

ANNUAL CASH FLOW: MULTI-FAMILY UNIT

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| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|-----|------|------|------|------|------|------|------|
| t=0 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |

Positive Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>Property Sale: Multi-Family Unit</u> | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Rental Revenue</u> | | | | | | | | |
| Unit 1 | | \$27,000 | \$27,225 | \$30,443 | \$31,204 | \$31,984 | \$32,783 | \$33,603 |
| Unit 2 | | \$24,000 | \$24,200 | \$27,060 | \$27,737 | \$28,430 | \$29,141 | \$29,869 |
| Total Rental Revenue: | | \$51,000 | \$51,425 | \$57,503 | \$58,940 | \$60,414 | \$61,924 | \$63,472 |
| Total Other Cash Inflows: | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Benefit</u> | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Loan Inflows</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | \$360,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Loan Inflows: | \$360,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Initial Cash Contributions</u> | | | | | | | | |
| Property: Equity Contribution | \$90,000 | | | | | | | |
| Current Cash Balance | \$0 | | | | | | | |
| Start Up Costs | \$4,500 | | | | | | | |
| Initial Working Capital | \$1,576 | | | | | | | |
| Loan Payment Reserves | \$2,182 | | | | | | | |
| | \$98,258 | | | | | | | |
| Positive AFTER-TAX Cash Flow | \$458,258 | \$51,000 | \$51,425 | \$57,503 | \$58,940 | \$60,414 | \$61,924 | \$63,472 |
| Positive PRE-TAX Cash Flow | \$458,258 | \$51,000 | \$51,425 | \$57,503 | \$58,940 | \$60,414 | \$61,924 | \$63,472 |

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|-----|------|------|------|------|------|------|------|
| t=0 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |

Negative Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Property Purchase: Multi-Family Unit | (\$450,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Operating Expenses and Outflows | | | | | | | | |
| Property Tax | (\$4,800) | (\$4,920) | (\$5,043) | (\$5,169) | (\$5,298) | (\$5,431) | (\$5,567) | (\$5,567) |
| Insurance | (\$2,256) | (\$2,312) | (\$2,370) | (\$2,429) | (\$2,490) | (\$2,552) | (\$2,616) | (\$2,616) |
| Overhead | (\$2,400) | (\$2,460) | (\$2,522) | (\$2,585) | (\$2,649) | (\$2,715) | (\$2,783) | (\$2,783) |
| Maintenance (1.5%) | \$0 | (\$6,750) | (\$6,919) | (\$7,092) | (\$7,269) | (\$7,451) | (\$7,637) | (\$7,637) |
| Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Expenses and Outflows: | (\$9,456) | (\$16,442) | (\$16,853) | (\$17,275) | (\$17,707) | (\$18,149) | (\$18,603) | (\$18,603) |
| Other Expenses and Outflows | | | | | | | | |
| Closing Cost (1.0%) | (\$4,500) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Expenses and Outflows: | (\$4,500) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Renovations and Capital Improvements | | | | | | | | |
| Renovation | \$0 | \$0 | (\$10,000) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Renovations and Capital Improvements: | \$0 | \$0 | (\$10,000) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Income Tax Expense | | | | | | | | |
| Income Tax Expense | (\$4,238) | (\$1,945) | (\$3,797) | (\$4,261) | (\$4,738) | (\$5,230) | (\$5,736) | (\$5,736) |
| Loan Interest Payments | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | (\$13,018) | (\$13,734) | (\$13,227) | (\$12,700) | (\$12,151) | (\$11,579) | (\$10,984) | (\$10,984) |
| Total Loan Interest Payments: | (\$13,018) | (\$13,734) | (\$13,227) | (\$12,700) | (\$12,151) | (\$11,579) | (\$10,984) | (\$10,984) |
| Loan Principal Payments | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | (\$10,979) | (\$12,444) | (\$12,951) | (\$13,479) | (\$14,028) | (\$14,599) | (\$15,194) | (\$15,194) |
| Total Loan Principal Payments: | (\$10,979) | (\$12,444) | (\$12,951) | (\$13,479) | (\$14,028) | (\$14,599) | (\$15,194) | (\$15,194) |
| Negative AFTER-TAX Cash Flow | (\$450,000) | (\$42,191) | (\$54,566) | (\$46,829) | (\$47,714) | (\$48,623) | (\$49,557) | (\$50,518) |
| Negative PRE-TAX Cash Flow | (\$450,000) | (\$37,953) | (\$52,621) | (\$43,032) | (\$43,453) | (\$43,885) | (\$44,328) | (\$44,781) |
| Annual PRE-TAX Net Cash Flow | \$8,258 | \$13,047 | (\$1,196) | \$14,471 | \$15,487 | \$16,529 | \$17,596 | \$18,691 |
| Total PRE-TAX Net Cash Flow | \$8,258 | \$21,305 | \$20,109 | \$34,580 | \$50,067 | \$66,595 | \$84,191 | \$102,882 |

