



**FinancePro**

**AptPro / FinancePro Demo**

Project Name:	AptPro / FinancePro Demo	
Property Address:	12345 ABC Street	
City / State / Zip:	Anywhere, CA. 90000	
Comments:	\$718,000 + cash infusion refinance.	

**FINANCING REQUEST TRANSACTION SUMMARY**

PURCHASE			REFINANCE			
Sales Price:	\$0		Date Acquired:	12/15/2007	Estimated Value:	\$9,900,000
Cash Down:	\$0	0.00%	Original Cost:	\$11,000,000	Renoviation Costs:	\$300,000
Requested Financing (1st TD):	\$0	0.00%	Existing Debt:	\$8,143,000	Existing Lender:	
Subordinate Financing:	\$0	0.00%	New 1st TD:	\$7,425,000		75.00%
Total Financing:	\$0	0.00%	Subordinate Debt:	\$0		0.00%
Total Cash Down Payment:	\$0	#DIV/0!	Total Financing:	\$7,425,000		75.00%
Source of Dn. Payment:			Net Proceeds:	(\$718,000)		



**BORROWING ENTITY / GUARANTORS**

Borrowing Entity:  
 Individuals / Guarantor:  
 Assets: \$ See attached SREO & PFS.  
 Liabilities: \$  
 Net Worth: \$  
 Liquidity: \$  
 Real Estate Assets: \$  
 Management Experience:

**PURPOSE OF TRANSACTION**

The purpose of this transaction is to refinance the existng 1st TD currently at 6%. The borrower acquired the subject property in December 2007 for \$11,000,000. The purpose of this transaction is to increase the cash flow and the leverage. Borrower is providing \$718,000 cash infusion plus closing costs to close.

**PROPERTY INFORMATION**

# UNITS	APARTMENT UNIT MIX :	LOW RENT	HIGH RENT	HIGH RENT	UNIT SQ FT
24	Studio / 1 Bath	see rent roll			349
30	1 Bdr / 1 Bath	see rent roll			585
6	1 Bdr / 1 Bath (Patio)	see rent roll			585
2	2 Bdr / 1 Bath	see rent roll			735
6	2 Bdr / 1 Bath (Patio)	see rent roll			855
<b>68</b>	<b>Total # of Units:</b>				<b>36,036</b>

**Current Rents**

Total Monthly Gross Income	\$77,494	Utility Meters (Master / Separate)	Comments
Laundry Income	\$500	Gas	Separate Meters
Parking	\$375	Electric	Separate Meters
Administration	\$0	Water & Sewer	Owner pays

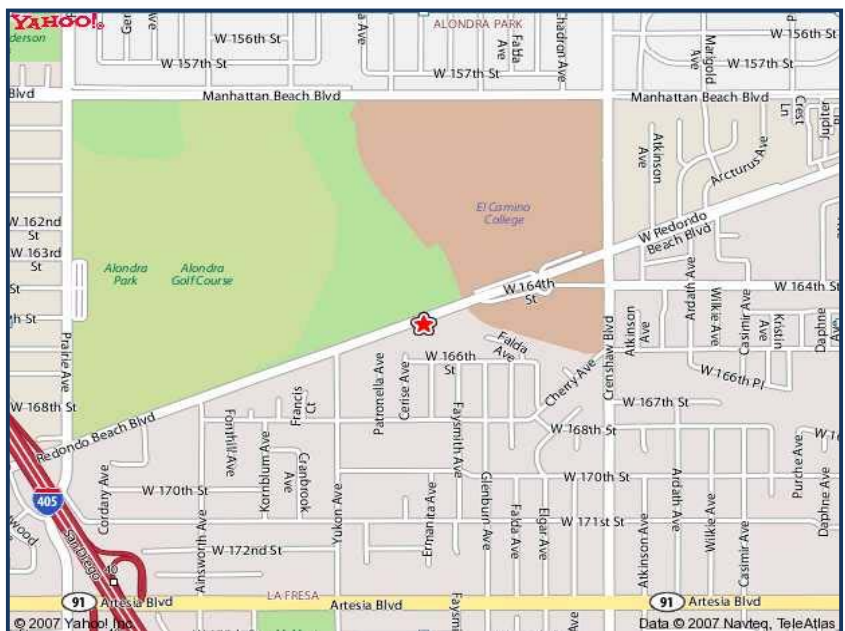
# of Units Vacant	1	1.47%	Elevator	No
% Occupancy	98.53%		Laundry Room	Yes
Year Built	1964		Pool	Pool & Jacuzzi
Year Renovated	2010-2011		Lot Size	1.54 Acres
Rent Roll Date	2/27/2012		Zoning	R3
Rent Control	No		Secured Parking	Yes
Gated Entry	Yes		Parking Type:	Tuck Under Carport
# of Stories	2		Roof Type:	Flat
# of Buildings	4			
Net Rentable Area	36,036		Market Rents	\$0 (Calculated from rent roll summary or Rent Roll)
Gross Building Area	36,036		Actual Rents	\$77,494
# Parking Spaces	87		Rental Upside	(\$77,494) -100.00%
Parking Ratio	1.28			

