b>REAL Opp Cost Invstmnt Tot Gain   Loss @ 2.5%:</b>	<b>\$772,363</b>	<b>\$808,410</b>	<b>\$845,988</b>	<b>\$885,165</b>
Ann ROR Opportunity Cost Investment:	7.0%	7.0%	7.0%	7.0%
REAL Ann ROR Opportunity Cost Investment:	4.4%	4.4%	4.4%	4.4%

Total NET Value: Multi-Family Unit	\$5,439,128	\$5,663,426	\$5,894,656	\$5,854,960
REAL Total NET Value @ 2.5%: Multi-Family Unit	\$1,662,584	\$1,688,923	\$1,715,004	\$1,661,907

<b>Multi-Family Unit Gain   Loss:</b>	<b>\$5,336,662</b>	<b>\$5,560,960</b>	<b>\$5,792,191</b>	<b>\$5,752,495</b>
<b>REAL Multi-Family Unit Gain   Loss @ 2.5%:</b>	<b>\$1,631,264</b>	<b>\$1,658,366</b>	<b>\$1,685,193</b>	<b>\$1,632,823</b>

#### \$ Gain | Loss

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$2,809,886</b>	<b>\$2,850,137</b>	<b>\$2,884,437</b>	<b>\$2,634,026</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$858,901</b>	<b>\$849,956</b>	<b>\$839,205</b>	<b>\$747,658</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>2.1</b>	<b>2.1</b>	<b>2.0</b>	<b>1.8</b>
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#### Total Value

<b>Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$2,809,886</b>	<b>\$2,850,137</b>	<b>\$2,884,437</b>	<b>\$2,634,026</b>
<b>REAL Multi-Family Unit LESS Opp Cost Inv</b>	<b>\$858,901</b>	<b>\$849,956</b>	<b>\$839,205</b>	<b>\$747,658</b>

<b>Multi-Family Unit / Opp Cost Inv</b>	<b>2.1</b>	<b>2.0</b>	<b>2.0</b>	<b>1.8</b>
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