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| t=0 | 1 2022 | 2 2023 | 3 2024 | 4 2025 | 5 2026 | 6 2027 | 7 2028 |
|--|------------|------------|-------------|-------------|-------------|-------------|-------------|
| Total Free Cash Flow Value: Beginning Value | \$8,258 | \$21,431 | \$24,657 | \$39,473 | \$55,418 | \$72,642 | \$91,190 |
| Capital Investment | | | | | | | |
| Negative Annual PRE-TAX Net Cash Flow | \$0 | (\$1,196) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Deficit via Free Cash Flow Value | \$0 | \$1,196 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Initial Cash Contributions | (\$98,258) | | | | | | |
| | (\$98,258) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cash Flow Timing Adjustment * | \$0 | (\$4,287) | \$0 | \$0 | | | |
| <i>Minimum Cash Level</i> | \$12,728 | \$12,938 | \$13,152 | \$13,372 | \$13,597 | \$13,828 | \$14,064 |
| Annual NET Capital Investment | (\$98,258) | \$0 | (\$4,287) | \$0 | \$0 | \$0 | \$0 |
| Total NET Capital Investment | (\$98,258) | (\$98,258) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) |
| * Matches Annual value with the Monthly value to more accurately represent the net amount invested for the year. | | | | | | | |
| <u>EBITDA Margin</u> | \$37,044 | \$34,983 | \$40,649 | \$41,665 | \$42,707 | \$43,775 | \$44,869 |
| EBITDA Margin | 72.6% | 68.0% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% |
| Debt Coverage Ratio | 1.5 | 1.3 | 1.6 | 1.6 | 1.6 | 1.7 | 1.7 |
| Gross Property Value | \$466,435 | \$482,070 | \$504,211 | \$548,762 | \$562,481 | \$576,543 | \$590,957 |
| Total Free Cash Flow Value | \$487,866 | \$506,727 | \$543,684 | \$604,180 | \$635,123 | \$667,733 | \$702,064 |
| Loan to Property Value | 75% | 70% | 64% | 57% | 53% | 49% | 45% |
| Loan to Total Value | 72% | 66% | 60% | 51% | 47% | 42% | 38% |

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

Positive Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>Property Sale: Multi-Family Unit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Rental Revenue</u> | | | | | | | | |
| Unit 1 | \$34,443 | \$35,304 | \$36,187 | \$37,091 | \$38,019 | \$38,969 | \$39,943 | \$40,942 |
| Unit 2 | \$30,616 | \$31,381 | \$32,166 | \$32,970 | \$33,794 | \$34,639 | \$35,505 | \$36,393 |
| Total Rental Revenue: | \$65,059 | \$66,685 | \$68,352 | \$70,061 | \$71,813 | \$73,608 | \$75,448 | \$77,334 |
| Total Other Cash Inflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Benefit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Loan Inflows</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Loan Inflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Initial Cash Contributions</u> | | | | | | | | |
| Property: Equity Contribution | | | | | | | | |
| Current Cash Balance | | | | | | | | |
| Start Up Costs | | | | | | | | |
| Initial Working Capital | | | | | | | | |
| Loan Payment Reserves | | | | | | | | |
| Positive AFTER-TAX Cash Flow | \$65,059 | \$66,685 | \$68,352 | \$70,061 | \$71,813 | \$73,608 | \$75,448 | \$77,334 |
| Positive PRE-TAX Cash Flow | \$65,059 | \$66,685 | \$68,352 | \$70,061 | \$71,813 | \$73,608 | \$75,448 | \$77,334 |

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|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |

Negative Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>Property Purchase: Multi-Family Unit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Operating Expenses and Outflows</u> | | | | | | | | |
| Property Tax | (\$5,706) | (\$5,848) | (\$5,995) | (\$6,144) | (\$6,298) | (\$6,455) | (\$6,617) | (\$6,782) |
| Insurance | (\$2,682) | (\$2,749) | (\$2,817) | (\$2,888) | (\$2,960) | (\$3,034) | (\$3,110) | (\$3,188) |
| Overhead | (\$2,853) | (\$2,924) | (\$2,997) | (\$3,072) | (\$3,149) | (\$3,228) | (\$3,308) | (\$3,391) |
| Maintenance (1.5%) | (\$7,828) | (\$8,024) | (\$8,224) | (\$8,430) | (\$8,641) | (\$8,857) | (\$9,078) | (\$9,305) |
| Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Expenses and Outflows: | (\$19,068) | (\$19,545) | (\$20,033) | (\$20,534) | (\$21,048) | (\$21,574) | (\$22,113) | (\$22,666) |
| <u>Other Expenses and Outflows</u> | | | | | | | | |
| Closing Cost (1.0%) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Expenses and Outflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Renovations and Capital Improvements</u> | | | | | | | | |
| Renovation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Renovations and Capital Improvements: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Expense</u> | (\$6,259) | (\$6,797) | (\$7,351) | (\$7,923) | (\$8,512) | (\$9,120) | (\$9,746) | (\$10,392) |
| <u>Loan Interest Payments</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | (\$10,365) | (\$9,721) | (\$9,051) | (\$8,353) | (\$7,626) | (\$6,871) | (\$6,084) | (\$5,265) |
| Total Loan Interest Payments: | (\$10,365) | (\$9,721) | (\$9,051) | (\$8,353) | (\$7,626) | (\$6,871) | (\$6,084) | (\$5,265) |
| <u>Loan Principal Payments</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | (\$15,813) | (\$16,457) | (\$17,128) | (\$17,826) | (\$18,552) | (\$19,308) | (\$20,094) | (\$20,913) |
| Total Loan Principal Payments: | (\$15,813) | (\$16,457) | (\$17,128) | (\$17,826) | (\$18,552) | (\$19,308) | (\$20,094) | (\$20,913) |
| Negative AFTER-TAX Cash Flow | (\$51,505) | (\$52,520) | (\$53,563) | (\$54,636) | (\$55,739) | (\$56,872) | (\$58,038) | (\$59,236) |
| Negative PRE-TAX Cash Flow | (\$45,246) | (\$45,723) | (\$46,212) | (\$46,713) | (\$47,226) | (\$47,752) | (\$48,292) | (\$48,844) |
| Annual PRE-TAX Net Cash Flow | \$19,812 | \$20,962 | \$22,141 | \$23,349 | \$24,587 | \$25,856 | \$27,157 | \$28,490 |
| Total PRE-TAX Net Cash Flow | \$122,694 | \$143,656 | \$165,797 | \$189,145 | \$213,732 | \$239,588 | \$266,745 | \$295,235 |

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| | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Total Free Cash Flow Value: Beginning Value | \$111,107 | \$132,443 | \$155,246 | \$179,568 | \$205,459 | \$232,974 | \$262,168 | \$293,099 |
| Capital Investment | | | | | | | | |
| Negative Annual PRE-TAX Net Cash Flow | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Deficit via Free Cash Flow Value | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Initial Cash Contributions | | | | | | | | |
| Cash Flow Timing Adjustment * | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Minimum Cash Level</i> | <i>\$14,307</i> | <i>\$14,555</i> | <i>\$14,810</i> | <i>\$15,071</i> | <i>\$15,339</i> | <i>\$15,614</i> | <i>\$15,895</i> | <i>\$16,183</i> |
| Annual NET Capital Investment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total NET Capital Investment | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) |
| * Matches Annual value with the Monthly value to more accurately represent the net amount invested for the year. | | | | | | | | |
| EBITDA Margin | \$45,991 | \$47,140 | \$48,319 | \$49,527 | \$50,765 | \$52,034 | \$53,335 | \$54,668 |
| EBITDA Margin | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% |
| Debt Coverage Ratio | 1.8 | 1.8 | 1.8 | 1.9 | 1.9 | 2.0 | 2.0 | 2.1 |
| Gross Property Value | \$605,731 | \$620,874 | \$636,396 | \$652,306 | \$668,613 | \$685,329 | \$702,462 | \$720,023 |
| Total Free Cash Flow Value | \$738,174 | \$776,120 | \$815,963 | \$857,764 | \$901,587 | \$947,497 | \$995,561 | \$1,045,847 |
| Loan to Property Value | 41% | 38% | 34% | 31% | 27% | 24% | 20% | 17% |
| Loan to Total Value | 34% | 30% | 27% | 23% | 20% | 17% | 14% | 11% |

