

Crossroads Center
13241 Brookhurst Blvd
Westminster, CA 92663



- ❖ Excellent Location Near Two Major Freeways with Easy Access
- ❖ Only Mall Available in Fifteen Mile Radius
- ❖ Wide Selection of Shops and Eateries to Draws Steady Traffic
- ❖ Large Lot Makes Parking Convenient and Easy
- ❖ Very Good Leasing History with Stable Tenants
- ❖ Offers Excellent Return on Invested Capital for Local Market

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Real Estate Investment Details



ANALYSIS

Analysis Date: December 01, 2005
Scenario: Presentation

PROPERTY

Property: Crossroads Center
Property Address: 13241 Brookhurst Blvd
Westminster, CA 92663

PURCHASE INFORMATION

Property Type: Investment (Commercial)
Purchase Price: \$5,550,000
Fair Market Value: \$5,550,000
Units: 12
Total Rentable Sq. Ft.: 46,200
Resale Valuation: 9.5% (capitalization of noi)
Resale Costs: 5%

FINANCIAL INFORMATION

Down Payment: \$1,665,000
Passive Loss Rules: No
Closing Costs: \$0
LT Capital Gain: 15%

LOANS

	Debt	Term	Rate	Payment	LO Costs
Fixed	\$3,885,000	20 yrs	8.5%	\$33,714.93	\$77,700.00

INCOME & EXPENSES

Gross Operating Income: \$679,376
Monthly GOI: \$56,615
Total Annual Expenses: (\$106,081)
Monthly Expenses: (\$8,840)

CONTACT INFORMATION

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DISCLAIMER: All information is believed to be accurate.

The calculations and data presented are deemed to be accurate, but not guaranteed. They are intended for the purpose of illustrative projections and analysis. The information provided is not intended to replace or serve as substitute for any legal, accounting, investment, real estate, tax or other professional advice, consultation or service. The user of this software should consult with a professional in the respective legal, accounting, tax or other professional area before making any decisions.

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ACQUISITION COSTS

Purchase Price, Points and Closing	\$5,627,700
Investment - Cash	\$1,742,700
First Loan	\$3,885,000

INVESTMENT INFORMATION

Purchase Price	\$5,550,000
Price per Unit	\$462,500
Price per Sq.Ft.	\$120.13
Income per Unit	\$58,066
Expenses per Unit	(\$8,840)

INCOME, EXPENSES & CASH FLOW

Gross Scheduled Income	\$696,796
Total Vacancy and Credits	(\$17,420)
Operating Expenses	(\$106,081)
Net Operating Income	\$573,295
Debt Service	(\$370,864)
Cash Flow Before Taxes	\$202,431
Total Interest (Debt Service)	(\$300,240)
Depreciation and Amortization	(\$112,005)
Taxable Income (Loss)	\$164,935
Tax Savings (Costs)	(\$65,974)
Cash Flow After Taxes	\$136,457

FINANCIAL INDICATORS

Cash on Cash Return Before Taxes	11.62%
Optimal Internal Rate of Return (yr 5)	16.98%
Present Value at 8.0%	\$5,839,116
Debt Coverage Ratio	1.55
Capitalization Rate	10.33%
Gross Rent Multiplier	7.97
Gross Income / Rentable SF	\$15.08
Gross Expenses / Rentable SF	(\$2.30)
Operating Expense Ratio	15.61%

Summary Lease Analysis



13241 Brookhurst Blvd
Westminster, CA 92663

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Potential Lease Revenue										
Base Rental Income	\$629,142	\$654,663	\$675,338	\$681,576	\$731,659	\$743,164	\$749,154	\$758,009	\$760,397	\$766,868
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursements	\$67,654	\$69,684	\$71,774	\$73,927	\$76,145	\$78,430	\$80,782	\$83,206	\$85,702	\$88,273
Potential Lease Costs										
Tenant Improvements	\$0	(\$24,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$24,000)	\$0
Lease Commissions	\$0	(\$11,063)	\$0	\$0	\$0	\$0	(\$3,050)	\$0	(\$8,737)	\$0
Net Lease Cash Flow	\$696,796	\$689,284	\$747,112	\$755,503	\$807,804	\$821,594	\$826,886	\$841,215	\$813,362	\$855,142
Additional Information										
Sq. Ft. Expires	0	0	0	13,000	13,800	2,000	16,200	1,200	13,000	6,000
Dollars Expires	\$0	\$0	\$0	\$191,100	\$211,911	\$88,746	\$237,141	\$20,352	\$200,655	\$103,384

