



7/13/2009

Requested Program:	5 Year Fixed-Balloon		
Interest Rate:	7.250%	Amortization:	30
Borrowing Entity:	TBD (Listing pre-qual).		
Primary Guarantor:			
RE Assets:			
Credit Mid-Score:			
Liquid Assets:			
Estimated Net Worth:			
# Years Experience:			

Broker Company:			
Contact Person:	Lee O'Donnell		
Address:	1990 S. Bundy Drive, Suite 630		
City:	Los Angeles		
State / Zip:	CA.	90066	
Phone:	(310) 614-1579	Extension:	
FAX:	(310) 362-8989	Alternate Fax:	
E-mail Address:	<a href="mailto:lee@wilshirefp.com">lee@wilshirefp.com</a>		
Website:	<a href="http://www.wilshirelenders.com">www.wilshirelenders.com</a>		

**FINANCING REQUEST TRANSACTION SUMMARY**

PURCHASE		REFINANCE	
Sales Price:	\$5,000,000	Date Acquired:	
Cash Down:	\$1,500,000 30.00%	Original Cost:	
Requested Financing (1st TD):	\$3,500,000 70.00%	Existing Debt:	
Subordinate Financing:	\$0 0.00%	New 1st TD:	#DIV/0!
Total Financing:	\$3,500,000 70.00%	Subordinate Debt:	\$0 #DIV/0!
Total Cash Down Payment:	\$1,500,000 30.00%	Total Financing:	\$0 #DIV/0!
Source of Dn. Payment:		Net Proceeds:	\$0
Estimated Value:		Renovation Cost:	
Existing Lender:			

**SELF STORAGE TRANSACTION COMMENTS**

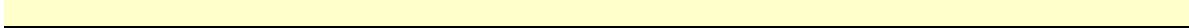
Project Name:	Freeway Visibility Self Storage DEMO		
Property Address:	12345 Freeway Highway		
City / State / Zip:	Los Angeles, CA. 90066	County:	L.A. County
Type of Construction:	Masonry block, metal roofs, metal roll up doors and asphalt driveways.		

Number Of Storage Units:	Current	Stabilized	# of Storage Units	538
Occupancy:	75.00%	80.00%	Net Rentable Area (NRA)	62,322
Total Monthly Income Storage Units	\$78,460	\$78,460	Gross Building Area (GBA)	64,929
Other Income	\$1,000	\$1,000	Year Built	1988
Ancillary Income	\$1,000	\$1,000	Climate Control	Yes
Outside Parking	\$500	\$500	Security Gate	Yes
Total Monthly Income	\$80,960	\$80,960	Avg Unit Size (Sq Ft)	473
<b>Total Annual Scheduled Income</b>	<b>\$971,520</b>	<b>\$971,520</b>	Lot Size (Acres)	2.25 Acres
Less Vacancy 25.00%	(\$242,880)	(194,304)	# of Stories	2
<b>Gross Operating Income</b>	<b>\$728,640</b>	<b>\$777,216</b>	# of Buildings	5
Less Expenses	(\$272,601)	(\$272,601)	Elevator Served	No
<b>Net Operating Income (NOI)</b>	<b>\$456,039</b>	<b>\$504,615</b>	Video Surveillance	Yes
Debt Service 1st TD 7.250%	(\$286,514)	(\$286,514)	RV, Boat or Car Storage	Yes
Debt Service 2nd TD 0.000%	\$0	\$0	Good signage & freeway visibility	
Total Debt Service	(\$286,514)	(\$286,514)	Easy access (Ingress & Egress)	
DCR 1st TD	1.60	1.76	Heavy Daily Traffic Count (44,000)	
CDCR	1.60	1.76	Automated Entrance Gate	



Other Amenities: 24 hour video surveillance.

Other Amenities:



**INVESTMENT FEATURES**

**OPERATING EXPENSES (Underwriting)**

	Current	Stabilized
Cash Flow	\$169,525	\$218,101
% Cash on Cash Return (ROE)	11.30%	14.54%
Principal Reduction	\$32,764	\$32,764
Cap Rate (Current / Stabilized)	9.12%	10.09%
Average Rent per Sq Ft	\$1.26	
Cost / Value per Sq Ft (GBA)	\$77.01	
1st TD LTV	70.00%	
CLTV	70.00%	
% Occupancy (Current Rents)	75.00%	
% Occupancy (Stabilized Rents)	80.00%	
Loan per Sq Ft (GBA)	\$53.91	