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

Positive Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>Property Sale: Multi-Family Unit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Rental Revenue</u> | | | | | | | | |
| Unit 1 | \$41,965 | \$43,014 | \$44,090 | \$45,192 | \$46,322 | \$47,480 | \$48,667 | \$49,884 |
| Unit 2 | \$37,303 | \$38,235 | \$39,191 | \$40,171 | \$41,175 | \$42,204 | \$43,259 | \$44,341 |
| Total Rental Revenue: | \$79,268 | \$81,250 | \$83,281 | \$85,363 | \$87,497 | \$89,684 | \$91,926 | \$94,225 |
| Total Other Cash Inflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Benefit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Loan Inflows</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Loan Inflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Initial Cash Contributions</u> | | | | | | | | |
| Property: Equity Contribution | | | | | | | | |
| Current Cash Balance | | | | | | | | |
| Start Up Costs | | | | | | | | |
| Initial Working Capital | | | | | | | | |
| Loan Payment Reserves | | | | | | | | |
| Positive AFTER-TAX Cash Flow | \$79,268 | \$81,250 | \$83,281 | \$85,363 | \$87,497 | \$89,684 | \$91,926 | \$94,225 |
| Positive PRE-TAX Cash Flow | \$79,268 | \$81,250 | \$83,281 | \$85,363 | \$87,497 | \$89,684 | \$91,926 | \$94,225 |

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|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 |

Negative Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>Property Purchase: Multi-Family Unit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Operating Expenses and Outflows</u> | | | | | | | | |
| Property Tax | (\$6,952) | (\$7,126) | (\$7,304) | (\$7,486) | (\$7,674) | (\$7,865) | (\$8,062) | (\$8,264) |
| Insurance | (\$3,267) | (\$3,349) | (\$3,433) | (\$3,519) | (\$3,607) | (\$3,697) | (\$3,789) | (\$3,884) |
| Overhead | (\$3,476) | (\$3,563) | (\$3,652) | (\$3,743) | (\$3,837) | (\$3,933) | (\$4,031) | (\$4,132) |
| Maintenance (1.5%) | (\$9,538) | (\$9,776) | (\$10,020) | (\$10,271) | (\$10,528) | (\$10,791) | (\$11,061) | (\$11,337) |
| Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Expenses and Outflows: | (\$23,233) | (\$23,813) | (\$24,409) | (\$25,019) | (\$25,645) | (\$26,286) | (\$26,943) | (\$27,616) |
| <u>Other Expenses and Outflows</u> | | | | | | | | |
| Closing Cost (1.0%) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Expenses and Outflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Renovations and Capital Improvements</u> | | | | | | | | |
| Renovation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Renovations and Capital Improvements: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Expense</u> | (\$11,057) | (\$11,744) | (\$12,451) | (\$13,181) | (\$13,934) | (\$14,588) | (\$15,066) | (\$15,553) |
| <u>Loan Interest Payments</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | (\$4,413) | (\$3,527) | (\$2,604) | (\$1,643) | (\$644) | (\$7) | \$0 | \$0 |
| Total Loan Interest Payments: | (\$4,413) | (\$3,527) | (\$2,604) | (\$1,643) | (\$644) | (\$7) | \$0 | \$0 |
| <u>Loan Principal Payments</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | (\$21,765) | (\$22,652) | (\$23,575) | (\$24,535) | (\$25,535) | (\$2,174) | \$0 | \$0 |
| Total Loan Principal Payments: | (\$21,765) | (\$22,652) | (\$23,575) | (\$24,535) | (\$25,535) | (\$2,174) | \$0 | \$0 |
| Negative AFTER-TAX Cash Flow | (\$60,469) | (\$61,736) | (\$63,039) | (\$64,378) | (\$65,756) | (\$43,055) | (\$42,009) | (\$43,170) |
| Negative PRE-TAX Cash Flow | (\$49,411) | (\$49,992) | (\$50,587) | (\$51,197) | (\$51,823) | (\$28,467) | (\$26,943) | (\$27,616) |
| Annual PRE-TAX Net Cash Flow | \$29,857 | \$31,258 | \$32,694 | \$34,165 | \$35,674 | \$61,217 | \$64,984 | \$66,608 |
| Total PRE-TAX Net Cash Flow | \$325,092 | \$356,349 | \$389,043 | \$423,208 | \$458,882 | \$520,099 | \$585,083 | \$651,691 |