Lease Rent Roll



13241 Brookhurst Blvd
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Tenant	Sq.Ft.	% of Total RSF	\$/SqFt	Annual Rent	Term Remaining	Annual Reimburse	TIs	Commissions	Optional Term	Rent Increase
Graggs	13,000	28.14%	\$14.00	\$182,000.00	12/31/2007	\$19,036.84	\$0.00	\$0.00	5 years	\$758.33
Parkway Drug	2,000	4.33%	\$12.21	\$24,416.67	12/31/2009	\$2,928.74	\$0.00	\$0.00	7 years	\$3,697.75
101 Tanners	5,400	11.69%	\$13.17	\$71,100.00	04/30/2011	\$7,907.61	\$0.00	\$0.00	7 years	\$2,205.00
102 Movie Gallery	5,400	11.69%	\$12.88	\$69,525.00	04/30/2011	\$7,907.61	\$0.00	\$0.00	5 years	\$1,518.75
103 Linda's Liquor	2,400	5.19%	\$14.00	\$33,600.00	04/30/2011	\$3,514.49	\$0.00	\$0.00	7 years	\$960.00
104 Subway	2,400	5.19%	\$14.50	\$34,800.00	07/31/2009	\$3,514.49	\$0.00	\$0.00	5 years	\$1,736.00
105 Scotch Dry Cleaners	1,200	2.60%	\$16.00	\$19,200.00	09/30/2009	\$1,757.25	\$0.00	\$0.00	7 years	\$800.00
106 Martial Arts Studio	3,600	7.79%	\$12.67	\$45,600.00	09/30/2009	\$5,271.74	\$0.00	\$0.00	7 years	\$2,025.00
107 Pizza Supreme	1,200	2.60%	\$15.83	\$19,000.00	12/31/2011	\$1,757.25	\$0.00	\$0.00	5 years	\$96.00
108 Insta-Tan	3,000	6.49%	\$12.50	\$37,500.00	01/31/2011	\$4,393.12	\$0.00	\$0.00	4 years	\$250.00
109 Kid's Plus	3,600	7.79%	\$14.00	\$50,400.00	09/30/2009	\$5,271.74	\$0.00	\$0.00	5 years	\$3,097.50
110 Avonti	3,000	6.49%	\$14.00	\$42,000.00	09/30/2009	\$4,393.12	\$0.00	\$0.00	7 years	\$1,750.00

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Griggs										
Potential Tenant Revenue										
Base Rental Income	\$182,000	\$182,000	\$190,342	\$191,100	\$191,100	\$191,100	\$191,100	\$199,859	\$200,655	\$200,655
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$19,037	\$19,608	\$20,196	\$20,802	\$21,426	\$22,069	\$22,731	\$23,413	\$24,115	\$24,839
Total Potential Revenue	\$201,037	\$201,608	\$210,538	\$211,902	\$212,526	\$213,169	\$213,831	\$223,272	\$224,770	\$225,494
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$201,037	\$201,608	\$210,538	\$211,902	\$212,526	\$213,169	\$213,831	\$223,272	\$224,770	\$225,494

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Parkway Drug										
Potential Tenant Revenue										
Base Rental Income	\$24,417	\$33,662	\$43,546	\$44,373	\$85,048	\$88,746	\$88,746	\$88,746	\$88,746	\$88,746
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$2,929	\$3,017	\$3,107	\$3,200	\$3,296	\$3,395	\$3,497	\$3,602	\$3,710	\$3,821
Total Potential Revenue	\$27,345	\$36,679	\$46,653	\$47,573	\$88,345	\$92,141	\$92,243	\$92,348	\$92,456	\$92,567
Potential Tenant Costs										
Tenant Improvements	\$0	(\$15,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$15,000)	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	(\$15,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$15,000)	\$0
Tenant Net Cash Flow	\$27,345	\$21,679	\$46,653	\$47,573	\$88,345	\$92,141	\$92,243	\$92,348	\$77,456	\$92,567

