

# PARKWEST

# RETURN

INTEREST **5.250%**

| PLAN                                 |                   | 2662<br>DUPLEX    | 2573<br>DUPLEX    | 2930<br>DUPLEX    | 3004<br>DUPLEX    | 3002<br>DUPLEX    |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>RENTS</b>                         |                   | <b>\$ 1,750</b>   | <b>\$ 1,725</b>   | <b>\$ 1,795</b>   | <b>\$ 1,795</b>   | <b>\$ 1,725</b>   |
|                                      |                   | <b>\$ 1,795</b>   | <b>\$ 1,750</b>   | <b>\$ 1,775</b>   | <b>\$ 1,775</b>   | <b>\$ 1,750</b>   |
|                                      |                   | \$ 3,545          | \$ 3,475          | \$ 3,570          | \$ 3,570          | \$ 3,475          |
| <b>MULTIPLIER</b>                    |                   | <b>124.4</b>      | <b>124.4</b>      | <b>124.4</b>      | <b>124.4</b>      | <b>124.4</b>      |
| <b>SALES PRICE PER SQ.FT.</b>        |                   | <b>\$ 166</b>     | <b>\$ 168</b>     | <b>\$ 152</b>     | <b>\$ 148</b>     | <b>\$ 144</b>     |
| <b>SALES PRICE</b>                   |                   | <b>\$ 441,000</b> | <b>\$ 432,300</b> | <b>\$ 444,000</b> | <b>\$ 444,000</b> | <b>\$ 432,300</b> |
| MORTGAGE                             | 75%               | \$ 330,750        | \$ 324,225        | \$ 333,000        | \$ 333,000        | \$ 324,225        |
| INVESTMENT:                          | DOWN 25%          | \$ 110,250        | \$ 108,075        | \$ 111,000        | \$ 111,000        | \$ 108,075        |
|                                      | CLOSING 1%        | \$ 4,410          | \$ 4,323          | \$ 4,440          | \$ 4,440          | \$ 4,323          |
|                                      | INVESTMENT        | \$ 114,660        | \$ 112,398        | \$ 115,440        | \$ 115,440        | \$ 112,398        |
| ANNUAL RENTS                         |                   | \$ 42,540         | \$ 41,700         | \$ 42,840         | \$ 42,840         | \$ 41,700         |
| VACANCY                              | 5%                | \$ 2,127          | \$ 2,085          | \$ 2,142          | \$ 2,142          | \$ 2,085          |
| MANAGEMENT                           | 95% X 5%          | \$ 2,021          | \$ 1,981          | \$ 2,035          | \$ 2,035          | \$ 1,981          |
| INSURANCE                            |                   | \$ 800            | \$ 800            | \$ 800            | \$ 800            | \$ 800            |
| TAXES                                | 2.3384 85% VALUE  | \$ 8,732          | \$ 8,560          | \$ 8,791          | \$ 8,791          | \$ 8,560          |
| HOA                                  |                   | \$ 600            | \$ 600            | \$ 600            | \$ 600            | \$ 600            |
|                                      | OPERATING COSTS   | \$ 14,279         | \$ 14,025         | \$ 14,368         | \$ 14,368         | \$ 14,025         |
| CASH FLOW                            |                   | \$ 28,261         | \$ 27,675         | \$ 28,472         | \$ 28,472         | \$ 27,675         |
| <b>INVESTMENT RETURN (CAP RATE)</b>  |                   | <b>6.41%</b>      | <b>6.40%</b>      | <b>6.41%</b>      | <b>6.41%</b>      | <b>6.40%</b>      |
| PAYMENTS                             | 5.25% - 75%       | \$ 21,909         | \$ 21,477         | \$ 22,058         | \$ 22,058         | \$ 21,477         |
| <b>LEVERAGED CASH FLOW</b>           |                   | <b>\$ 6,352</b>   | <b>\$ 6,198</b>   | <b>\$ 6,414</b>   | <b>\$ 6,414</b>   | <b>\$ 6,198</b>   |
| <b>25% DOWN AND 1% CLOSING COSTS</b> |                   | <b>\$ 114,600</b> | <b>\$ 112,398</b> | <b>\$ 115,440</b> | <b>\$ 115,440</b> | <b>\$ 112,398</b> |
| <b>"CASH ON CASH" RETURN</b>         | <b>5.53%</b>      | <b>5.54%</b>      | <b>5.51%</b>      | <b>5.56%</b>      | <b>5.56%</b>      | <b>5.51%</b>      |
|                                      | <b>FROM 5.02%</b> |                   |                   |                   |                   |                   |
| PRINCIPLE REDUCTION                  |                   | \$ 4,545          | \$ 4,455          | \$ 4,575          | \$ 4,575          | \$ 4,455          |
| CASH & DEBT RETIREMENT               |                   | \$ 10,896         | \$ 10,653         | \$ 10,989         | \$ 10,989         | \$ 10,653         |
| <b>LEVERAGED RETURN</b>              |                   | <b>9.88%</b>      | <b>9.86%</b>      | <b>9.90%</b>      | <b>9.90%</b>      | <b>9.86%</b>      |

## CONSIDERING POTENTIAL APPRECIATION

|  |                 |                 |                 |                 |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Nationally at 2.34%                            | \$ 10,319       | \$ 10,116       | \$ 10,390       | \$ 10,390       | \$ 10,116       |
| Texas at 2.92%                                 | \$ 12,877       | \$ 12,623       | \$ 12,965       | \$ 12,965       | \$ 12,623       |
| Houston 3.22%                                  | \$ 14,200       | \$ 13,920       | \$ 14,297       | \$ 14,297       | \$ 13,920       |
| <b>2.00% APPRECIATION</b>                      | <b>\$ 8,820</b> | <b>\$ 8,646</b> | <b>\$ 8,880</b> | <b>\$ 8,880</b> | <b>\$ 8,646</b> |
| <b>LEVERAGED RETURN WITH 2.0% APPRECIATION</b> | <b>17.20%</b>   | <b>17.17%</b>   | <b>17.21%</b>   | <b>17.21%</b>   | <b>17.17%</b>   |