

Downtown Oaks

730 W Central
Winter Haven, FL 33880

Presented by:

WC Equity Group

Investment | Real Estate | Title | Construction | Research

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Overview

Downtown Oaks

730 W Central

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Purchase Info

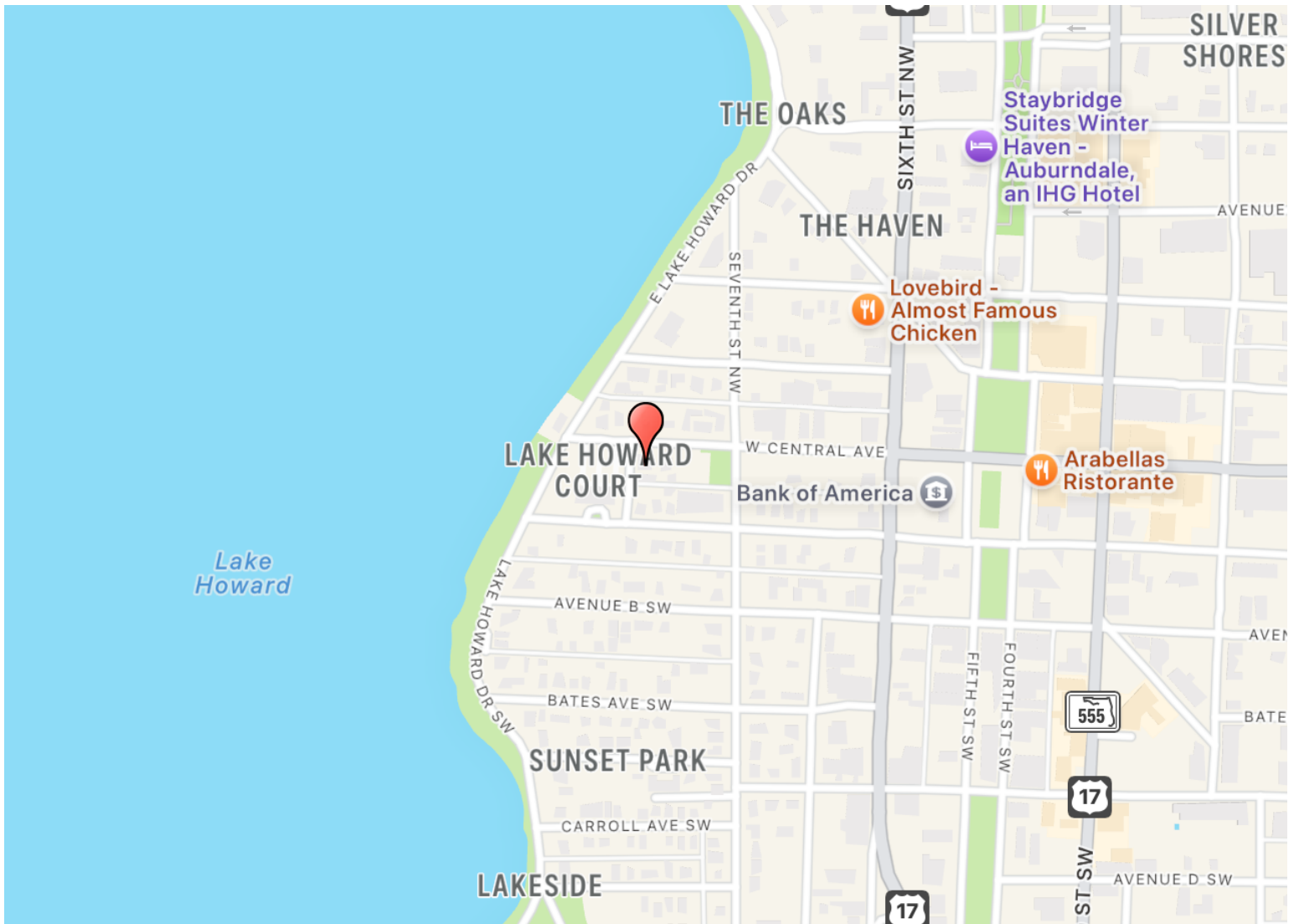
| | |
|-----------------------|-------------|
| Square Feet | 8,232 |
| Purchase Price | \$1,200,000 |
| Initial Cash Invested | \$1,200,000 |

Income Analysis

| | Monthly | Annual |
|----------------------|---------|----------|
| Net Operating Income | \$7,496 | \$89,948 |
| Cash Flow | \$7,496 | \$89,948 |

Financial Metrics

| | |
|-----------------------------------|-------------|
| Cap Rate (Purchase Price) | 7.5% |
| Cash on Cash Return (Year 1) | 7.5% |
| Internal Rate of Return (Year 10) | 12.9% |
| Sale Price (Year 10) | \$2,169,377 |