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
101 Tanners										
Potential Tenant Revenue										
Base Rental Income	\$71,100	\$75,600	\$75,600	\$75,600	\$75,600	\$78,687	\$80,892	\$80,892	\$80,892	\$80,892
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$7,908	\$8,145	\$8,389	\$8,641	\$8,900	\$9,167	\$9,442	\$9,725	\$10,017	\$10,318
Total Potential Revenue	\$79,008	\$83,745	\$83,989	\$84,241	\$84,500	\$87,854	\$90,334	\$90,617	\$90,909	\$91,210
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$79,008	\$83,745	\$83,989	\$84,241	\$84,500	\$87,854	\$90,334	\$90,617	\$90,909	\$91,210

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
102 Movie Gallery										
Potential Tenant Revenue										
Base Rental Income	\$69,525	\$72,900	\$72,900	\$72,900	\$72,900	\$75,026	\$76,545	\$76,545	\$76,545	\$76,545
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$7,908	\$8,145	\$8,389	\$8,641	\$8,900	\$9,167	\$9,442	\$9,725	\$10,017	\$10,318
Total Potential Revenue	\$77,433	\$81,045	\$81,289	\$81,541	\$81,800	\$84,193	\$85,987	\$86,270	\$86,562	\$86,863
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$77,433	\$81,045	\$81,289	\$81,541	\$81,800	\$84,193	\$85,987	\$86,270	\$86,562	\$86,863

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
103 Linda's Liquor										
Potential Tenant Revenue										
Base Rental Income	\$33,600	\$36,400	\$38,400	\$38,400	\$38,400	\$39,744	\$40,704	\$40,704	\$40,704	\$40,704
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$3,514	\$3,620	\$3,729	\$3,840	\$3,956	\$4,074	\$4,196	\$4,322	\$4,452	\$4,586
Total Potential Revenue	\$37,114	\$40,020	\$42,129	\$42,240	\$42,356	\$43,818	\$44,900	\$45,026	\$45,156	\$45,290
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	(\$8,183)	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,737)	\$0
Total Potential Costs	\$0	(\$8,183)	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,737)	\$0
Tenant Net Cash Flow	\$37,114	\$31,837	\$42,129	\$42,240	\$42,356	\$43,818	\$44,900	\$45,026	\$36,419	\$45,290

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
104 Subway										
Potential Tenant Revenue										
Base Rental Income	\$34,800	\$37,200	\$37,200	\$38,068	\$39,804	\$39,804	\$39,804	\$39,804	\$40,733	\$42,590
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$3,514	\$3,620	\$3,729	\$3,840	\$3,956	\$4,074	\$4,196	\$4,322	\$4,452	\$4,586
Total Potential Revenue	\$38,314	\$40,820	\$40,929	\$41,908	\$43,760	\$43,878	\$44,000	\$44,126	\$45,185	\$47,176
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$38,314	\$40,820	\$40,929	\$41,908	\$43,760	\$43,878	\$44,000	\$44,126	\$45,185	\$47,176

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
105 Scotch Dry Cleaners										
Potential Tenant Revenue										
Base Rental Income	\$19,200	\$19,200	\$19,200	\$19,360	\$20,160	\$20,160	\$20,160	\$20,160	\$20,160	\$20,160
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$1,757	\$1,810	\$1,864	\$1,920	\$1,978	\$2,037	\$2,098	\$2,161	\$2,226	\$2,293
Total Potential Revenue	\$20,957	\$21,010	\$21,064	\$21,280	\$22,138	\$22,197	\$22,258	\$22,321	\$22,386	\$22,453
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$20,957	\$21,010	\$21,064	\$21,280	\$22,138	\$22,197	\$22,258	\$22,321	\$22,386	\$22,453

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
106 Martial Arts Studio										
Potential Tenant Revenue										
Base Rental Income	\$45,600	\$48,600	\$48,600	\$49,005	\$51,030	\$51,030	\$51,030	\$51,030	\$51,030	\$51,030
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$5,272	\$5,430	\$5,593	\$5,761	\$5,933	\$6,111	\$6,295	\$6,484	\$6,678	\$6,878
Total Potential Revenue	\$50,872	\$54,030	\$54,193	\$54,766	\$56,963	\$57,141	\$57,325	\$57,514	\$57,708	\$57,908
Potential Tenant Costs										
Tenant Improvements	\$0	(\$9,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,000)	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	(\$9,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,000)	\$0
Tenant Net Cash Flow	\$50,872	\$45,030	\$54,193	\$54,766	\$56,963	\$57,141	\$57,325	\$57,514	\$48,708	\$57,908

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
107 Pizza Supreme										
Potential Tenant Revenue										
Base Rental Income	\$19,000	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$20,256	\$20,352	\$20,352	\$20,352
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursment	\$1,757	\$1,810	\$1,864	\$1,920	\$1,978	\$2,037	\$2,098	\$2,161	\$2,226	\$2,293
Total Potential Revenue	\$20,757	\$21,010	\$21,064	\$21,120	\$21,178	\$21,237	\$22,354	\$22,513	\$22,578	\$22,645
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	(\$2,880)	\$0	\$0	\$0	\$0	(\$3,050)	\$0	\$0	\$0
Total Potential Costs	\$0	(\$2,880)	\$0	\$0	\$0	\$0	(\$3,050)	\$0	\$0	\$0
Tenant Net Cash Flow	\$20,757	\$18,130	\$21,064	\$21,120	\$21,178	\$21,237	\$19,304	\$22,513	\$22,578	\$22,645

Tenant Cash Flow Analysis



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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
108 Insta-Tan										
Potential Tenant Revenue										
Base Rental Income	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$38,750	\$39,000	\$39,000	\$39,000	\$40,300
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$4,393	\$4,525	\$4,661	\$4,800	\$4,944	\$5,093	\$5,246	\$5,403	\$5,565	\$5,732
Total Potential Revenue	\$41,893	\$42,025	\$42,161	\$42,300	\$42,444	\$43,843	\$44,246	\$44,403	\$44,565	\$46,032
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$41,893	\$42,025	\$42,161	\$42,300	\$42,444	\$43,843	\$44,246	\$44,403	\$44,565	\$46,032

Tenant Cash Flow Analysis



13241 Brookhurst Blvd
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Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
109 Kid's Plus										
Potential Tenant Revenue										
Base Rental Income	\$50,400	\$50,400	\$50,850	\$53,720	\$56,817	\$56,817	\$56,817	\$56,817	\$57,480	\$60,794
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$5,272	\$5,430	\$5,593	\$5,761	\$5,933	\$6,111	\$6,295	\$6,484	\$6,678	\$6,878
Total Potential Revenue	\$55,672	\$55,830	\$56,443	\$59,480	\$62,750	\$62,928	\$63,112	\$63,301	\$64,158	\$67,673
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$55,672	\$55,830	\$56,443	\$59,480	\$62,750	\$62,928	\$63,112	\$63,301	\$64,158	\$67,673

Tenant Cash Flow Analysis



13241 Brookhurst Blvd
Westminster, CA 92663

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
110 Avonti										
Potential Tenant Revenue										
Base Rental Income	\$42,000	\$42,000	\$42,000	\$42,350	\$44,100	\$44,100	\$44,100	\$44,100	\$44,100	\$44,100
Lease-up Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Reimbursement	\$4,393	\$4,525	\$4,661	\$4,800	\$4,944	\$5,093	\$5,246	\$5,403	\$5,565	\$5,732
Total Potential Revenue	\$46,393	\$46,525	\$46,661	\$47,150	\$49,044	\$49,193	\$49,346	\$49,503	\$49,665	\$49,832
Potential Tenant Costs										
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$46,393	\$46,525	\$46,661	\$47,150	\$49,044	\$49,193	\$49,346	\$49,503	\$49,665	\$49,832