Capital Improvements: \_\_\_\_\_

Interior Amenities: \_\_\_\_\_

Kitchen Amenities: \_\_\_\_\_

Exterior Amenities: \_\_\_\_\_



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12345 ABC Street  
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0

0



REVENUE	2010	2010	2011	YTD Anlzd
			12/31/11	12
Total Base Rents	925,678	905,998	920,621	920,621
Laundry Income	6,362	5,920	5,570	5,570
Parking	5,095	4,486	4,050	4,050
Lease Deposit & Admin	10,786	4,820	21,066	21,066
<b>Total Gross Potential Income</b>	<b>947,921</b>	<b>921,224</b>	<b>951,307</b>	<b>951,307</b>
Less Vacancy	(27,770)	(27,179)	(27,618)	(27,618)
Less Concessions & Delinquency				-
Total Vacancy & Collection Loss	(27,770)	(27,179)	(27,618)	(27,618)
Total Vacancy & Collection Loss	3.00%	3.00%	3.00%	3.00%
<b>Effective Gross Income</b>	<b>920,151</b>	<b>894,045</b>	<b>923,689</b>	<b>923,689</b>
<b>Original Source Operating Statement</b>				-
Management Fees	50,400	50,400	50,400	50,400
Advertising	3,976	651	100	100
Telephone	1,709	1,738	1,859	1,859
Windows / Glass (R & M)	425	105		-
Pool Service	2,160	2,390	830	830
Carpet Cleaning	2,265	1,970	3,180	3,180
Cleaning	2,295	2,045	1,280	1,280
Gardening	7,338	5,486	6,147	6,147
Pest Control	1,412	750	1,166	1,166
Fire Ext	363	371	274	274
Electricity	6,941	5,956	7,328	7,328
Water & Sewer	10,109	12,933	11,852	11,852
Trash	8,766	6,654	6,251	6,251
Gas	7,887	7,670	8,343	8,343
Bank Charges	1,912	1,121	4,858	4,858
Credit check services	327	221	271	271
Property taxes	155,898	119,655	108,010	108,010
Property Insurance	12,357	15,462	12,145	12,145
Business Taxes	1,428	1,440	1,510	1,510
Maint Salary	9,000	9,000	9,000	9,000
Capital Improvements (Maint & Repair))	8,146	13,860	15,412	15,412
Interior Painting	8,905	11,501	13,840	13,840
Floor Covering Replacement	5,902	5,585	1,478	1,478
Plumbing Cleanout (R & M)	1,300	1,205	2,241	2,241
Plumbing replacement	1,300	1,205	2,241	2,241
Appliances	3,179	3,730	1,761	1,761
Locks & Keys (R & M)		27		-
Roofing ( R & M)		800		-
Office Supplies (Admin)			221	221
Legal & Accounting			3,500	3,500
Bonus (Admin)			625	625
Reglazing Tubs/Sinks (R & M)			800	800
				-

