



Fitzgerald Dr



| Property Info                     |               |
|-----------------------------------|---------------|
| Purchase Price                    | \$ 165,000.00 |
| Down Payment                      |               |
| Estimated Closing Costs           | \$ 2,475.00   |
| Rehab Expenses                    | \$ -          |
| Acquisition Fee                   | \$ 4,500.00   |
| Short Term Reserves (*Admin only) | \$ 1,000.00   |
| GRM Test                          | 118           |

|                                             |               |
|---------------------------------------------|---------------|
| Total Property Investment                   | \$ 172,975.00 |
| Long Term Pre Funded Reserves (*Admin only) | \$ 5,000.00   |
| Leasing Fee & LLC Setup (*Admin only)       | \$ 1,000.00   |
| Year Built                                  | 2007          |
| Square Feet                                 | 1616          |
| Bedrooms                                    | 3             |
| Bathrooms                                   | 2             |

| Financed Income Breakdown    |             |
|------------------------------|-------------|
| Monthly Rent                 | \$ 1,400.00 |
| Monthly Principal & Interest | \$ 728.91   |
| Monthly Taxes                | \$ 241.67   |
| Monthly Insurance            | \$ 54.17    |
| PITI Monthly                 | \$ 1,024.74 |

| Cash on Cash Returns |                                     |
|----------------------|-------------------------------------|
| 5.13%                | Client Average Cash on Cash 5 Year  |
| 5.18%                | Client Average Cash on Cash 7 Year  |
| 5.25%                | Client Average Cash on Cash 10 Year |
| Cap Rate             | 6.82%                               |

| Assumptions                  |        |
|------------------------------|--------|
| Down Payment                 | 20.00% |
| Closing Costs                | 1.50%  |
| Interest Rate                | 5.25%  |
| Property Management Fee      | 8.00%  |
| Vacancy/Repairs              | 10.00% |
| Annual Appreciation (YR 1-3) | 9.00%  |
| Annual Appreciation (YR 4+)  | 4.00%  |
| Annual Rent Increase         | 2.50%  |
| Closing Costs on Future Sale | 7.50%  |

| Proposed Appreciation Table |               |              |
|-----------------------------|---------------|--------------|
| 1                           | \$ 165,000.00 | \$ 14,850.00 |
| 2                           | \$ 179,850.00 | \$ 16,186.50 |
| 3                           | \$ 196,036.50 | \$ 17,643.29 |
| 4                           | \$ 213,679.79 | \$ 8,547.19  |
| 5                           | \$ 222,286.98 | \$ 8,889.08  |
| 6                           | \$ 231,116.06 | \$ 9,244.64  |
| 7                           | \$ 240,360.70 | \$ 9,614.43  |
| 8                           | \$ 249,975.13 | \$ 9,999.01  |
| 9                           | \$ 259,974.13 | \$ 10,398.97 |

| Income      |              |              |              |              |              |              |              |              |              |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| End of YEAR | 1            | 2            | 3            | 4            | 5            | 6            | 7            | 8            | 9            |
| Gross Rent  | \$ 16,800.00 | \$ 17,220.00 | \$ 17,650.50 | \$ 18,091.76 | \$ 18,544.06 | \$ 19,007.66 | \$ 19,482.85 | \$ 19,969.92 | \$ 20,469.17 |

| Expenses                            |              |             |             |             |              |              |              |              |              |
|-------------------------------------|--------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|
| Taxes                               | \$ 2,900.00  | \$ 3,161.00 | \$ 3,445.49 | \$ 3,583.31 | \$ 3,726.64  | \$ 3,875.71  | \$ 4,030.74  | \$ 4,191.97  | \$ 4,359.64  |
| Insurance                           | \$ 650.00    | \$ 650.00   | \$ 650.00   | \$ 650.00   | \$ 650.00    | \$ 650.00    | \$ 650.00    | \$ 650.00    | \$ 650.00    |
| HOA                                 | \$ 400.00    | \$ 400.00   | \$ 400.00   | \$ 400.00   | \$ 400.00    | \$ 400.00    | \$ 400.00    | \$ 400.00    | \$ 400.00    |
| Property Management                 | \$ 1,344.00  | \$ 1,377.60 | \$ 1,412.04 | \$ 1,447.34 | \$ 1,483.52  | \$ 1,520.61  | \$ 1,558.63  | \$ 1,597.59  | \$ 1,637.53  |
| Vacancy/Repairs                     | \$ 400.00    | \$ 1,722.00 | \$ 1,765.05 | \$ 1,809.18 | \$ 1,854.41  | \$ 1,900.77  | \$ 1,948.28  | \$ 1,996.99  | \$ 2,046.92  |
| LLC Compliance Costs** (Admin Only) | \$ 250.00    | \$ 250.00   | \$ 250.00   | \$ 250.00   | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    |
| Net Operating Income                | \$ 11,256.00 | \$ 9,659.40 | \$ 9,727.92 | \$ 9,951.94 | \$ 10,179.48 | \$ 10,410.57 | \$ 10,645.20 | \$ 10,883.37 | \$ 11,125.07 |
| No Mortgage: Cash Purchase          |              |             |             |             |              |              |              |              |              |