Purchase Analysis

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| Purchase Info | |
|--------------------------------|--------------------|
| Purchase Price | \$1,200,000 |
| + Buying Costs | \$0 |
| + Initial Improvements | \$0 |
| = Initial Cash Invested | \$1,200,000 |
| Square Feet | 8,232 |
| Cost per Square Foot | \$146 |
| Monthly Rent per Square Foot | \$1.27 |

| Financial Metrics (Year 1) | |
|------------------------------|-------------|
| Annual Gross Rent Multiplier | 9.6 |
| Operating Expense Ratio | 28.1% |
| Cap Rate (Purchase Price) | 7.5% |
| Cash on Cash Return | 7.5% |

| Assumptions | |
|------------------------|----------|
| Appreciation Rate | 6.1% |
| Vacancy Rate | 0.0% |
| Income Inflation Rate | 4.1% |
| Expense Inflation Rate | 2.5% |
| LTV for Refinance | 75.0% |
| Selling Costs | \$36,000 |

| Income | Monthly | Annual |
|-------------------------|-----------------|------------------|
| Gross Rent | \$10,420 | \$125,040 |
| Vacancy Loss | -\$0 | -\$0 |
| Operating Income | \$10,420 | \$125,040 |

| Expenses (% of Income) | Monthly | Annual |
|---------------------------------|-----------------|------------------|
| Insurance (5%) | -\$573 | -\$6,877 |
| Management Fees (5%) | -\$521 | -\$6,252 |
| Taxes (10%) | -\$1,005 | -\$12,063 |
| Utilities (8%) | -\$825 | -\$9,900 |
| Operating Expenses (28%) | -\$2,924 | -\$35,092 |

| Net Performance | Monthly | Annual |
|-----------------------------|----------------|-----------------|
| Net Operating Income | \$7,496 | \$89,948 |
| - Year 1 Improvements | -\$0 | -\$0 |
| = Cash Flow | \$7,496 | \$89,948 |

Buy and Hold Projection

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| Income | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 |
|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Gross Rent | \$125,040 | \$130,167 | \$135,503 | \$141,059 | \$146,843 | \$152,863 | \$159,130 |
| Vacancy Loss | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| Operating Income | \$125,040 | \$130,167 | \$135,503 | \$141,059 | \$146,843 | \$152,863 | \$159,130 |

| Expenses | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 |
|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Insurance | -\$6,877 | -\$7,049 | -\$7,225 | -\$7,406 | -\$7,591 | -\$7,781 | -\$7,975 |
| Management Fees | -\$6,252 | -\$6,508 | -\$6,775 | -\$7,053 | -\$7,342 | -\$7,643 | -\$7,957 |
| Taxes | -\$12,063 | -\$12,365 | -\$12,674 | -\$12,991 | -\$13,315 | -\$13,648 | -\$13,989 |
| Utilities | -\$9,900 | -\$10,148 | -\$10,401 | -\$10,661 | -\$10,928 | -\$11,201 | -\$11,481 |
| Operating Expenses | -\$35,092 | -\$36,069 | -\$37,075 | -\$38,110 | -\$39,176 | -\$40,273 | -\$41,402 |

| Income Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 |
|-----------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| Net Operating Income | \$89,948 | \$94,097 | \$98,428 | \$102,949 | \$107,666 | \$112,590 | \$117,728 |
| - Improvements | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| = Cash Flow | \$89,948 | \$94,097 | \$98,428 | \$102,949 | \$107,666 | \$112,590 | \$117,728 |
| Cap Rate (Purchase Price) | 7.5% | 7.8% | 8.2% | 8.6% | 9.0% | 9.4% | 9.8% |
| Cap Rate (Market Value) | 7.1% | 7.0% | 6.9% | 6.8% | 6.7% | 6.6% | 6.5% |
| Cash on Cash Return | 7.5% | 7.8% | 8.2% | 8.6% | 9.0% | 9.4% | 9.8% |
| Return on Equity | 7.1% | 7.0% | 6.9% | 6.8% | 6.7% | 6.6% | 6.5% |

| Loan Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 |
|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Market Value | \$1,273,200 | \$1,350,865 | \$1,433,268 | \$1,520,697 | \$1,613,460 | \$1,711,881 | \$1,816,306 |
| - Loan Balance | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 | -\$0 |
| = Equity | \$1,273,200 | \$1,350,865 | \$1,433,268 | \$1,520,697 | \$1,613,460 | \$1,711,881 | \$1,816,306 |
| Potential Cash-Out Refi | \$954,900 | \$1,013,149 | \$1,074,951 | \$1,140,523 | \$1,210,095 | \$1,283,911 | \$1,362,229 |

| Sale Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Equity | \$1,273,200 | \$1,350,865 | \$1,433,268 | \$1,520,697 | \$1,613,460 | \$1,711,881 | \$1,816,306 |
| - Selling Costs | -\$38,196 | -\$40,526 | -\$42,998 | -\$45,621 | -\$48,404 | -\$51,356 | -\$54,489 |
| = Proceeds After Sale | \$1,235,004 | \$1,310,339 | \$1,390,270 | \$1,475,076 | \$1,565,056 | \$1,660,524 | \$1,761,816 |
| + Cumulative Cash Flow | \$89,948 | \$184,045 | \$282,474 | \$385,422 | \$493,089 | \$605,679 | \$723,407 |
| - Initial Cash Invested | -\$1,200,000 | -\$1,200,000 | -\$1,200,000 | -\$1,200,000 | -\$1,200,000 | -\$1,200,000 | -\$1,200,000 |
| = Net Profit | \$124,952 | \$294,385 | \$472,744 | \$660,499 | \$858,145 | \$1,066,203 | \$1,285,224 |
| Internal Rate of Return | 10.4% | 12.0% | 12.5% | 12.7% | 12.8% | 12.9% | 12.9% |
| Return on Investment | 10% | 25% | 39% | 55% | 72% | 89% | 107% |

