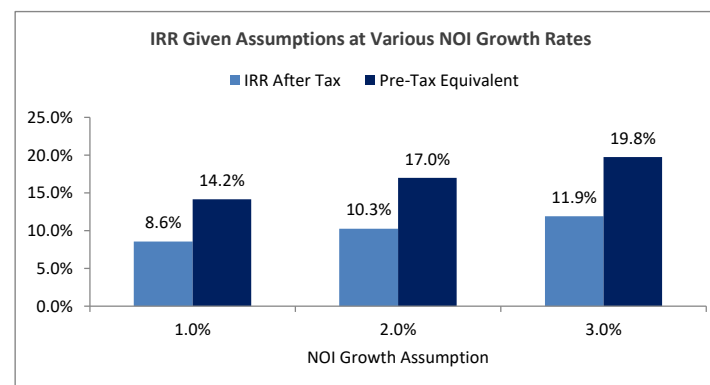


	Assumed NOI Growth: 1.0%		2.0%		3.0%	
	Year 1	Year 7	Year 1	Year 7	Year 1	Year 7
NOI	844,162	896,095	844,162	950,664	844,162	1,007,974
- Debt Service	459,193	459,193	459,193	459,193	459,193	459,193
Pre-Tax Cash Flow	384,969	436,902	384,969	491,471	384,969	548,781
NOI	844,162	896,095	844,162	950,664	844,162	1,007,974
- Interest	315,721	268,517	315,721	268,517	315,721	268,517
- Cost Recovery	243,811	243,811	243,811	243,811	243,811	243,811
Net Taxable Income	284,630	383,767	284,630	438,336	284,630	495,646
Net Taxable Income	284,630	383,767	284,630	438,336	284,630	495,646
x Income Tax Rate	39.6%	39.6%	39.6%	39.6%	39.6%	39.6%
Taxes	112,713	151,972	112,713	173,581	112,713	196,276
Pre-Tax Cash Flow	384,969	436,902	384,969	491,471	384,969	548,781
-Taxes	112,713	151,972	112,713	173,581	112,713	196,276
Cash Flow After Tax	272,256	284,930	272,256	317,890	272,256	352,505
Sales Price		11,993,554		12,849,892		13,758,112
- Cost of Selling		539,710		578,245		619,115
Adjusted Sales Price		11,453,844		12,271,647		13,138,997
Acquisition Price		11,186,604		11,186,604		11,186,604
- Total Cost Recovery		1,706,677		1,706,677		1,706,677
Adjusted Basis		9,479,927		9,479,927		9,479,927
Adjusted Sales Price		11,453,844		12,271,647		13,138,997
- Adjusted Basis		9,479,927		9,479,927		9,479,927
Taxable Gain		1,973,917		2,791,720		3,659,070
Gain from Cost Recovery Recapture		1,706,677		1,706,677		1,706,677
x Recapture Tax Rate		25.0%		25.0%		25.0%
Recapture Tax		426,669		426,669		426,669
Balance of Gain		267,240		1,085,043		1,952,393
x Capital Gains Tax Rate		20.0%		20.0%		20.0%
Add'l Capital Gains Tax		53,448		217,009		390,479
Total Tax Due		480,117		643,678		817,148
Sales Price		11,993,554		12,849,892		13,758,112
- Minus Loan Balance		5,548,967		5,548,967		5,548,967
Gross Proceeds		6,444,587		7,300,925		8,209,145
- Minus Cost of Selling		539,710		578,245		619,115
- Minus Taxes Due		480,117		643,678		817,148
Net Proceeds After Taxes		5,424,760		6,079,002		6,772,882
Cash Flow After Tax Year 1		272,256		272,256		272,256
Cash Flow After Tax Year 2		274,596		279,695		284,794
Cash Flow After Tax Year 3		276,854		287,204		297,657
Cash Flow After Tax Year 4		279,023		294,782		310,852
Cash Flow After Tax Year 5		281,097		302,423		324,387
Cash Flow After Tax Year 6		283,068		310,127		338,269
7th Year Cash Flow A/T		284,930		317,890		352,505
Net Proceeds After Taxes		5,424,760		6,079,002		6,772,882
Total Cash After Tax Year 7		5,709,690		6,396,892		7,125,387
IRR After Tax		8.6%		10.3%		11.9%
Pre-Tax Equivalent at 39.6% Tax Rate		14.2%		17.0%		19.8%

Hypothetical IRR Assumptions

Purchase Price	11,186,604	Loan Interest	4.75%
Down Payment	4,474,642	Loan Years	25
Loan	6,711,962	Annual Debt Service	459,193
Cap Rate on Purchase	7.55%	Allocation to Improvements	85.0%
EOY 5 Year Sales Price Cap Rate	7.55%	Cost Recovery Basis	9,508,613
Cost of Selling	4.50%	Cost Recovery Years	39.0
		Annual Cost Recovery	243,811
Investor Tax Bracket	39.6%	NOI Growth Assumption 1	1.00%
Capital Gains Tax Rate		NOI Growth Assumption 2	2.00%
Recapture Tax Rate		NOI Growth Assumption 3	3.00%
NOI	844,162		

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