Real Estate Taxes	\$61,100
Other Taxes & Assessments	\$5,000
Business License	\$1,500
Insurance	\$25,972
Trash	\$3,500
Utilities (Combined)	\$7,500
Maintenance & Repairs	\$25,000
Elevator Maintenance	\$7,200
Operating Supplies	\$5,000
Payroll (Janitorial, Salaries)	\$36,000
Payroll Taxes	\$5,400
Telephone/Communications	\$780
Legal & Professional Fees	\$1,500
Gardening / Landscaping	\$3,600
Property Management	\$38,861
Resident Manager	\$0
General & Administrative	\$5,000
Advertising & Marketing	\$5,000
Contract Services	\$3,600
Miscellaneous expenses	\$7,772
Replacement Reserves	23,316

**STRESS TEST**

Breakeven Interest Rate	14.209%
Breakeven Occupancy	57.55%
Breakeven Vacancy	42.45%

Total Operating Expenses	\$272,601
Expenses %	25.66%
Expenses per Sq Ft	\$4.20

**BORROWER PROFILE**

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**PROPERTY MANAGEMENT**

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**FINANCIAL PERFORMANCE / OPERATING HISTORY**

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	2007	2008	YTD-2009 12/31/2009	YTD-ANULZD 12	Actual Current Rents	Stabilized Market Rents	FINAL UW
<b>Freeway Visibility Self Storage DEMO</b>							
Total Annual Income Storage Units	760,000	800,000	848,040	848,040	941,520	941,520	941,520
Other Income	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Ancillary Income	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Outside Parking	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total Gross Scheduled Income	790,000	830,000	878,040	878,040	971,520	971,520	971,520
Less Vacancy & Collection Loss	(219,510)	(219,510)	(219,510)	(219,510)	(242,880)	(194,304)	(194,304)
% Vacancy & Collection Loss	27.79%	26.45%	25.00%	25.00%	25.00%	20.00%	20.00%
Gross Operating Income	570,490	610,490	658,530	658,530	728,640	777,216	777,216
<b>Operating Expenses</b>							
Real Estate Taxes	40,000	45,000	47,500	47,500	61,100	61,100	61,100
Other Taxes & Assessments	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Business License	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Insurance	24,480	26,500	28,800	28,800	28,800	25,972	25,972
Trash	2,900	3,000	3,500	3,500	3,500	3,500	3,500
Utilities (Combined)	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Maintenance & Repairs	17,500	19,500	25,000	25,000	25,000	25,000	25,000
Elevator Maintenance	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Operating Supplies	3,500	4,000	5,000	5,000	5,000	5,000	5,000
Payroll (Janitorial, Salaries)	30,000	33,000	36,000	36,000	36,000	36,000	36,000
Payroll Taxes	4,000	4,500	5,400	5,400	5,400	5,400	5,400
Telephone/Communications	780	780	780	780	780	780	780
Legal & Professional Fees	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Gardening / Landscaping	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Property Management	28,524	30,524	35,122	35,122	35,122	38,861	38,861
Resident Manager	0	0	0	0	0		
General & Administrative	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Advertising & Marketing	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Contract Services	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Miscellaneous expenses	2,500	10,000	7,024	7,024	7,024	7,772	7,772
<b>TOTAL OPERATING EXPENSES</b>	<b>\$194,084</b>	<b>\$216,704</b>	<b>\$234,026</b>	<b>\$234,026</b>	<b>\$247,626</b>	<b>\$249,285</b>	<b>\$249,285</b>
Replacement Reserves			10,000	10,000	21,708	23,316	23,316
<b>TOTAL EXPENSES &amp; RESERVES</b>	<b>\$194,084</b>	<b>\$216,704</b>	<b>\$244,026</b>	<b>\$244,026</b>	<b>\$269,334</b>	<b>\$272,601</b>	<b>\$272,601</b>
Expenses %	24.57%	26.11%	26.65%	26.65%	25.49%	25.66%	25.66%
Expenses per Sq Ft (GBA)	\$2.99	\$3.34	\$3.76	\$3.76	\$4.15	\$4.20	\$4.20
<b>NET OPERATING INCOME</b>	<b>\$376,406</b>	<b>\$393,786</b>	<b>\$414,504</b>	<b>\$414,504</b>	<b>\$459,306</b>	<b>\$504,615</b>	<b>\$504,615</b>
1st TD Debt Service	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)
<b>DSCR (Qualifying)</b>	<b>1.31</b>	<b>1.37</b>	<b>1.45</b>	<b>1.45</b>	<b>1.60</b>	<b>1.76</b>	<b>1.76</b>
2nd TD Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Combined Debt Service	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)	(\$286,514)
<b>COMBINED DSCR (Qualifying)</b>	<b>1.31</b>	<b>1.37</b>	<b>1.45</b>	<b>1.45</b>	<b>1.60</b>	<b>1.76</b>	<b>1.76</b>
Capital Improvements (CAPEX)							