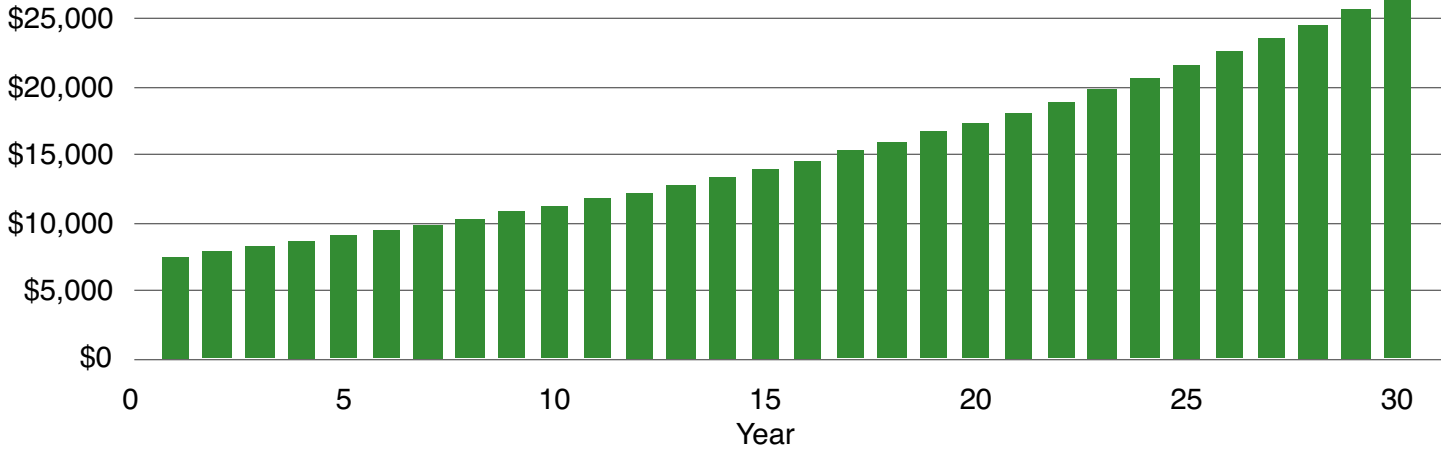
Graphs

Downtown Oaks

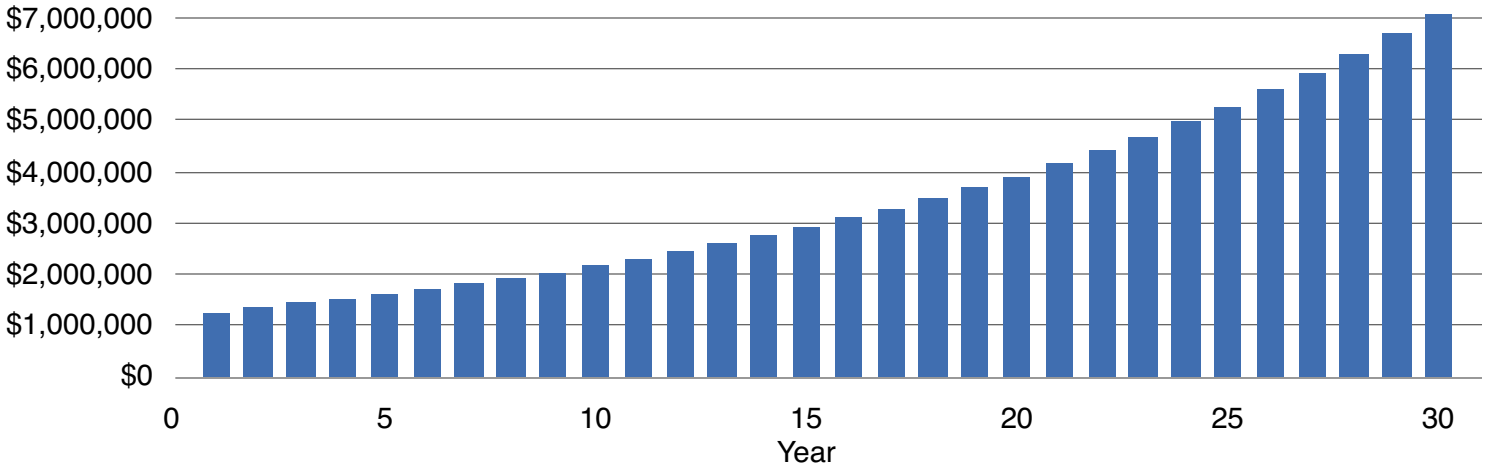
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Monthly Cash Flow



Market Value



Internal Rate of Return (IRR)