**Financial Underwriting Analysis**

	2009	2010	2011	2012	Stabilized Proforma	
	18% Turnover	28% Turnover	44% Turnover	Underwriting		
Gross Scheduled Income (GSI)	925,678	905,998	920,621	929,928	929,928	
Laundry Income	6,362	5,920	5,570	6,000	6,000	
Parking	5,095	4,486	4,050	4,500	4,500	
Administration	10,786	4,820	21,066	0	0	
Gross Potential Income	947,921	921,224	951,307	940,428	940,428	
Less: Physical Vacancy	(27,770)	(27,179)	(27,618)	(46,496)	(46,496)	5.00%
Less: Concessions & Delinquency	0	0	0	0	0	0.00%
Total Economic Vacancy	(27,770)	(27,179)	(27,618)	(46,496)	(46,496)	0
% Total Economic Vacancy	3.00%	3.00%	3.00%	5.00%	5.00%	
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>920,151</b>	<b>894,045</b>	<b>923,689</b>	<b>893,932</b>	<b>893,932</b>	
<b>OPERATING EXPENSES:</b>						
Real Estate Taxes	155,898	119,655	108,010	109,494	109,494	1.106%
Other Taxes & Assessments	0	0	0	7,000	7,000	0.071%
Licenses	1,428	1,440	1,510	1,500	1,500	\$22
Insurance	12,357	15,462	12,145	12,613	12,613	\$0.35
Gas	7,887	7,670	8,343	8,593	8,593	\$126
Electric	6,941	5,956	7,328	7,547	7,547	\$111
Water & Sewer	10,109	12,933	11,852	12,207	12,207	\$180
Trash	8,766	6,654	6,251	6,438	6,438	\$7.89
Undetailed Combined Utilities	0	0	0	0	0	\$0
Pest Control	1,412	750	1,166	1,360	1,360	\$20
Building Maintenance & Repairs	9,871	15,997	18,453	20,400	20,400	\$300
Pool Maintenance	2,160	2,390	830	2,400	2,400	\$200
Elevator Maintenance	0	0	0	0	0	\$0
Interior & Exterior Decorating	8,905	11,501	13,840	10,200	10,200	\$150
Cleaning & Operating Supplies	4,560	4,015	4,460	5,100	5,100	\$75
Payroll(Janitorial, Salaries, Security)	9,000	9,000	9,000	9,000	9,000	\$132
Payroll Taxes / Workers Comp	0	0	0	1,350	1,350	15%
Telephone & Communications	1,709	1,738	1,859	1,800	1,800	\$2.21
Legal & Professional Fees	0	0	3,500	3,400	3,400	\$50
Gardening / Landscaping	7,338	5,486	6,147	5,000	5,000	\$6.13
Non Resident Manager (Off Site)	50,400	50,400	50,400	35,757	35,757	4.00%
Resident Mgr Salary	0	0	0	0	0	\$0
Resident Mgr Apt Allowance	0	0	0	19,200	19,200	\$1,600
General & Administrative	2,601	1,713	6,249	6,800	6,800	\$100
Advertising & Marketing	3,976	651	100	1,700	1,700	\$25
Contract Services	0	0	0	0	0	\$0
Miscellaneous expenses	0	0	0	4,470	4,470	0.50%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$305,317</b>	<b>\$273,409</b>	<b>\$271,443</b>	<b>\$293,328</b>	<b>293,329</b>	
Replacements / Reserves	10,381	10,520	5,480	17,000	17,000	\$250
<b>TOTAL EXPENSES &amp; RESERVES</b>	<b>\$315,698</b>	<b>\$283,929</b>	<b>\$276,923</b>	<b>\$310,328</b>	<b>310,329</b>	
Expenses / Sq Foot	\$8.76	\$7.88	\$7.68	\$8.61	\$8.61	
Expenses / % GSI	33.30%	30.82%	29.11%	33.00%	33.00%	
Expenses / Per Unit	\$4.643	\$4.175	\$4.072	\$4,564	\$4,564	
<b>NET OPERATING INCOME</b>	<b>\$604,453</b>	<b>\$610,116</b>	<b>\$646,766</b>	<b>\$583,603</b>	<b>\$583,603</b>	
1st TD Debt Service	(\$438,318)	(\$438,318)	(\$438,318)	(\$438,318)	(\$438,318)	4.250%
<b>DSCR (Qualifying)</b>	<b>1.38</b>	<b>1.39</b>	<b>1.48</b>	<b>1.33</b>	<b>1.33</b>	
2nd TD Debt Service	\$0	\$0	\$0	\$0	\$0	
Combined Debt Service	(\$438,318)	(\$438,318)	(\$438,318)	(\$438,318)	(\$438,318)	
<b>COMBINED DSCR (Qualifying)</b>	<b>1.38</b>	<b>1.39</b>	<b>1.48</b>	<b>1.33</b>	<b>1.33</b>	
Capital Improvements	0	0	\$0	N/A		