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|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 |
| Total Free Cash Flow Value: Beginning Value | \$325,823 | \$360,403 | \$396,899 | \$435,375 | \$475,897 | \$518,554 | \$587,412 | \$661,066 |
| Capital Investment | | | | | | | | |
| Negative Annual PRE-TAX Net Cash Flow | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Deficit via Free Cash Flow Value | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Initial Cash Contributions | | | | | | | | |
| Cash Flow Timing Adjustment * | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Minimum Cash Level</i> | <i>\$16,479</i> | <i>\$16,782</i> | <i>\$17,092</i> | <i>\$17,410</i> | <i>\$15,555</i> | <i>\$13,708</i> | <i>\$14,050</i> | <i>\$14,402</i> |
| Annual NET Capital Investment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total NET Capital Investment | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) |

* Matches Annual value with the Monthly value to more accurately represent the net amount invested for the year.

| | | | | | | | | |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| EBITDA Margin | \$56,035 | \$57,436 | \$58,872 | \$60,344 | \$61,852 | \$63,399 | \$64,984 | \$66,608 |
| EBITDA Margin | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% |
| Debt Coverage Ratio | 2.1 | 2.2 | 2.2 | 2.3 | 2.4 | 29.1 | N/A | N/A |
| Gross Property Value | \$738,024 | \$756,475 | \$775,386 | \$794,771 | \$814,640 | \$835,006 | \$855,881 | \$877,279 |
| Total Free Cash Flow Value | \$1,098,427 | \$1,153,373 | \$1,210,761 | \$1,270,668 | \$1,333,194 | \$1,422,418 | \$1,516,948 | \$1,614,725 |
| Loan to Property Value | 13% | 10% | 7% | 3% | 0% | 0% | 0% | 0% |
| Loan to Total Value | 9% | 7% | 4% | 2% | 0% | 0% | 0% | 0% |

ANNUAL CASH FLOW: MULTI-FAMILY UNIT

Built by REIF. For internal use only. NOT for commercial use with 3rd parties.

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

Positive Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <u>Property Sale: Multi-Family Unit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Rental Revenue</u> | | | | | | | | |
| Unit 1 | \$51,131 | \$52,409 | \$53,719 | \$55,062 | \$56,439 | \$57,850 | \$59,296 | \$60,778 |
| Unit 2 | \$45,449 | \$46,586 | \$47,750 | \$48,944 | \$50,168 | \$51,422 | \$52,707 | \$54,025 |
| Total Rental Revenue: | \$96,580 | \$98,995 | \$101,470 | \$104,006 | \$106,606 | \$109,272 | \$112,003 | \$114,803 |
| Total Other Cash Inflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Benefit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Loan Inflows</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Loan Inflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Initial Cash Contributions</u> | | | | | | | | |
| Property: Equity Contribution | | | | | | | | |
| Current Cash Balance | | | | | | | | |
| Start Up Costs | | | | | | | | |
| Initial Working Capital | | | | | | | | |
| Loan Payment Reserves | | | | | | | | |
| Positive AFTER-TAX Cash Flow | \$96,580 | \$98,995 | \$101,470 | \$104,006 | \$106,606 | \$109,272 | \$112,003 | \$114,803 |
| Positive PRE-TAX Cash Flow | \$96,580 | \$98,995 | \$101,470 | \$104,006 | \$106,606 | \$109,272 | \$112,003 | \$114,803 |