13241 Brookhurst Blvd
Westminster, CA 92663

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CASH FLOW (a/t) - To Date	\$136,457	\$263,528	\$399,025	\$534,484	\$694,492	\$856,837	\$1,018,043	\$1,179,358	\$1,336,703	\$1,491,950
Net Proceeds from Resale	\$1,849,764	\$2,088,500	\$2,295,537	\$2,394,416	\$2,854,377	\$3,013,589	\$3,138,681	\$3,297,934	\$3,417,323	\$3,582,745
Invested Capital	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)	(\$1,742,700)
Net Return on Investment	\$243,521	\$609,328	\$951,862	\$1,186,200	\$1,806,169	\$2,127,726	\$2,414,024	\$2,734,592	\$3,011,326	\$3,331,995
Internal Rate of Return	13.97%	16.74%	16.63%	15.14%	16.98%	16.14%	15.32%	14.79%	14.22%	13.84%
Modified IRR	13.97%	16.44%	16.10%	14.51%	16.03%	15.09%	14.22%	13.63%	13.02%	12.60%
NPV (cash flow + reversion)	\$157,480	\$370,077	\$569,491	\$666,353	\$1,028,219	\$1,157,023	\$1,250,091	\$1,355,123	\$1,410,468	\$1,496,283
PV (NOI + reversion)	\$5,839,116	\$6,159,651	\$6,420,032	\$6,553,385	\$6,987,899	\$7,143,087	\$7,254,386	\$7,373,978	\$7,451,726	\$7,543,444

Footnotes: a/t = after taxes; Modified IRR = Modified Internal Rate of Return; PV = Present Value; NPV = Net Present Value; NOI = Net Operating Income
Reversion = Amount received from the resale; Net Return on Investment = Cash Flow (a/t To Date) + Net Proceeds from Resale - Invested Capital.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
GROSS SCHEDULED INCOME	\$696,796	\$724,346	\$747,112	\$755,503	\$807,804	\$821,594	\$829,936	\$841,215	\$846,099	\$855,142
General Vacancy	(\$17,420)	(\$18,109)	(\$18,678)	(\$18,888)	(\$20,195)	(\$20,540)	(\$20,748)	(\$21,030)	(\$21,152)	(\$21,379)
Total Operating Expenses	(\$106,081)	(\$109,378)	(\$112,608)	(\$115,492)	(\$119,739)	(\$122,939)	(\$126,062)	(\$129,356)	(\$132,549)	(\$135,954)
NET OPERATING INCOME	\$573,295	\$596,860	\$615,826	\$621,123	\$667,870	\$678,115	\$683,126	\$690,829	\$692,397	\$697,809
Loan Payment	(\$370,864)	(\$404,579)	(\$404,579)	(\$404,579)	(\$404,579)	(\$404,579)	(\$404,579)	(\$404,579)	(\$404,579)	(\$404,579)
Capital Costs	\$0	(\$35,063)	\$0	\$0	\$0	\$0	(\$3,050)	\$0	(\$32,737)	\$0
NET CASH FLOW (b/t)	\$202,431	\$157,218	\$211,247	\$216,544	\$263,291	\$273,535	\$275,497	\$286,249	\$255,081	\$293,230
Cash On Cash Return b/t	11.62%	9.02%	12.12%	12.43%	15.11%	15.70%	15.81%	16.43%	14.64%	16.83%
NET OPERATING INCOME	\$573,295	\$596,860	\$615,826	\$621,123	\$667,870	\$678,115	\$683,126	\$690,829	\$692,397	\$697,809
Depreciation & Amortization	(\$112,005)	(\$116,706)	(\$116,706)	(\$116,706)	(\$116,706)	(\$116,706)	(\$116,706)	(\$116,706)	(\$116,706)	(\$116,706)
Loan Interest	(\$300,240)	(\$321,016)	(\$313,630)	(\$305,591)	(\$296,841)	(\$287,318)	(\$276,953)	(\$265,673)	(\$253,394)	(\$240,031)
TAXABLE INCOME (LOSS)	\$164,935	\$163,023	\$189,376	\$202,711	\$258,208	\$277,976	\$293,352	\$312,336	\$326,182	\$344,958
Income Taxes	(\$65,974)	(\$65,209)	(\$75,750)	(\$81,085)	(\$103,283)	(\$111,190)	(\$117,341)	(\$124,934)	(\$130,473)	(\$137,983)
CASH FLOW (a/t)	\$136,457	\$127,071	\$135,497	\$135,459	\$160,008	\$162,345	\$161,206	\$161,315	\$157,345	\$155,247
Cash On Cash Return a/t	7.83%	7.29%	7.78%	7.77%	9.18%	9.32%	9.25%	9.26%	9.03%	8.91%

