

FINANCIAL MODEL

7.3% CASH FLOW - 26% IRR - 10.8% CAP RATE - 2.9X MULTIPLE

Financial Model	2026	2027	2028	2029	2030
Potential Base Rent	\$970,230	\$999,337	\$1,019,324	\$1,039,710	\$1,060,504
Absorption & Turnover Vacancy	\$0	\$20,000	\$10,000	\$0	\$0
Free Rent	\$0	\$0	\$0	\$0	\$0
Scheduled Base Rent	\$970,230	\$979,337	\$1,009,324	\$1,039,710	\$1,060,504
+Expense Reimbursement Revenue	\$134,335	\$137,022	\$139,762	\$142,557	\$145,409
+Percentage Rent	\$104,026	\$104,026	\$104,026	\$104,026	\$104,026
Potential Gross Income	\$1,208,591	\$1,220,385	\$1,253,112	\$1,286,293	\$1,309,939
-General Vacancy Loss	\$0	\$0	\$0	\$0	\$0
Effective Gross Revenue	\$1,208,591	\$1,220,385	\$1,253,112	\$1,286,293	\$1,309,939
Operating Expenses					
- Utilities	\$16,472.00	\$16,966.16	\$17,475.14	\$17,999.40	\$18,539.38
-Insurance	\$32,072.00	\$33,034.16	\$34,025.18	\$35,045.94	\$36,097.32
-Property Taxes	\$87,175.00	\$89,790.25	\$92,483.96	\$95,258.48	\$98,116.23
-Property Management	\$48,344.00	\$49,794.32	\$51,288.15	\$52,826.79	\$54,411.60
-Property Maintenance	\$41,134.00	\$42,368.02	\$43,639.06	\$44,948.23	\$46,296.68
Total Operating Expenses	\$225,197	\$231,953	\$238,911	\$246,079	\$253,461
Net Operating Income	\$983,394	\$988,432	\$1,014,200	\$1,040,215	\$1,056,478
Below NOI Costs					
-Tenant Improvements	\$25,000	\$25,000	\$25,000	\$0	\$0
-Leasing Commissions	\$2,000	\$3,500	\$4,000	\$4,000	\$4,000
-Capital Reserve	\$0	\$0	\$0	\$0	\$0
-CapEx	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
-Admin Fee	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
-Asset Management Fee	\$91,000	\$91,000	\$91,000	\$91,000	\$91,000
Total Leasing, Capital, & Asset Management Costs	\$213,000	\$214,500	\$215,000	\$190,000	\$190,000
Cash Flow Before Debt Services	\$770,394	\$773,932	\$799,200	\$850,215	\$866,478
Debt Service	\$380,443	\$380,443	\$380,443	\$380,443	\$380,443
Net Distributable Cash Flow	\$389,951	\$393,489	\$418,757	\$469,772	\$486,035
Net-Net to the Partner	6.7%	6.7%	7.2%	8.0%	8.3%

SENSITIVITY ANALYSIS

7.3% CASH FLOW - 26% IRR - 10.8% CAP RATE - 2.9X MULTIPLE

Sensitivity Analysis

Cap Rate	Exit NOI	Net Exit Value	IRR	Net Profit	Equity Multiple
5.5%	\$1,056,478	\$19,208,684	31.2%	\$3,591,210	3.6x
6.0%	\$1,056,478	\$17,607,960	28.4%	\$3,227,882	3.2x
6.5%	\$1,056,478	\$16,253,502	26.0%	\$2,941,719	2.9x
7.0%	\$1,056,478	\$15,092,538	23.6%	\$2,675,042	2.7x
7.5%	\$1,056,478	\$14,086,368	21.4%	\$2,453,906	2.5x

NOI Sensitivity

NOI Adjustment	Exit NOI	Net Exit Value	IRR	Net Profit	Equity Multiple
90%	\$903,288	\$13,896,744	20.3%	\$2,359,865	2.4x
95%	\$1,003,654	\$15,440,827	24.2%	\$2,742,189	2.7x
100%	\$1,056,478	\$16,253,502	26.0%	\$2,941,719	2.9x
105%	\$1,109,302	\$17,066,177	27.8%	\$3,144,635	3.1x
110%	\$1,162,125	\$17,878,852	29.5%	\$3,345,857	3.3x

Sample Investment	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Sample 5-Yr Hold Investment	(\$1,000,000)					
Annual Cash Distribution		\$66,772	\$67,378	\$71,705	\$80,440	\$83,225
Return of Capital						\$1,000,000
Excess Return						\$1,572,198
Total Cash Flow	(\$1,000,000)	\$66,772	\$67,378	\$71,705	\$80,440	\$2,655,423
Annualized Rate of Return						26.0%
Equity Multiple						2.9x