



Project Name: Commercial Investment Summary sample (DEMO)

Property Address: 12345 Ocean Breeze Ave.

Redondo Beach, CA. 90250

Total Building Sq Ft 52,000

Estimated Value \$10,500,000

Cost / Sq Ft \$202

Proposed Financing (1st TD) \$6,300,000 60.00%

Cap Rate 5.86%

Subordinate Financing (2nd TD) \$0 0.00%

Market Cap Rate 5.86%

Total Financing \$6,300,000 60.00%

Physical Vacancy 3.72%

Cash Down Payment \$4,200,000 40.00%

Economic Occupancy 97.83%

Total Net Rentable Area	Vacant Space	Monthly Rent	Rent SF	Annual Rent SF	Lease Type
47,559	1,768	\$80,000	\$1.68	\$20.19	Modified Gross

Three story multi-tenant mixed use Retail & Office building located in Hollywood Riviera area of Redondo Beach. Parking consists of three level with 194 spaces. There are two elevators and many suites have ocean views. Location is 1/2 block to the beach and walking distance to the Hollywood Riviera featuring restaurants, boutiques and office buildings. Total Net Rentable area is 43,031 with 39 suites.

Year Built 1980 # Stories 3 Lot Size 1.5 acres Type of Parking Covered

Amenities: Secured Parking, Security, professional on site management, ocean view office Suites, close to beach.

Total Current Base Rents: \$80,000

CAM RE Tax Reimbursement \$4,000

CAM / Insurance \$2,000

Storage \$1,000

Other Income (Including Vending) \$1,000

Utility Reimbursement \$2,500

Total Monthly Income: \$90,500

Total Gross Potential Income: \$1,086,000

Less Vacancy Allowance: (\$108,600) 10.00%

Total Gross Operating Income: \$977,400

Less Operating Expenses (\$361,777) 37.01%

Net Operating Income \$615,623

1st TD Debt Service 6.250% (\$465,482)

2nd TD Debt Service 0.000% \$0

Total Debt Service (\$465,482)

Cash Flow after Debt Service \$150,141

Cash on Cash Return (ROE) 3.57%

Estimated Principal Reduction \$71,732

Estimated Annual Depreciation \$216,667

Annual Operating Expenses

Real Estate Taxes \$62,895

Insurance \$22,937

Utilities \$71,339

Trash Disposal \$8,000

Building Maintenance & Repairs \$24,780

HVAC \$9,600

Elevator Maintenance \$14,268

Janitorial \$23,780

Payroll & Salaries (Security) \$5,136

Gardening / Landscaping \$5,760

Property Management \$42,137

General & Administrative \$27,780

Advertising & Marketing \$500

Contract Services \$11,890

Miscellaneous expenses \$10,534

Replacement Reserves \$5,000

TI's & LC's \$0

Total Operating Expenses \$346,336

% Gross Operating Income: 35.43%

Expense Per Sq Ft: \$6.66

Stress Test Analysis

Breakeven Interest Rate 9.134%

Breakeven Vacancy 23.825%

Breakeven Occupancy 76.175%

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COMMERCIAL LEASE SUMMARY

PROJECT NAME
ADDRESS

Commercial Investment Summary sample (DEMO)
12345 Ocean Breeze Ave. Redondo Beach, CA. 90250

SUITE	TENANT	SQ Ft	Tenancy Date	ORIGINAL	LEASE	LEASE	MONTHLY	LEASE	ANNUAL	MONTHLY	ANNUAL	CAM	Lease	MARKET	MARKET	COMMENTS
				TENANCY	START	END	LEASE RENT	TERM	RENT SQ FT	RENT SQ FT	RENT		Type	RENT SQ FT	RENT	
1	Chiropractic Center	2,761	6%	05/01/02	05/01/02	04/01/09	\$4,460	6.92	\$19.38	\$1.62	\$53,520				\$0	
2	Italian Restaurant	3,960	8%	03/01/00	03/01/00	03/01/10	\$5,912	10.01	\$17.92	\$1.49	\$70,944				\$0	
3	Sushi Bar	4,189	9%	07/01/00	07/01/00	01/31/14	\$4,189	13.59	\$12.00	\$1.00	\$50,268				\$0	
4	Pool Billiards	550	1%	01/08/00	01/08/00	01/31/16	\$1,100	16.07	\$24.00	\$2.00	\$13,200				\$0	
5	Women's Gym	2,310	5%	01/01/00	01/01/05	01/31/07	\$4,389	2.08	\$22.80	\$1.90	\$52,668				\$0	
6	Bakery	1,008	2%	08/01/02	08/01/02	01/31/07	\$2,300	4.50	\$27.38	\$2.28	\$27,600				\$0	
7	Doctor Office	738	2%	04/01/02	04/01/02	01/31/07	\$1,400	4.84	\$22.76	\$1.90	\$16,800				\$0	
8	ABC & Associates	310	1%	05/01/02	05/01/02	01/31/07	\$525	4.76	\$20.32	\$1.69	\$6,300				\$0	
9	International Counseling Services	500	1%	10/01/02	10/01/02	01/31/13	\$850	10.34	\$20.40	\$1.70	\$10,200				\$0	
10	CPA Office	850	2%	07/01/02	06/01/03	01/31/09	\$1,587	5.67	\$22.40	\$1.87	\$19,044				\$0	
11	Property Management Office	572	1%	01/01/03	01/01/04	01/31/09	\$900	5.09	\$18.88	\$1.57	\$10,800				\$0	
12	Law Office	916	2%	01/06/00	01/06/00	01/31/09	\$1,810	9.08	\$23.71	\$1.98	\$21,720				\$0	
13	A & B Financial	1,700	4%	06/01/01	06/01/04	01/31/11	\$2,975	6.67	\$21.00	\$1.75	\$35,700				\$0	
14	Insurance Office	1,100	2%	02/01/97	02/01/03	01/31/10	\$1,856	7.00	\$20.25	\$1.69	\$22,272				\$0	
15	CPA Office	522	1%	03/01/03	03/01/03	01/31/12	\$901	8.93	\$20.71	\$1.73	\$10,812				\$0	
16	Bright Corporation	530	1%	12/01/01	12/01/01	01/31/09	\$1,038	7.17	\$23.50	\$1.96	\$12,456				\$0	
17	Limousine Service	2,402	5%	04/01/02	04/01/02	01/31/09	\$3,000	6.84	\$14.99	\$1.25	\$36,000				\$0	
18	Law Office	2,000	4%	01/01/02	01/01/02	01/31/09	\$3,822	7.09	\$22.93	\$1.91	\$45,864				\$0	
19	Vacant	250	1%				\$400	-	\$19.20	\$1.60	\$4,800				\$0	
20	Smith Jones Accountants	3,337	7%	01/01/02	01/01/02	01/31/09	\$8,873	7.09	\$31.91	\$2.66	\$106,476				\$0	
21	Smith & Associates	2,558	5%	01/01/02	01/01/02	01/31/09	\$6,050	7.09	\$28.38	\$2.37	\$72,600				\$0	
22	Customer Service Associates	126	0%	01/01/00	01/01/00	01/31/09	\$240	9.09	\$22.86	\$1.90	\$2,880				\$0	
23	Consulting Group	596	1%				\$1,323	-	\$26.64	\$2.22	\$15,876				\$0	
24	Real Estate Brokers	3,000	6%	05/01/00	05/01/05	05/01/10	\$5,985	5.00	\$23.94	\$2.00	\$71,820				\$0	
25	John Jones, CPA	1,044	2%	11/01/01	11/01/01	01/31/19	\$2,800	17.26	\$32.18	\$2.68	\$33,600				\$0	
26	Sandy Johnson	251	1%				\$400	-	\$19.12	\$1.59	\$4,800				\$0	
27	Mortgage Company	2,384	5%	02/01/02	02/01/02	01/31/17	\$3,471	15.01	\$17.47	\$1.46	\$41,652				\$0	
28	Vacant	574	1%				\$850	-	\$17.77	\$1.48	\$10,200				\$0	
29	Hair Salon	350	1%	01/01/04	01/01/04	01/01/09	\$701	5.01	\$24.03	\$2.00	\$8,412				\$0	
30	Johnson Communications	1,227	3%	11/01/02	11/01/04		\$1,963	-	\$19.20	\$1.60	\$23,556				\$0	
31	Vacant	944	2%				\$1,550	-	\$19.70	\$1.64	\$18,600				\$0	
32	Computer Consulting	4,000	8%	01/01/02	01/01/05	01/01/09	\$4,000	4.00	\$12.00	\$1.00	\$48,000				\$0	
			0%					-	#DIV/0!	#DIV/0!	\$0				\$0	
			0%					-	#DIV/0!	#DIV/0!	\$0				\$0	
			0%					-	#DIV/0!	#DIV/0!	\$0				\$0	
			0%					-	#DIV/0!	#DIV/0!	\$0				\$0	
			0%					-	#DIV/0!	#DIV/0!	\$0				\$0	
			0%					-	#DIV/0!	#DIV/0!	\$0				\$0	

TOTAL	47,559	100%				\$81,620	7.59	\$20.59	\$1.72	\$979,440	\$0.00	\$0	\$0
Vacant (Physical Space)	1,768	3.72%	MTM	0	0.00%						\$0.00		
Leased	45,791	96%											

Tenancy Comments: Must include a discussion of how the vacant space is configured, i.e., size of bays for retail and full or partial floors for an office building, and how that configuration impacts our releasing analysis.

Actual Income			Market Income		
Total Monthly Economic Vacancy:	\$1,768	2.17%	Total Monthly Economic Vacancy:	\$1,768	2.17%
Total Annual Economic Vacancy:	\$21,216		Total Annual Economic Vacancy:	21,216	2.17%

COMMERCIAL LEASE EXPIRATION SCHEDULE

Project Name: Commercial Investment Summary sample (DEMO)
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 Redondo Beach, CA. 90250

Lease Expiration (Rollover) Schedule			FOOTNOTES
Year	Square Feet	% of Total	
2009	20,402	42.90%	1 (50% lease renewel pending)
2010	8,060	16.95%	
2011	1,700	3.57%	
2012	522	1.10%	
2013	500	1.05%	
2014	4,189	8.81%	
2015	0	0.00%	
2016	550	1.16%	
2017	2,384	5.01%	
2018	0	0.00%	
2019	1,044	2.20%	
2020	0	0.00%	
Beyond 2020	0	0.00%	
Month to Month	0	0.00%	
<u>Vacant</u>	1,768	3.72%	
Total Rollover	39,351	86.46%	

Comments:

- 1 High renewel probability with existing long term tenants.
- 2 _____
- 3 _____
- 4 _____
- 5 _____
- 6 _____
- 7 _____
- 8 _____
- 9 _____
- 10 _____
- 11 _____
- 12 _____
- 13 _____
- 14 _____
- 15 _____



Financing Options Addendum

www.WilshireLenders.com

www.WebVest.info

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Prepared for: **Demo Sample**

RE: Commercial Investment Summary sample (DE 12345 Ocean Breeze Ave.)

Redondo Beach, CA. 90250

Date: **6/1/2007**

CURRENT / MARKET RENTS	Current Rents	Current Rents	Current Rents	Current Rents	Current Rents
LOAN PROGRAM OPTIONS	ARM- 12 MAT	3-Year Fixed / ARM	5-Year Fixed / Balloon	7-Year Fixed / Balloon	10-Year Fixed / Balloon
PURCHASE PRICE / VALUE	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000
LOAN AMOUNT	\$6,764,000	\$6,764,000	\$6,494,000	\$6,494,000	\$6,328,000
LOAN TO VALUE (DCR)	64.42%	64.42%	61.85%	61.85%	60.27%
LOAN TO VALUE (Guidelines)	75%	75%	80%	80%	80%
DEBT COVERAGE RATIO	1.20	1.20	1.25	1.25	1.25
CURRENT INTEREST RATE	5.250%	5.900%	6.250%	6.500%	6.750%
VARIABLE RATE MARGIN	2.55%	2.65%	0.00%	0.00%	0.00%
CEILING (First Adjustment)	10.700%	11.250%	0.000%	0.000%	0.000%
LOAN TERM	30/30	30/30	30/5	30/7	30/10
AMORTIZATION IN YEARS	30	30	30	30	30
MONTHLY PAYMENT	\$37,351	\$40,120	\$39,985	\$41,046	\$41,043
RECOURSE	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable
IMPOUNDS	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance
PRE-PAYMENT	1.25, 1.25, 1.25	1.25, 1.25, 1.25	Yield Maintenance	Yield Maintenance	Yield Maintenance
LOAN FEE	1.00%	1.00%	1.00%	1.00%	1.00%

Current financing options from preliminary underwriting as of above date. Please call for current update. To complete a preliminary submission (underwriting pre-qual), please provide the following documentation: Current Rent Roll, 2007-2008 and 2009-YTD Income & Expense (operating history), current Financial Statement or 1003 loan application for the borrowing entity and all applicable individuals, copy of schedule of real estate owned with resume and or profile of property management experience and current credit report if available.

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

Operating History & Underwriting Analysis for: Commercial Investment Summary 12345 Ocean Breeze Ave. Redondo Beach, CA. 90250

	2007	2008	YTD-2009 12/31/2009	YTD-ANULZD 12	ACTUAL Current Rents	APPRAISAL Guidelines	FINAL UW	
Gross Potential Base Rent	883,944	930,468	973,572	973,572	960,000	960,000	960,000	
CAM RE Tax Reimbursement				0	48,000	48,000	48,000	
CAM / Insurance	11,538	13,824	17,280	17,280	24,000	24,000	24,000	
Storage	10,878	10,110	13,080	13,080	12,000	12,000	12,000	
Other Income (Including Vending)	7,974	4,926	7,680	7,680	12,000	12,000	12,000	
Utility Reimbursement	28,388	32,986	40,502	40,502	30,000	30,000	30,000	
Total Monthly Income:	942,722	992,314	1,052,114	1,052,114	1,086,000	1,086,000	1,086,000	
Less Economic Vacancy				0	(32,580)	(86,880)	(108,600)	10%
Gross Operating Income	942,722	992,314	1,052,114	1,052,114	1,053,420	999,120	977,400	
Economic Vacancy %	0.00%	0.00%	0.00%	0.00%	3.00%	8.00%	10.00%	
Economic Occupancy %	100.00%	100.00%	100.00%	100.00%	97.00%	92.00%	90.00%	
OPERATING EXPENSES:								
Real Estate Taxes	52,108	54,138	55,020	55,020	55,020	112,350	55,020	0.524%
Other Taxes & Assessments				0	7,875	7,875	7,875	
Licenses				0	1,500	1,500	1,500	
Insurance	7,168	7,255	7,255	7,255	22,937	23,400	23,400	\$0.45
Utilities	90,000	92,000	71,339	71,339	71,339	71,339	71,339	\$1.37
Trash Disposal	3,993	3,957	6,000	6,000	8,000	8,000	8,000	\$0.15
Pest Control				0	500	500	500	\$0.01
Building Maintenance & Repairs	32,031	12,898	15,170	15,170	23,780	23,780	23,780	\$0.46
HVAC	7,927	8,000	9,600	9,600	9,600	9,600	9,600	\$0.18
Elevator Maintenance	10,288	3,531	10,800	10,800	14,268	14,268	14,268	\$0.27
Janitorial	9,399	12,749	15,060	15,060	23,780	23,780	23,780	\$0.46
Cleaning & Operating Supplies				0	500	500	500	\$0.01
Payroll & Salaries (Security)	4,125	4,241	5,136	5,136	5,136	5,136	5,136	\$0.10
Payroll Taxes / Workers Comp				0	1,500	1,500	1,500	\$0.03
Telephone & Communications				0	500	500	500	\$0.01
Legal & Professional Fees				0	500	500	500	\$0.01
Gardening / Landscaping	3,975	3,986	5,760	5,760	5,760	5,760	5,760	\$0.11
Property Management				0	42,137	39,965	39,096	4.00%
General & Administrative	761	31,971	39,734	39,734	23,780	23,780	23,780	\$0.46
Advertising & Marketing				0	500	500	500	\$0.01
Contract Services	5,032	11,812	14,669	14,669	11,890	11,890	11,890	\$0.23
Miscellaneous expenses				0	10,534	9,991	9,774	1.00%
TOTAL OPERATING EXPENSES	\$226,807	\$246,538	\$255,543	\$255,543	\$341,336	396,414	337,998	
Replacements / Reserves	25,000	10,000	5,000	5,000	5,000	23,780	23,780	\$0.46
TOTAL EXPENSES & RESERVES	\$251,807	\$256,538	\$260,543	\$260,543	\$346,336	420,193	361,777	
Expenses / Sq Foot	\$5.29	\$5.39	\$5.48	\$5.48	\$7.28	\$8.84	\$7.61	
Expenses / EGL %	26.71%	25.85%	24.76%	24.76%	32.88%	42.06%	37.01%	
NET OPERATING INCOME	\$690,915	\$735,776	\$791,571	\$791,571	\$707,084	\$578,927	\$615,623	
1st TD Debt Service	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	
DSCR (Qualifying)	1.48	1.58	1.70	1.70	1.52	1.24	1.32	
2nd TD Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Combined Debt Service	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	(\$465,482)	
COMBINED DSCR (Qualifying)	1.48	1.58	1.70	1.70	1.52	1.24	1.32	
TI's & LC's				0				
Net Cash Flow (Less TI's & LC's)	\$690,915	\$735,776	\$791,571	\$791,571	\$707,084	\$578,927	\$615,623	
Below The Line DCR (TI's & LC's)					1.52	1.24	1.32	
Historical Capital Improvements	25,000	50,000	10,000					
Breakeven Vacancy					25.25%	18.45%	23.83%	
Breakeven Interest Rate					10.774%	8.456%	9.134%	
Cap Rate					6.734%	5.514%	5.863%	
Loan Amount	\$6,300,000		Interest Rate	6.250%	Qualifying Rate	6.250%	1ST TD LTV	60.00%
Estimated Value	\$10,500,000		Amortization	30		CLTV	60.00%	
Total Sq Ft (NRA)	47,559		Subordinate Financing (2nd TD)	\$0	0.00%	Rate	99	Amortization