| Profits and Contingent Fees                         |               |               |               |               |               |               |               |               |               |
|-----------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Gross Profits                                       | \$ 11,256.00  | \$ 9,659.40   | \$ 9,727.92   | \$ 9,951.94   | \$ 10,179.48  | \$ 10,410.57  | \$ 10,645.20  | \$ 10,883.37  | \$ 11,125.07  |
| Monthly Gross Cash Flow                             | \$ 938.00     | \$ 804.95     | \$ 810.66     | \$ 829.33     | \$ 848.29     | \$ 867.55     | \$ 887.10     | \$ 906.95     | \$ 927.09     |
| <b>Client Cash on Cash Return WITHOUT ADMIN</b>     | <b>6.51%</b>  | <b>5.58%</b>  | <b>5.62%</b>  | <b>5.75%</b>  | <b>5.88%</b>  | <b>6.02%</b>  | <b>6.15%</b>  | <b>6.29%</b>  | <b>6.43%</b>  |
| Owner Minimum Threshold Return (*Admin only)        | 4.00%         |               |               |               |               |               |               |               |               |
| Bedrock Administration Fee (*Admin only)            | \$ 800.00     | \$ 800.00     | \$ 800.00     | \$ 800.00     | \$ 800.00     | \$ 800.00     | \$ 800.00     | \$ 800.00     | \$ 800.00     |
| Net Profits after Fees                              | \$ 3,537.00   | \$ 1,940.40   | \$ 2,008.92   | \$ 2,232.94   | \$ 2,460.48   | \$ 2,691.57   | \$ 2,926.20   | \$ 3,164.37   | \$ 3,406.07   |
| Owner Performance Bonus (*Admin only)               | \$ 2,829.60   | \$ 1,552.32   | \$ 1,607.14   | \$ 1,786.35   | \$ 1,968.39   | \$ 2,153.26   | \$ 2,340.96   | \$ 2,531.50   | \$ 2,724.86   |
| Bedrock Performance Bonus (*Admin only)             | \$ 707.40     | \$ 388.08     | \$ 401.78     | \$ 446.59     | \$ 492.10     | \$ 538.31     | \$ 585.24     | \$ 632.87     | \$ 681.21     |
| Total Property Investment                           | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 | \$ 172,975.00 |
| Owner Total Return                                  | \$ 9,748.60   | \$ 8,471.32   | \$ 8,526.14   | \$ 8,705.35   | \$ 8,887.39   | \$ 9,072.26   | \$ 9,259.96   | \$ 9,450.50   | \$ 9,643.86   |
| <b>Client Cash on Cash Return after ADMIN costs</b> | <b>5.64%</b>  | <b>4.90%</b>  | <b>4.93%</b>  | <b>5.03%</b>  | <b>5.14%</b>  | <b>5.24%</b>  | <b>5.35%</b>  | <b>5.46%</b>  | <b>5.58%</b>  |