Breakeven Interest Rate					12.838%	14.209%	14.209%
Breakeven Vacancy					42.786%	42.449%	42.449%
<b>Cap Rate</b>					<b>9.186%</b>	<b>10.092%</b>	<b>10.092%</b>

<b>Loan Amount</b>	\$3,500,000	Interest Rate	7.250%	Qualifying Rate	7.250%	<b>1ST TD LTV</b>	70.00%
<b>Estimated Value</b>	\$5,000,000	Amortization	30			<b>CLTV</b>	70.00%
<b>Total Sq Ft (GBA)</b>	64,929	Subordinate Financing (2nd TD)	\$0	Rate (2nd TD)	0.00%	99	Amortization

## APPRAISAL GUIDELINE ESTIMATE CAP RATE SIZER

Cap Rate Sizer	NOI	Cap Rate	Value	% Max LTV	Max Loan	LTV to Sales Price
	\$504,615	10.000%	\$5,046,150	75.00%	\$3,784,612	75.69%

Maximum loan amount based on LTV &amp; Cap Rate guidelines:

\$3,784,612

Purchase Price

\$5,000,000

% Loan to Purchase Price

75.69%



Project Name:	Freeway Visibility Self Storage DEMO			
Property Address	12345 Freeway Highway	Total Building Sq Ft	64,929	
	Los Angeles, CA. 90066	Cost / Sq Ft	\$77	
<b>Purchase Price</b>	<b>\$5,000,000</b>	Cap Rate	9.12%	
<b>Proposed Financing (1st TD)</b>	<b>\$3,500,000</b>	70.00%	Market Cap Rate	10.09%
<b>Subordinate Financing (2nd TD)</b>	<b>\$0</b>	0.00%	% Occupancy (Current Rents)	75.00%
<b>Total Financing</b>	<b>\$3,500,000</b>	70.00%	% Occupancy (Stabilized Rents)	80.00%
<b>Cash Down Payment</b>	<b>\$1,500,000</b>	30.00%	Land Area	2.25 Acres

	Current	Stabilized		# of Storage Units	538
Occupancy:	75.00%	80.00%		Net Rentable Area	62,322
Total Monthly Income Storage Units	\$78,460	\$78,460		Gross Building Area	64,929
Other Income	\$1,000	\$1,000		Year Built	1988
Ancillary Income	\$1,000	\$1,000		Climate Control	Yes
Outside Parking	\$500	\$500		Security Gate	Yes
Total Monthly Income	\$80,960	\$80,960		Avg Unit Size (Sq Ft)	473
<b>Total Annual Scheduled Income</b>	<b>\$971,520</b>	<b>\$971,520</b>		# of Stories	2
Vacancy 25%	(\$242,880)	(194,304)	20%	# of Buildings	5
<b>Gross Operating Income</b>	<b>\$728,640</b>	<b>\$777,216</b>		Elevator Served	No
Less Expenses	(\$269,334)	(\$269,334)		Video Surveillance	Yes
<b>Net Operating Income (NOI)</b>	<b>\$459,306</b>	<b>\$504,615</b>		RV, Boat or Car Storage	Yes
Debt Service 1st TD	(\$286,514)	(\$286,514)	7.250%	Average Rent per Sq Ft	\$1.26
Debt Service 2nd TD	\$0	\$0	0.000%	Good signage & freeway visibility	
Total Debt Service	(\$286,514)	(\$286,514)		Easy access (Ingress & Egress)	
Cash Flow	\$169,525	\$218,101		Heavy Daily Traffic Count (44,000)	
% Cash on Cash Return (ROE)	11.30%	14.54%		Automated Entrance Gate	
Principal Reduction	\$32,764	\$32,764			
Depreciation	111,111	\$111,111			

### OPERATING EXPENSES (Underwriting)

Real Estate Taxes	\$61,100
Other Taxes & Assessments	\$5,000
Business License	\$1,500
Insurance	\$28,800
Trash	\$3,500
Utilities (Combined)	\$7,500
Maintenance & Repairs	\$25,000
Elevator Maintenance	\$7,200
Operating Supplies	\$5,000
Payroll (Janitorial, Salaries)	\$36,000
Gardening / Landscaping	\$3,600
Property Management	\$35,122
General & Administrative	\$12,680
Advertising & Marketing	\$5,000
Contract Services	\$3,600
Miscellaneous expenses	\$7,024
Replacement Reserves	21,708
<b>Total Operating Expenses</b>	<b>\$269,334</b>
Expenses %	34.65%
Expenses per Sq Ft	\$4.15

### STRESS TEST

Breakeven Interest Rate	14.21%
Breakeven Occupancy	57.55%
Breakeven Vacancy	42.45%

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