Footnotes: b/t = before taxes; a/t = after taxes

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Property Value	\$6,034,684	\$6,282,735	\$6,482,384	\$6,538,135	\$7,030,211	\$7,138,049	\$7,190,798	\$7,271,881	\$7,288,391	\$7,345,360
Resale Expenses	(\$301,734)	(\$314,137)	(\$324,119)	(\$326,907)	(\$351,511)	(\$356,902)	(\$359,540)	(\$363,594)	(\$364,420)	(\$367,268)
Proceeds b/f Debt Payoff	\$5,732,950	\$5,968,598	\$6,158,264	\$6,211,228	\$6,678,701	\$6,781,146	\$6,831,258	\$6,908,287	\$6,923,971	\$6,978,092
Original Property Value	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000	\$5,550,000
Capital Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	(\$103,419)	(\$216,239)	(\$329,060)	(\$441,880)	(\$554,701)	(\$667,521)	(\$780,342)	(\$893,162)	(\$1,005,983)	(\$1,118,803)
Adjusted Tax Basis	\$5,446,581	\$5,333,761	\$5,220,940	\$5,108,120	\$4,995,299	\$4,882,479	\$4,769,658	\$4,656,838	\$4,544,017	\$4,431,197
Resale Tax Gain (Loss)	\$286,369	\$634,838	\$937,324	\$1,103,108	\$1,683,402	\$1,898,668	\$2,061,600	\$2,251,449	\$2,379,954	\$2,546,895
Resale Tax Benefit (Cost)	(\$68,810)	(\$149,285)	(\$222,864)	(\$275,936)	(\$391,185)	(\$451,681)	(\$504,325)	(\$561,008)	(\$608,489)	(\$661,735)
Loan Principal Balance	(\$3,814,376)	(\$3,730,813)	(\$3,639,864)	(\$3,540,876)	(\$3,433,138)	(\$3,315,877)	(\$3,188,251)	(\$3,049,345)	(\$2,898,160)	(\$2,733,612)
Net Proceeds from Resale	\$1,849,764	\$2,088,500	\$2,295,537	\$2,394,416	\$2,854,377	\$3,013,589	\$3,138,681	\$3,297,934	\$3,417,323	\$3,582,745
Resale Cap Rate	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%

Footnotes: b/f = before



13241 Brookhurst Blvd
Westminster, CA 92663

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent Multiplier	8.66	8.67	8.68	8.65	8.70	8.69	8.66	8.64	8.61	8.59
Capitalization Rate	10.33%	10.75%	11.10%	11.19%	12.03%	12.22%	12.31%	12.45%	12.48%	12.57%
Cash On Cash Return b/t	11.62%	9.02%	12.12%	12.43%	15.11%	15.70%	15.81%	16.43%	14.64%	16.83%
Cash On Cash Return a/t	7.83%	7.29%	7.78%	7.77%	9.18%	9.32%	9.25%	9.26%	9.03%	8.91%
Debt Coverage Ratio	1.55	1.48	1.52	1.54	1.65	1.68	1.69	1.71	1.71	1.72
Gross Income per Sq. Ft.	\$15.08	\$15.68	\$16.17	\$16.35	\$17.48	\$17.78	\$17.96	\$18.21	\$18.31	\$18.51
Expenses per Sq. Ft.	(\$2.30)	(\$2.37)	(\$2.44)	(\$2.50)	(\$2.59)	(\$2.66)	(\$2.73)	(\$2.80)	(\$2.87)	(\$2.94)
Net Income Multiplier	10.53	10.53	10.53	10.53	10.53	10.53	10.53	10.53	10.53	10.53
Operating Expense Ratio	15.61%	15.49%	15.46%	15.68%	15.20%	15.35%	15.58%	15.77%	16.07%	16.31%
Loan To Value Ratio	63.21%	59.38%	56.15%	54.16%	48.83%	46.45%	44.34%	41.93%	39.76%	37.22%