**Underwriting**

# of Units	68
1st TD LTV	75.00%
Avg Rent / Unit	\$1,140
Avg Unit Sq Ft	530
Value per Unit	\$145,588
Loan per Unit	\$109,191
GRM	10.65
Cap Rate	5.89%
Expenses /Unit	\$4,564
% Expenses	33.00%
% Rental Upside	N/A

**Appraisal Guidelines**

% of Value / Price	
Direct Assesment	
Per Unit / Year	
Per Sq Ft (GBA)	
Per Unit / Year	
Per Unit / Year	
Per Unit / Month	
% of Value / Price	
Per Unit / Year	
Per Unit / Year	
Per Month	
Per Month	
Per Unit / Year	
Per Unit / Year	
Check actual if applicable	
% of Payroll if applicable	
Per Unit / Month	
Per Unit / Year	
Per Unit / Month (Check Actual)	
% of EGI (Income less Vacancy)	
Per Unit / Month (Check Actual)	
Per Month if applicable	
Per Unit / Year	
Per Unit / Year	
Per Unit / Year-Check Inclusions	
% of EGI if applicable	

Value /Sale Price	\$9,900,000
Requested Loan	\$7,425,000
Down Payment / Equity	\$2,475,000

Cash Flow	\$145,285	\$145,285
% Cash on Cash (ROE)	#DIV/0!	5.87%
Breakeven Vacancy	20.39%	20.39%
Breakeven Interest Rate	6.846%	6.846%
<b>Cap Rate</b>	<b>5.895%</b>	<b>5.895%</b>

Qualifying Rate	4.250%
Interest Rate	4.250%
Amortization	30
1ST TD LTV	75.00%
CLTV	75.00%
% Down Pmt Equity	25.00%

**Schedule of Capital Improvements & Replacements  
Demo Property**

Property Address: Demo Property

\*Previous Owner

3/29/2012

Items	2005-2007 Expense	2008 Expense	2009 Expense	2010 Expense	2011 Expense	2012 YTD Expense	2012 Budget Expense
% Unit Turnover		4.41%	17.65%	17.65%	39.70%	5.88%	
Ranges							
Refrigerators							
Dishwashers							
Carpeting/Flooring	\$33,915		\$5,902	\$5,585	\$1,478		
Vinyl/Tile							
AC Equipment							
Hot Water Heaters							
Roofs	\$21,636			\$800			
Interior Painting			\$8,905	\$11,501	\$13,840		
Pool & Jacuzzi	\$29,152						
Maint/Repair (Apt turnover)			\$8,145	\$13,859	\$15,411		
Paint (Int & Exterior)	\$103,486						
Landscaping	\$28,240						
Appliances	\$19,258		\$3,178	\$3,729	\$1,760		
New Electrical	\$7,690						
Plumbing	\$61,120		\$2,600	\$2,410	\$4,482		
Masonry/Tile	\$90,100						
Carpentry	\$64,108						
Other Capex							
Drapes/Blinds	\$2,920						
Miscel Repairs	\$142,547						
Remodel	\$82,573						
Undetailed Replacements					\$800		\$13,600
<b>Total</b>	<b>\$686,745</b>		<b>\$28,730</b>	<b>\$37,884</b>	<b>\$37,771</b>		

\*from original source operating statements provided by the previous owner.

2005-2007: plumbing upgraded to copper, exterior painting, roof & walkways repaired & replaced

Previous owners original operating statements are available upon request.