ANNUAL CASH FLOW: MULTI-FAMILY UNIT

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

Negative Cash Flow: Multi-Family Unit

| | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| <u>Property Purchase: Multi-Family Unit</u> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Operating Expenses and Outflows</u> | | | | | | | | |
| Property Tax | (\$8,470) | (\$8,682) | (\$8,899) | (\$9,121) | (\$9,349) | (\$9,583) | (\$9,823) | (\$10,068) |
| Insurance | (\$3,981) | (\$4,080) | (\$4,182) | (\$4,287) | (\$4,394) | (\$4,504) | (\$4,617) | (\$4,732) |
| Overhead | (\$4,235) | (\$4,341) | (\$4,449) | (\$4,561) | (\$4,675) | (\$4,792) | (\$4,911) | (\$5,034) |
| Maintenance (1.5%) | (\$11,621) | (\$11,911) | (\$12,209) | (\$12,514) | (\$12,827) | (\$13,148) | (\$13,476) | (\$13,813) |
| Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Expenses and Outflows: | (\$28,307) | (\$29,014) | (\$29,740) | (\$30,483) | (\$31,245) | (\$32,027) | (\$32,827) | (\$33,648) |
| <u>Other Expenses and Outflows</u> | | | | | | | | |
| Closing Cost (1.0%) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Expenses and Outflows: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Renovations and Capital Improvements</u> | | | | | | | | |
| Renovation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Renovations and Capital Improvements: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Income Tax Expense</u> | (\$16,053) | (\$16,565) | (\$17,090) | (\$17,628) | (\$20,339) | (\$23,119) | (\$23,753) | (\$24,347) |
| <u>Loan Interest Payments</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Loan Interest Payments: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <u>Loan Principal Payments</u> | | | | | | | | |
| Loan 1: Lender 1 10 Year ARM | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Loan Principal Payments: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Negative AFTER-TAX Cash Flow | (\$44,360) | (\$45,579) | (\$46,830) | (\$48,111) | (\$51,585) | (\$55,145) | (\$56,580) | (\$57,995) |
| Negative PRE-TAX Cash Flow | (\$28,307) | (\$29,014) | (\$29,740) | (\$30,483) | (\$31,245) | (\$32,027) | (\$32,827) | (\$33,648) |
| Annual PRE-TAX Net Cash Flow | \$68,273 | \$69,980 | \$71,730 | \$73,523 | \$75,361 | \$77,245 | \$79,176 | \$81,156 |
| Total PRE-TAX Net Cash Flow | \$719,965 | \$789,945 | \$861,674 | \$935,197 | \$1,010,558 | \$1,087,804 | \$1,166,980 | \$1,248,135 |

ANNUAL CASH FLOW: MULTI-FAMILY UNIT

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| | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 |
| Total Free Cash Flow Value: Beginning Value | \$737,446 | \$816,634 | \$898,712 | \$983,768 | \$1,071,888 | \$1,163,165 | \$1,257,690 | \$1,355,560 |
| Capital Investment | | | | | | | | |
| Negative Annual PRE-TAX Net Cash Flow | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Deficit via Free Cash Flow Value | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Initial Cash Contributions | | | | | | | | |
| Cash Flow Timing Adjustment * | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Minimum Cash Level</i> | <i>\$14,762</i> | <i>\$15,131</i> | <i>\$15,509</i> | <i>\$15,897</i> | <i>\$16,294</i> | <i>\$16,701</i> | <i>\$17,119</i> | <i>\$17,547</i> |
| Annual NET Capital Investment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total NET Capital Investment | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) | (\$102,544) |

* Matches Annual value with the Monthly value to more accurately represent the net amount invested for the year.

| | | | | | | | | |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| EBITDA Margin | \$68,273 | \$69,980 | \$71,730 | \$73,523 | \$75,361 | \$77,245 | \$79,176 | \$81,156 |
| EBITDA Margin | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% | 70.7% |
| Debt Coverage Ratio | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Gross Property Value | \$899,211 | \$921,691 | \$944,733 | \$968,351 | \$992,560 | \$1,017,374 | \$1,042,808 | \$1,068,879 |
| Total Free Cash Flow Value | \$1,715,844 | \$1,820,403 | \$1,928,501 | \$2,040,239 | \$2,155,725 | \$2,275,064 | \$2,398,369 | \$2,525,753 |
| Loan to Property Value | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Loan to Total Value | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |