



MULTIFAMILY INVESTMENT SUMMARY ANALYSIS

PROJECT NAME:		TOTAL # UNITS	34
PROPERTY ADDRESS	6021-6029 Carlton Way	COST PER UNIT	\$119,118
CITY, STATE, ZIP CODE	Los Angeles, CA. Property Type	CURRENT GRM	9.61
		MARKET GRM	7.09
PROPOSED SALES PRICE	\$4,050,000	CURRENT CAP RATE	6.63%
PROPOSED FINANCING (1ST TD)	\$2,632,500 65.00% 6.250%	MARKET CAP RATE	9.11%
SECONDARY FINANCING		TOTAL BUILDING SQ FT	28,272
TOTAL FINANCING	\$2,632,500 65.00%	AVERAGE UNIT SIZE	822
CASH DOWN PAYMENT	\$1,417,500 35.00%	AVERAGE RENT / UNIT	\$1,017

# UNITS	APARTMENT UNIT MIX:	LOW	HIGH	MKT RENT	UNIT SIZE
11	1 Bdr / 1 Bath	\$708	\$1,102	\$1,200	691
6	2 Bdr / 1 Bath	\$846	\$1,425	\$1,425	728
7	2 Bdr / 2 Bath	\$1,054	\$1,553	\$1,575	809
6	3 Bdr / 2 Bath	\$1,097	\$1,682	\$1,700	1,279
1	Single / 1 Bath	\$1,045	\$1,045	\$1,045	500
1	Commercial	\$1,500	\$1,500	\$1,500	1,000
1	Commercial	\$1,000	\$1,000	\$1,000	750
1	Commercial	\$500	\$500	\$500	400

	CURRENT	MARKET		Annual Operating Expenses
Total Scheduled Monthly Rents:	\$34,566	\$47,020		Real Estate Taxes \$47,750
Laundry	\$350	\$350		Other Taxes & Assessments \$3,100
Parking				Licenses \$680
Vending	\$200	\$200		Insurance \$7,068
Total Monthly Scheduled Income	\$35,116	\$47,570		Utilities \$26,549
Total Gross Annual Scheduled Income	\$421,392	\$570,840		Trash \$5,057
Less Vacancy Allowance 3%	(\$12,642)	(\$28,542)	5%	Maintenance & Repairs \$9,300
Effective Gross Income (EGI)	\$408,750	\$542,298		Apartment Turnover \$3,000
Less Operating Expenses <u>34.30%</u>	(\$140,215)	(\$173,535)	<u>32.00%</u>	Gardening \$3,600
Net Operating Income	\$268,536	\$368,763		Professional Mgt \$15,536
Debt Service 1st TD	(\$194,505)	(\$194,505)		Resident Mgr Salary
Debt Service 2nd TD				Resident Mgr Apt Allowance \$9,600
Total Debt Service	(\$194,505)	(\$194,505)		General & Administrative \$1,500
Total Cash Flow	\$74,031	\$174,258		Advertising & Marketing \$775
Total Cash on Cash Return	5.22%	12.29%		Payroll & Salaries
Estimated Principal Reduction (1st TD)	\$41,030	\$41,030		Miscellaneous expenses \$500
Estimated Annual Depreciation	\$89,237	\$89,237		Replacement Reserves \$6,200
				Total: \$140,215

Year Built: 1963	Lot Size 23,940	Total Bldg Sq Ft 28,272	<i>Total Expense/Unit:</i> \$4,124
Gas Utility Meters: Separate Meters			<i>Total Expense % EGI:</i> 34.30%
Electric Utility Meters: Separate Meters		Type of Parking: Sub-Terr	
# of Stories: 2-Story		Amenities: Laundry facility.	
Laundry Room Yes	COMMENTS: 34 Apartments + 3 Retail (ground floor) suites.		

WFP makes no warranty or representation about the content of this investment summary. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The above information is from sources deemed to be reliable. Please complete your own due diligence and investigations.