By: \_\_\_\_\_

Date: \_\_\_\_\_

## Financing Options



Prepared for:

RE: AptPro / FinancePro Demo

12345 ABC Street

Date: 6/15/2012

Anywhere, CA. 90000

TYPE OF FINANCING	Fixed-Hybrid	Fixed-Hybrid	Fixed-Hybrid	Fixed-Hybrid	Fixed-Hybrid
LOAN PROGRAM OPTIONS	3 Year Fixed-27 Yr ARM	5 Year Fixed-25 Yr ARM	7 Year Fixed-23 Yr ARM	10 Year Fixed-20 Yr ARM	10 Year Fixed-20 Yr ARM
PURCHASE PRICE / VALUE	\$9,900,000	\$9,900,000	\$9,900,000	\$9,900,000	\$9,900,000
LOAN AMOUNT	\$7,425,000	\$7,425,000	\$7,425,000	\$7,290,000	\$6,435,000
LOAN TO VALUE (DCR)	75.00%	75.00%	75.00%	73.64%	65.00%
LOAN TO VALUE (Guidelines)	75%	75%	75%	75%	65%
DEBT COVERAGE RATIO	1.25	1.25	1.25	1.25	1.35
CURRENT INTEREST RATE	3.750%	3.750%	4.350%	4.950%	4.750%
VARIABLE RATE MARGIN	2.50%	2.55%	2.50%	2.50%	2.50%
CEILING	8.750%	8.750%	9.350%	9.950%	9.750%
LOAN TERM	30/30	30/30	30/30	30/30	30/30
AMORTIZATION IN YEARS	30	30	30	30	30
MONTHLY PAYMENT	\$34,386	\$34,386	\$36,963	\$38,912	\$33,568
RECOURSE	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable
*PRE-PAYMENT	3,2,1	4,3,2,1	5,5,4,3,2,1	5,5,4,4,3,3,2,1	5,5,4,4,3,3,2,1
LOAN FEE	1.00%	1.00%	1.00%	1.00%	1.00%

**Comments:**

Rates & Terms are subject to change without notice with market conditions.

	Subject Property	Sales Comp #1	Sales Comp #2	Sales Comp #3
Situs Address	Demo property	23122 Samuel Street	3636 W. 227th Place	25110 Eshelman Road
City, State, Zip		Torrance, CA. 90505	Torrance, CA. 90505	Lomita, CA. 90717



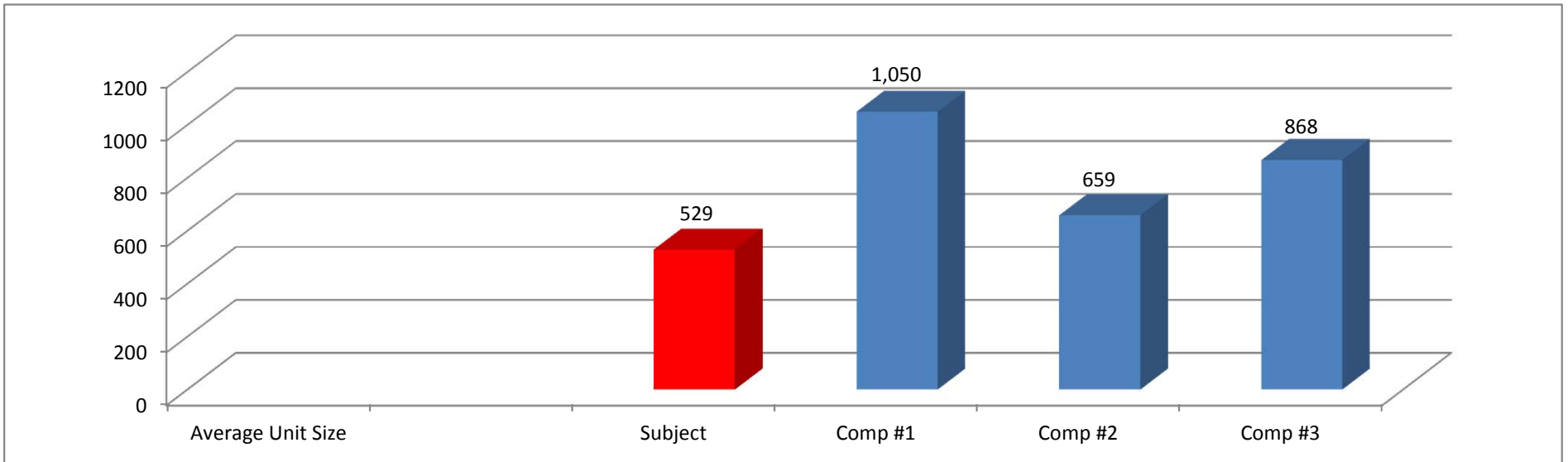
Project Name	Demo Property			Aztec House		Villa Capri Apartments		
Sales Price	\$9,900,000			\$3,850,000		\$7,250,000		
Sale Date	N/A (**Economic Value = \$10.25M)			06/30/11		04/09/11		
# Units	68			28		26		
Average Unit Size	529			1,050		659		
Average Rent / Unit	\$1,143			\$1,378		\$1,075		
GRM	10.73			11.44		11.48		
MKT GRM						9.38		
Cap Rate	5.75%			5.82%		5.40%		
Value per Unit	\$145,588			\$189,286		\$148,077		
Value per Sq Ft	\$217			\$180		\$225		
Lot Size	1.54 Acres			0.77 Acre		0.51 Acre		
Property Type	Garden Style Apartments			Garden Style Apartments		Garden Style Apartments		
Year Built	1964			1963		1962		
Unit Breakdown	24	Single / 1 Bath	10	1 Bdr / 1 Bath	5	Single / 1 Bath	17	Single / 1 Bath
Unit Breakdown	30	1 Bdr / 1 Bath	17	2 Bdr / 1 Bath	14	1 Bdr / 1 Bath	2	1 Bdr / 1 Bath
Unit Breakdown	6	1 Bdr / 1 Bath (Patio)	1	3 Bdr / 1 Bath	6	2 Bdr / 1 Bath	1	2 Bdr / 1 Bath
Unit Breakdown	2	2 Bdr / 1 Bath			1	3 Bdr / 1 Bath		
Unit Breakdown	6	2 Bdr / 1 Bath (Patio)						
Amenities	Laundry, Pool, Spa, Gym, BBQ Area						Laundry, Pool, Cable	
Amenities	Gated Entry / Intercom / On Site Mgt						Gated Entry / Intercom / On Site Mgt	
Location	Alondra Park, Golf Course and College.							

