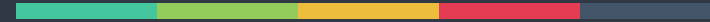


Rental Income	Year 1	Year 2	Year 3	Year 4	Year 5
GPR	\$2,009,748	\$2,263,624	\$2,364,536	\$2,436,455	\$2,510,562
LTL	(\$60,292)	(\$67,909)	(\$70,936)	(\$73,094)	(\$75,317)
Total GR	\$1,949,455	\$2,195,715	\$2,293,600	\$2,363,362	\$2,435,246
Concessions	(\$32,234)	(\$36,306)	(\$37,925)	(\$39,078)	(\$40,267)
Vacancy	(\$160,780)	(\$158,454)	(\$165,517)	(\$170,552)	(\$175,739)
Employee Units	\$0	\$0	\$0	\$0	\$0
Model	\$0	\$0	\$0	\$0	\$0
Bad Debt	(\$48,962)	(\$55,147)	(\$57,605)	(\$59,357)	(\$61,163)
Other Income	\$172,189	\$177,426	\$182,823	\$188,384	\$194,114
EGI	\$1,879,669	\$2,123,235	\$2,215,375	\$2,282,758	\$2,352,190
Expenses					
Payroll	(\$239,790)	(\$244,630)	(\$249,568)	(\$254,605)	(\$259,744)
Maintenance	(\$65,397)	(\$66,717)	(\$68,064)	(\$69,438)	(\$70,839)
Contract Services	(\$82,837)	(\$84,509)	(\$86,214)	(\$87,955)	(\$89,730)
Turn/ Make Ready	(\$43,598)	(\$44,478)	(\$45,376)	(\$46,292)	(\$47,226)
Advertising	(\$32,699)	(\$33,359)	(\$34,032)	(\$34,719)	(\$35,420)
Admin	(\$32,699)	(\$33,359)	(\$34,032)	(\$34,719)	(\$35,420)
Utilities	(\$190,742)	(\$194,592)	(\$198,520)	(\$202,527)	(\$206,615)
Mgmt. Fees	(\$65,788)	(\$74,313)	(\$77,538)	(\$79,897)	(\$82,327)
Taxes	(\$280,825)	(\$286,494)	(\$292,276)	(\$298,176)	(\$304,194)
Reserves	(\$54,000)	(\$54,000)	(\$54,000)	(\$54,000)	(\$54,000)
Insurance	(\$49,048)	(\$50,038)	(\$51,048)	(\$52,078)	(\$53,130)
Total Expenses	(\$1,137,424)	(\$1,166,489)	(\$1,190,668)	(\$1,214,405)	(\$1,238,644)
NOI	\$960,029	\$956,746	\$1,046,485	\$1,090,132	\$1,200,660
Debt Service	(\$581,090)	(\$581,090)	(\$443,522)	(\$443,522)	\$731,729)
Asset Mgmt. Fee	(\$40,195)	(\$45,272)	(\$47,291)	(\$48,729)	(\$50,211)
Cash Flow	\$338,743	\$330,383	\$555,673	\$597,881	\$418,719

PRO FORMA – YOUR BUSINESS PLAN



T-12 data is called the “actuals”

The Pro Forma is your business plan of what your income and expenses are Projected to be over the next 5 to 10 years, based on your Research and Rules of Thumbs

Key to your Proforma are your INCOME assumptions...

DEMO Analyzer

YOUR TURN... 25 MINUTE UNDERWRITING LAB

UPLOAD ANALYZER into Excel or GOOGLE SHEETS

- [Go to Link 24 in Bootcamp Portal sheet](#)
- Use Analyzer and Financials provided in folder UW Lab
– The Hamlins

FILL IN ANALYZER

- Demographics Property TAB
- Expenses TAB
- 5 YR Cash Flow Projections TAB
- A link to a solution model will be sent out after break
out rooms via chat



UNDERWRITING LOGISTICS



- | How do you decide which deals to underwrite?
 - ✓ Filter with Demographics & Investment Strategy
- | How do you know which deals are “good” to make offers on?
 - What is your investment criteria?
 - What do you want to return to your investors?
 - ✓ 8 - 10% Cash on Cash
 - ✓ 15 to 17% IRR for 5 yr deal (will be lower for longer deals)
 - ✓ >18.5% Simple Annualized Return
 - ✓ >1.9x Equity Multiple over 2 Years