

## 10-Year Commercial Real Estate Pro Forma

Line Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
<b>Revenue</b>						
Gross Potential Rent	\$119,000	\$122,570	\$126,247	\$130,035	\$133,936	\$137,954
Vacancy Loss	(\$5,950)	(\$6,129)	(\$6,312)	(\$6,502)	(\$6,697)	(\$6,898)
Other Income	-	-	-	-	-	-
<b>Effective Gross Income</b>	<b>\$113,050</b>	<b>\$116,442</b>	<b>\$119,935</b>	<b>\$123,533</b>	<b>\$127,239</b>	<b>\$131,056</b>
<b>Operating Expenses</b>						
Property Taxes	\$1,690	\$1,732	\$1,776	\$1,820	\$1,865	\$1,912
Insurance	\$10,355	\$10,614	\$10,879	\$11,151	\$11,430	\$11,716
Repairs & Maintenance	\$18,000	\$18,450	\$18,911	\$19,384	\$19,869	\$20,365
Utilities	\$19,941	\$20,440	\$20,951	\$21,474	\$22,011	\$22,561
Management Fee	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>(\$49,986)</b>	<b>(\$51,236)</b>	<b>(\$52,517)</b>	<b>(\$53,829)</b>	<b>(\$55,175)</b>	<b>(\$56,555)</b>
<b>Net Operating Income (NOI)</b>	<b>\$63,064</b>	<b>\$65,206</b>	<b>\$67,418</b>	<b>\$69,703</b>	<b>\$72,064</b>	<b>\$74,501</b>
CapEx Reserve	\$15,000	\$15,375	\$15,759	\$16,153	\$16,557	\$16,971
<b>Net Operating Cash Flow</b>	<b>\$48,064</b>	<b>\$49,831</b>	<b>\$51,659</b>	<b>\$53,550</b>	<b>\$55,506</b>	<b>\$57,530</b>
Debt Service	\$34,320	\$34,320	\$34,320	\$34,320	\$34,320	\$34,320
<b>Cash Flow Before Sale</b>	<b>\$13,744</b>	<b>\$15,511</b>	<b>\$17,339</b>	<b>\$19,230</b>	<b>\$21,186</b>	<b>\$23,210</b>
Net Sale Proceeds	-	-	-	-	-	-
<b>Levered Cash Flow</b>	<b>\$13,744</b>	<b>\$15,511</b>	<b>\$17,339</b>	<b>\$19,230</b>	<b>\$21,186</b>	<b>\$23,210</b>
DSCR	1.84x	1.90x	1.96x	2.03x	2.10x	2.17x

Year 7	Year 8	Year 9	Year 10	Year 11 (Exit NOI)
\$142,092	\$146,355	\$150,746	\$155,268	\$159,926
(\$7,105)	(\$7,318)	(\$7,537)	(\$7,763)	(\$7,996)
-	-	-	-	-
\$134,988	\$139,037	\$143,208	\$147,505	\$151,930
\$1,960	\$2,009	\$2,059	\$2,111	\$2,163
\$12,009	\$12,309	\$12,617	\$12,932	\$13,255
\$20,874	\$21,396	\$21,931	\$22,480	\$23,042
\$23,125	\$23,704	\$24,296	\$24,904	\$25,526
-	-	-	-	-
-	-	-	-	-
(\$57,968)	(\$59,418)	(\$60,903)	(\$62,426)	(\$63,986)
\$77,019	\$79,620	\$82,305	\$85,079	\$87,943
\$17,395	\$17,830	\$18,276	\$18,733	\$19,201
\$59,624	\$61,789	\$64,029	\$66,346	\$68,742
\$34,320	\$34,320	\$34,320	\$34,320	-
\$25,303	\$27,469	\$29,709	\$32,026	\$68,742
-	-	-	\$923,471	-
\$25,303	\$27,469	\$29,709	\$955,497	\$68,742
2.24x	2.32x	2.40x	2.48x	