| Other NON cash on cash sources of RETURNS                                                                       |               |              |              |              |               |               |               |               |               |
|-----------------------------------------------------------------------------------------------------------------|---------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Principal Reduction Annual: None Cash Purchase                                                                  | YEAR 1        | YEAR 2       | YEAR 3       | YEAR 4       | YEAR 5        | YEAR 6        | YEAR 7        | YEAR 8        | YEAR 9        |
| Principal Reduction Cumulative: None Cash Purchase                                                              | \$ -          | \$ -         | \$ -         | \$ -         | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| Principal Reduction ALONE Annual Expressed as ROI                                                               | 0.00%         | 0.00%        | 0.00%        | 0.00%        | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%         |
| Cash on Cash + Principal Reduction                                                                              | 5.64%         | 4.90%        | 4.93%        | 5.03%        | 5.14%         | 5.24%         | 5.35%         | 5.46%         | 5.58%         |
| Conservative Appreciation                                                                                       | 3.00%         |              |              |              |               |               |               |               |               |
| Conservative Appreciation ROI                                                                                   | 2.86%         | 2.95%        | 3.04%        | 3.13%        | 3.22%         | 3.32%         | 3.42%         | 3.52%         | 3.62%         |
| Proposed Appreciation                                                                                           | 9.00%         |              |              |              |               |               |               |               |               |
| Cumulative Equity Gain                                                                                          | \$ 14,850.00  | \$ 31,036.50 | \$ 48,679.79 | \$ 57,226.98 | \$ 66,116.06  | \$ 75,360.70  | \$ 84,975.13  | \$ 94,974.13  | \$ 105,373.10 |
| Hypothetical Appreciation as ROI based on Property Investment                                                   | 8.59%         | 9.36%        | 10.20%       | 4.94%        | 5.14%         | 5.34%         | 5.56%         | 5.78%         | 6.01%         |
| Cumulative Equity Gain with Hypothetical Appreciation                                                           | \$ 14,850.00  | \$ 31,036.50 | \$ 48,679.79 | \$ 57,226.98 | \$ 66,116.06  | \$ 75,360.70  | \$ 84,975.13  | \$ 94,974.13  | \$ 105,373.10 |
| Profit in Event of Sale with Hypothetical Appreciation                                                          | \$ (6,613.75) | \$ 8,358.76  | \$ 24,678.80 | \$ 32,584.95 | \$ 40,807.35  | \$ 49,358.65  | \$ 58,251.99  | \$ 67,501.07  | \$ 77,120.11  |
| Gain / Loss in Event of Sale                                                                                    | -3.82%        | 4.83%        | 14.27%       | 18.84%       | 23.59%        | 28.54%        | 33.68%        | 39.02%        | 44.58%        |
| Cash on Cash + Principal Reduction+ Hypothetical Appreciation                                                   | 14.22%        | 14.26%       | 15.13%       | 9.97%        | 10.28%        | 10.59%        | 10.91%        | 11.24%        | 11.59%        |
| Depreciation / Tax Savings @ 28% Bracket                                                                        | \$ 1,344.00   | \$ 1,344.00  | \$ 1,344.00  | \$ 1,344.00  | \$ 1,344.00   | \$ 1,344.00   | \$ 1,344.00   | \$ 1,344.00   | \$ 1,344.00   |
| Depreciation ROI                                                                                                | 0.78%         | 0.78%        | 0.78%        | 0.78%        | 0.78%         | 0.78%         | 0.78%         | 0.78%         | 0.78%         |
| Year over year Comprehensive Return = Cash on Cash + Principal Reduction + Proposed Appreciation + Depreciation | 15.00%        | 15.03%       | 15.91%       | 10.75%       | 11.05%        | 11.37%        | 11.69%        | 12.02%        | 12.36%        |
| All Returns                                                                                                     | \$ 25,942.60  | \$ 26,001.82 | \$ 27,513.42 | \$ 18,596.54 | \$ 19,120.47  | \$ 19,660.90  | \$ 20,218.39  | \$ 20,793.50  | \$ 21,386.82  |
| Cumulative Returns                                                                                              | \$ 25,942.60  | \$ 51,944.42 | \$ 79,457.84 | \$ 98,054.38 | \$ 117,174.85 | \$ 136,835.75 | \$ 157,054.14 | \$ 177,847.64 | \$ 199,234.46 |
| Cumulative Comprehensive Return = Cash on Cash + Principal Reduction + Proposed Appreciation + Depreciation     | 15.00%        | 30.03%       | 45.94%       | 56.69%       | 67.74%        | 79.11%        | 90.80%        | 102.82%       | 115.18%       |

| Glossary and Assumptions        |                                                                                                                                                                                      |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appreciation                    | The Appreciation value is calculated cumulatively.                                                                                                                                   |
| Appreciation ROI                | Return as calculated from Appreciation to Total Property Investment                                                                                                                  |
| Cap Rate                        | Cap Rate is calculated by dividing the Net Operating Income by the Purchase Price.                                                                                                   |
| Cash on Cash Return             | The Cash on Cash Return is calculated by dividing the Annual Net Cash Flow by the Total Property Investment (TPI)                                                                    |
| Client Portfolio Bonus          | (2-3 Houses = .5%) (4-5 Houses = 1%) (6+ Houses = 1.5%)                                                                                                                              |
| Closing Costs                   | Percentage of closing costs adjusts based on loan amount. 100-150K=4%, 150K-200K=3.5%, & over 200K=3%                                                                                |
| Depreciation ROI                | Return based on depreciation to property investment                                                                                                                                  |
| Depreciation/Tax Savings        | Assuming Average 28% tax bracket                                                                                                                                                     |
| Principal Reduction             | The Principal Reduction is calculated cumulatively based off a 30 year amortization, fixed rate mortgage.                                                                            |
| Profit on Sale                  | The Profit on the Sale is calculated by taking the market value (Purchase Price and cumulative Appreciation), and subtracting Loan Amount, TPI and Closing Costs on the Future Sale. |
| Return on Investment (ROI)      | Return on Investment                                                                                                                                                                 |
| Taxes                           | Taxes increase at same rate of property appreciation                                                                                                                                 |
| Total Property Investment (TPI) | The Total Property Investment value is calculated by adding the Down Payment, Closing Costs, Rehab Expenses and the Prefunded Reserves/LLC Setup                                     |
| Vacancies/Repairs               | Vacancy/Repair expenses start in month 12 since the homes are typically rehabbed at the start of year 1.                                                                             |
| (*Admin only)                   | These ONLY apply when client also hires Bedrock Property Administration LLC to provide day to day Business management services on property.                                          |
| LLC Compliance Fees**           | Registered Agent \$52.00 yr, Managed Reporting \$49.00, Annual Filing fee with state \$150.00 - 300.00 yr (dependent on state)                                                       |