### Comments / Amenities:

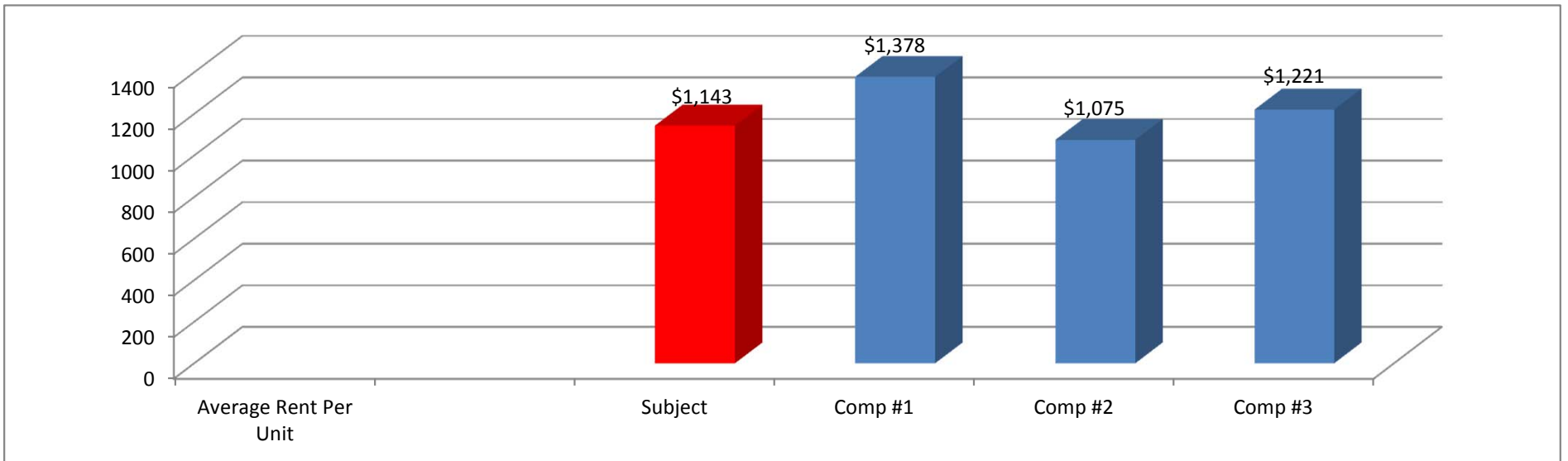
Subject Property	<b>Parking Ratio: 1.00/Unit (Economic Value as of 4-18-12): **\$10.25M with 30% cash down to 75% LTV of \$9.7M appraisal). 4% prevailing rates / 5.85% Cap Rate</b>
Comparable #1	Parking Ratio: 1.00/Unit / Financing: 67% LTV (Chase)
Comparable #2	Parking Ratio: 0.77/Unit / Financing: Unknown
Comparable #3	Parking Ratio: 1.00/Unit; Under contract at above list price (\$7.25M+). Market Cap Estimated.