Footnotes: b/t = before taxes; a/t = after taxes

Annual Property Operating Data



13241 Brookhurst Blvd
Westminster, CA 92663

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rental Income	\$629,142	\$654,663	\$675,338	\$681,576	\$731,659	\$743,164	\$749,154	\$758,009	\$760,397	\$766,868
Expense Reimbursements	\$67,654	\$69,684	\$71,774	\$73,927	\$76,145	\$78,430	\$80,782	\$83,206	\$85,702	\$88,273
Miscellaneous Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GROSS SCHEDULED INCOME	\$696,796	\$724,346	\$747,112	\$755,503	\$807,804	\$821,594	\$829,936	\$841,215	\$846,099	\$855,142
General Vacancy	(\$17,420)	(\$18,109)	(\$18,678)	(\$18,888)	(\$20,195)	(\$20,540)	(\$20,748)	(\$21,030)	(\$21,152)	(\$21,379)
GROSS OPERATING INCOME	\$679,376	\$706,237	\$728,434	\$736,615	\$787,609	\$801,054	\$809,188	\$820,184	\$824,946	\$833,763
Expenses										
Property Management Fee	(\$20,387)	(\$21,193)	(\$21,859)	(\$22,104)	(\$23,634)	(\$24,038)	(\$24,282)	(\$24,612)	(\$24,755)	(\$25,020)
Insurance	(\$7,514)	(\$7,739)	(\$7,972)	(\$8,211)	(\$8,457)	(\$8,711)	(\$8,972)	(\$9,241)	(\$9,519)	(\$9,804)
Utilities	(\$7,350)	(\$7,571)	(\$7,798)	(\$8,032)	(\$8,272)	(\$8,521)	(\$8,776)	(\$9,040)	(\$9,311)	(\$9,590)
Misc	(\$8,000)	(\$8,160)	(\$8,323)	(\$8,490)	(\$8,659)	(\$8,833)	(\$9,009)	(\$9,189)	(\$9,373)	(\$9,561)
Accounting/legal	(\$1,200)	(\$1,236)	(\$1,273)	(\$1,311)	(\$1,351)	(\$1,391)	(\$1,433)	(\$1,476)	(\$1,520)	(\$1,566)
Contract Services	(\$10,800)	(\$11,124)	(\$11,458)	(\$11,801)	(\$12,155)	(\$12,520)	(\$12,896)	(\$13,283)	(\$13,681)	(\$14,092)
Repair/Maintenance	(\$8,840)	(\$9,105)	(\$9,378)	(\$9,660)	(\$9,949)	(\$10,248)	(\$10,555)	(\$10,872)	(\$11,198)	(\$11,534)
Taxes - Real Estate	(\$41,990)	(\$43,250)	(\$44,547)	(\$45,884)	(\$47,260)	(\$48,678)	(\$50,138)	(\$51,642)	(\$53,192)	(\$54,787)
TOTAL OPERATING EXPENSES	(\$106,081)	(\$109,378)	(\$112,608)	(\$115,492)	(\$119,739)	(\$122,939)	(\$126,062)	(\$129,356)	(\$132,549)	(\$135,954)

Annual Property Operating Data



13241 Brookhurst Blvd
Westminster, CA 92663

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
NET OPERATING INCOME	\$573,295	\$596,860	\$615,826	\$621,123	\$667,870	\$678,115	\$683,126	\$690,829	\$692,397	\$697,809

Property Equity Analysis