	2007	2008	YTD-2009 4/1/2009	YTD-ANULZD 3	ACTUAL Current Rents	APPRAISAL Guidelines	FINAL UW	
Gross Potential Base Rent	315,799	403,677	0	0	414,792	402,252	402,252	
Laundry	0	4,200	0	0	4,200	4,200	4,200	
Parking	0	7,440	0	0	0	0	0	
Vending	0	2,400	0	0	2,400	2,400	2,400	
Gross Potential Income	315,799	417,717	0	0	421,392	408,852	408,852	
Less: Physical Vacancy	0	0	0	0	(8,428)	2% (20,443)	5% (20,443)	5%
Less: Concessions & Delinquency	0	0	0	0	0	0%	0	0%
Total Economic Vacancy	0	0	0	0	(8,428)	(20,443)	(20,443)	
% Total Economic Vacancy	0.00%	0.00%	#DIV/0!	#DIV/0!	2.00%	5.00%	5.00%	
EFFECTIVE GROSS INCOME (EGI)	315,799	417,717	0	0	412,964	388,409	388,409	
OPERATING EXPENSES:								
Real Estate Taxes	53,316	50,347	0	0	47,750	47,750	47,750	1.179%
Other Taxes & Assessments	0	0	0	0	3,100	3,100	3,100	0.077%
Licenses	0	0	0	0	680	680	680	\$20
Insurance	4,024	4,389	0	0	7,068	7,068	7,068	\$0.25
Gas	0	8,456	0	0	8,709	8,709	8,709	\$256
Electric	0	0	0	0	0	0	0	\$0
Water & Sewer	0	0	0	0	0	0	0	\$0
Trash	0	4,910	0	0	5,057	5,057	5,057	\$12.39
Undetailed Combined Utilities	19,638	17,321	0	0	17,840	17,840	17,840	\$525
Pest Control	0	0	0	0	850	850	850	\$25
Building Maintenance & Repairs	4,400	0	0	0	10,200	10,200	10,200	\$300
Pool Maintenance	0	0	0	0	0	0	0	\$0
Elevator Maintenance	0	0	0	0	0	0	0	\$0
Turnover Decorating (Interior & Exterior)	0	0	0	0	3,400	3,400	3,400	\$100
Cleaning & Operating Supplies	0	3,600	0	0	1,700	1,700	1,700	\$50
Payroll (Janitorial, Salaries, Security)	0	0	0	0	0	0	0	\$0
Payroll Taxes / Workers Comp	0	0	0	0	0	0	0	#DIV/0!
Telephone & Communications	0	0	0	0	1,020	1,020	1,020	\$2.50
Legal & Professional Fees	0	0	0	0	1,700	1,700	1,700	\$50
Gardening / Landscaping	6,600	3,600	0	0	3,600	3,600	3,600	\$8.82
Non Resident Manager (Off Site)	0	0	0	0	15,536	15,536	15,536	4.00%
Resident Mgr Salary	0	0	0	0	0	0	0	\$0
Resident Mgr Apt Allowance	0	2,400	0	0	2,400	8,400	8,400	\$700
General & Administrative	0	0	0	0	0	1,700	1,700	\$50
Advertising & Marketing	1,100	0	0	0	0	850	850	\$25
Contract Services	0	0	0	0	0	0	0	
Miscellaneous expenses	0	0	0	0	0	0	0	0.00%
TOTAL OPERATING EXPENSES	\$89,078	\$95,022	\$0	\$0	\$130,610	139,160	139,160	
Replacements / Reserves	0	0	0	0	0	9,350	9,350	\$275
TOTAL EXPENSES & REP. RESERVES	\$89,078	\$95,022	\$0	\$0	\$130,610	148,510	148,510	
Expenses / Sq Foot	\$3.15	\$3.36	\$0.00	\$0.00	\$4.62	\$5.25	\$5.25	
Expenses / EGI %	28.21%	22.75%	#DIV/0!	#DIV/0!	31.63%	38.24%	38.24%	
Expenses / Per Unit	\$2,620	\$2,795	\$0	#DIV/0!	\$3,841	\$4,368	\$4,368	
NET OPERATING INCOME	\$226,721	\$322,695	\$0	\$0	\$282,354	\$239,900	\$239,900	
1st TD Debt Service	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	
DSCR (Qualifying)	1.17	1.66	0.00	0.00	1.45	1.23	1.23	
2nd TD Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Combined Debt Service	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	(\$194,505)	
COMBINED DSCR (Qualifying)	1.17	1.66	0.00	0.00	1.45	1.23	1.23	
Capital Improvements	\$0	\$210,000	\$0	\$0	N/A			
Stress Test DCR Rate	6.250%				1.45	1.23	1.23	
Breakeven Vacancy					22.85%	16.10%	16.10%	
Breakeven Interest Rate					10.219%	8.366%	8.366%	
Cap Rate					6.972%	5.923%	5.923%	



Prepared for: Demo

RE: Carlton Way Mixed-Use Apartments

6021-6029 Carlton Way Los Angeles, CA. 90028

Date: 5/20/2009

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	\$4,050,000	\$4,050,000	\$4,050,000	\$4,050,000	\$4,050,000
LOAN AMOUNT	\$3,017,000	\$2,809,000	\$2,598,000	\$2,598,000	\$2,668,000
LOAN TO VALUE (DCR)	74%	69%	64%	64%	66%
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%	5.430%	5.830%	5.930%
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	\$16,660	\$16,661	\$15,996	\$15,996	\$15,996
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%

COMMENTS

Current financing options from preliminary underwriting as of above date. Please call for current update. These quotes have been underwritten with complete rent roll and prior two (2) years operating history, plus the year to date profit & loss statement. Maximum loan dollars is available with program # 1 (Adjustable), qualified at 5.25% with a 1.20 DCR.

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