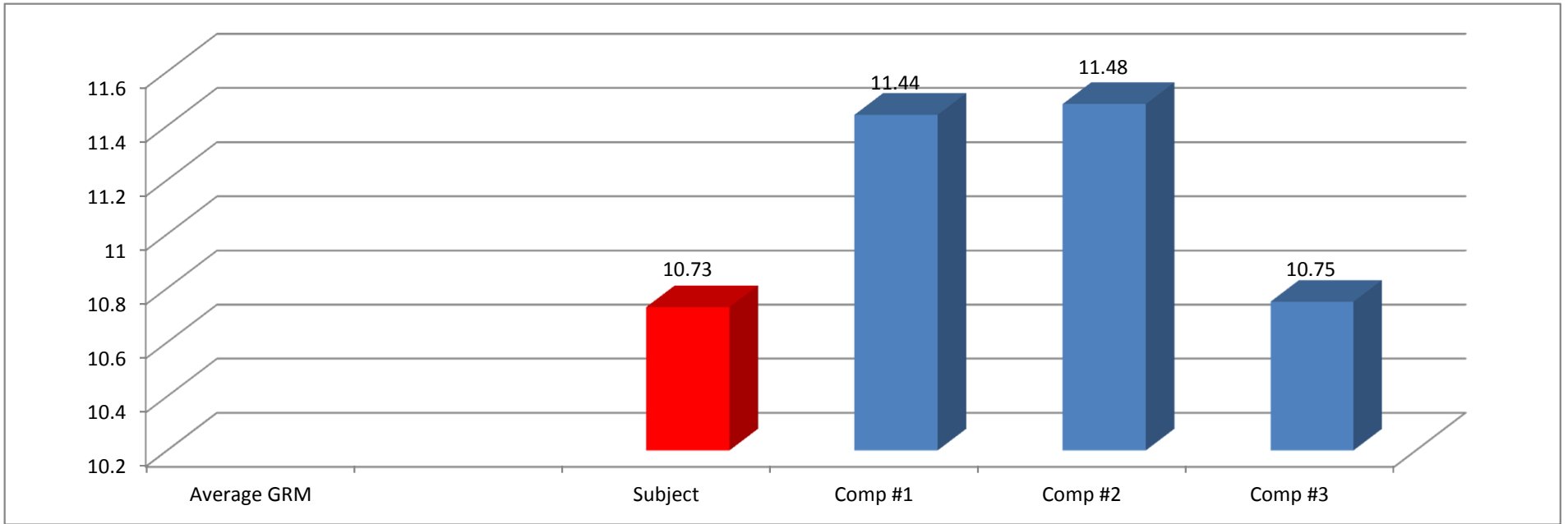
### Average Unit Size



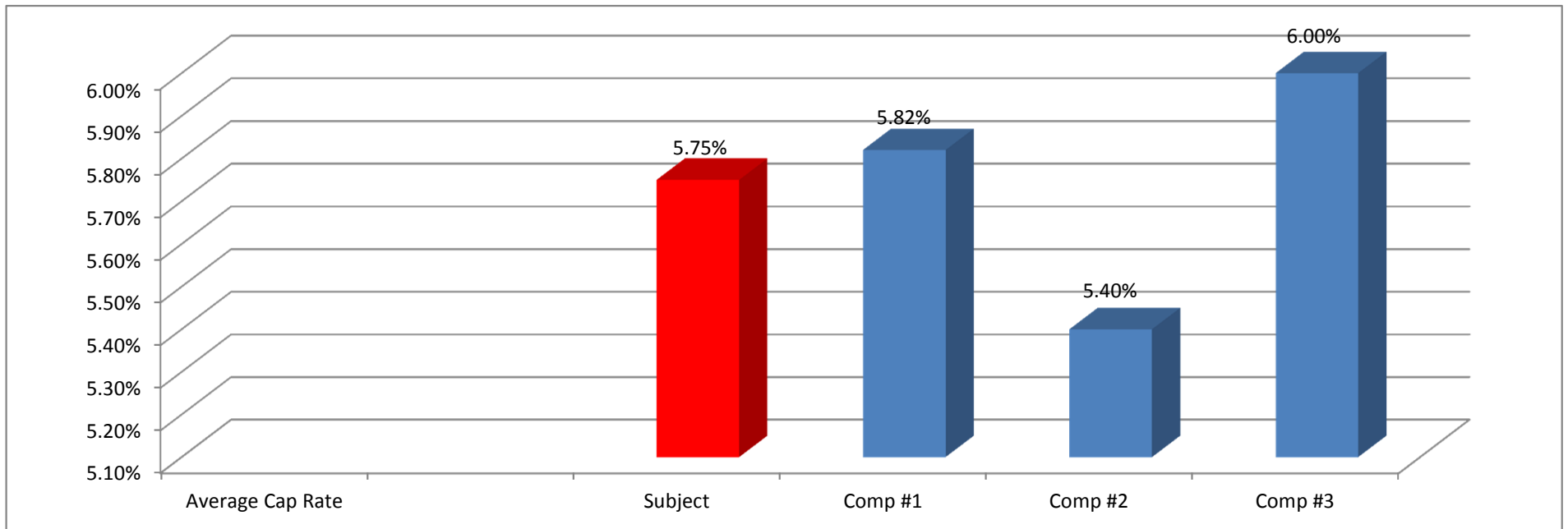
### Average Rent Per Unit