APPRAISAL GUIDELINE ESTIMATE CAP RATE SIZER

Cap Rate Sizer	NOI	Cap Rate	Value	% Max LTV	Max Loan	LTV to Sales Price
	\$578,927	6.500%	\$8,906,569	75.00%	\$6,679,927	63.62%

Maximum loan amount based on LTV & Cap Rate guidelines: \$6,679,927
 Purchase Price \$10,500,000
 % Loan to Purchase Price 63.62%

DEBT COVERAGE RATIO SIZER ANALYSIS

DCR SIZER-CURRENT RENTS	
ACTUAL RENTS	
NOI	\$707,084
NOI for DS	\$565,667
Minimum DCR	1.250
Max Loan / DCR	\$7,655,939
Interest Rate	6.250%
Amortization	360
Loan to Value	72.91%

DCR SIZER-MARKET RENTS	
APPRAISAL GUIDELINES	
NOI	\$578,927
NOI for DS	\$463,142
Minimum DCR	1.250
Max Loan / DCR	\$6,268,321
Interest Rate	6.250%
Amortization	360
Loan to Value	59.70%

DCR SIZER	
FINAL UNDERWRITING	
NOI	\$615,623
NOI for DS	\$492,498
Minimum DCR	1.250
Max Loan / DCR	\$6,665,647
Interest Rate	6.250%
Amortization	360
Loan to Value	63.48%

COMMENTS

2007 Operating History: Borrower acquired subject property in 2007

2007 Operating History: _____

2007 Operating History: _____

2008 Operating History: Borrower completed electrical fixture retrofit and efficiency upgrade to reduce utility expenses.

2008 Operating History: _____

2008 Operating History: _____

2009 YTD Annualized: _____

2009 YTD Annualized: _____

2009 YTD Annualized: _____

Actual / Current Rents: _____

Market Rents: _____

Final Underwriting (UW): _____

2007 Replacements: _____

2008 Replacements: _____

2009 Replacements: _____

2007 Capital Improvements: _____

2008Capital Improvements: _____

2009 Capital Improvements: _____

COMMENTS

EXIT STRATEGY

Long term holding plan. Permanant long term fixed rate financing for 7 to 10 year terms.