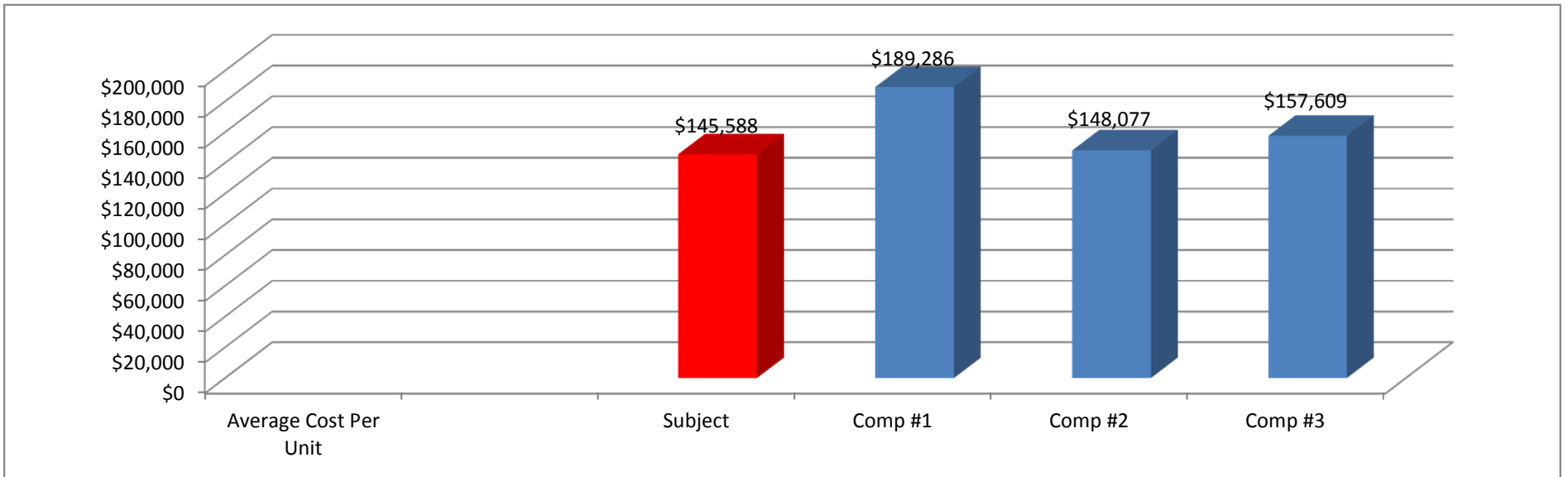
### Average GRM



### Average Cap Rate



### Average Cost Per Unit



### Average Cost Per Sq Ft

