

FINANCING REPORT

Analysis Date:

9/13/2017

1234 N. Main St

Kansas City, MO 64116

	Year 0 Acquisition	Year 1 Refinance	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Rental Operation																
Gross Operating Income		\$13,750	\$13,888	\$14,026	\$14,167	\$14,308	\$14,451	\$14,596	\$14,742	\$14,889	\$15,038	\$15,189	\$15,340	\$15,494	\$15,649	\$15,805
-Less Gross Operating Expenses		-\$6,500	-\$6,565	-\$6,631	-\$6,697	-\$6,764	-\$6,832	-\$6,900	-\$6,969	-\$7,039	-\$7,109	-\$7,180	-\$7,252	-\$7,324	-\$7,398	-\$7,472
Net Operating Income		\$7,250	\$7,323	\$7,396	\$7,470	\$7,544	\$7,620	\$7,696	\$7,773	\$7,851	\$7,929	\$8,009	\$8,089	\$8,169	\$8,251	\$8,334
Cash Flow Before Debt		\$7,250	\$7,323	\$7,396	\$7,470	\$7,544	\$7,620	\$7,696	\$7,773	\$7,851	\$7,929	\$8,009	\$8,089	\$8,169	\$8,251	\$8,334
Unlevered COCR		4.5%	4.6%	4.6%	4.7%	4.7%	4.8%	4.8%	4.9%	4.9%	5.0%	5.0%	5.1%	5.1%	5.2%	5.2%
Financing																
Starting Balance	\$116,000															
Interest Portion		-\$5,761	-\$5,674	-\$5,582	-\$5,485	-\$5,383	-\$5,276	-\$5,164	-\$5,046	-\$4,922	-\$4,791	-\$4,654	-\$4,510	-\$4,358	-\$4,199	-\$4,031
Amortization (Principal Portion)		-\$1,711	-\$1,799	-\$1,891	-\$1,988	-\$2,089	-\$2,196	-\$2,309	-\$2,427	-\$2,551	-\$2,682	-\$2,819	-\$2,963	-\$3,115	-\$3,274	-\$3,441
Total Debt Service		-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473
Ending Balance (Payoff)		\$114,289	\$112,490	\$110,599	\$108,611	\$106,521	\$104,325	\$102,016	\$99,589	\$97,038	\$94,357	\$91,538	\$88,575	\$85,461	\$82,187	\$78,745
Cash Flow After Debt		-\$223	-\$150	-\$77	-\$3	\$72	\$147	\$223	\$300	\$378	\$457	\$536	\$616	\$697	\$779	\$861
Levered COCR		-0.5%	-0.3%	-0.2%	0.0%	0.2%	0.3%	0.5%	0.7%	0.9%	1.1%	1.2%	1.4%	1.6%	1.8%	2.0%
Debt Coverage																
Net Operating Income		\$7,250	\$7,323	\$7,396	\$7,470	\$7,544	\$7,620	\$7,696	\$7,773	\$7,851	\$7,929	\$8,009	\$8,089	\$8,169	\$8,251	\$8,334
Debt Service		-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473
DCR (Debt Coverage Ratio)		0.97	0.98	0.99	1.00	1.01	1.02	1.03	1.04	1.05	1.06	1.07	1.08	1.09	1.10	1.12
Loan-to-Value																
Property Value		\$202,000	\$204,020	\$206,060	\$208,121	\$210,202	\$212,304	\$214,427	\$216,571	\$218,737	\$220,924	\$223,134	\$225,365	\$227,619	\$229,895	\$232,194
Total Debt (Loan Payoff)		-\$114,289	-\$112,490	-\$110,599	-\$108,611	-\$106,521	-\$104,325	-\$102,016	-\$99,589	-\$97,038	-\$94,357	-\$91,538	-\$88,575	-\$85,461	-\$82,187	-\$78,745
Total Equity		\$87,711	\$91,530	\$95,462	\$99,510	\$103,681	\$107,979	\$112,411	\$116,982	\$121,699	\$126,568	\$131,596	\$136,790	\$142,158	\$147,708	\$153,448
LTV (Loan to Value Ratio)		56.6%	55.1%	53.7%	52.2%	50.7%	49.1%	47.6%	46.0%	44.4%	42.7%	41.0%	39.3%	37.5%	35.7%	33.9%
Debt Yield																
Net Operating Income		\$7,250	\$7,323	\$7,396	\$7,470	\$7,544	\$7,620	\$7,696	\$7,773	\$7,851	\$7,929	\$8,009	\$8,089	\$8,169	\$8,251	\$8,334
Total Debt (Loan Payoff)		\$114,289	\$112,490	\$110,599	\$108,611	\$106,521	\$104,325	\$102,016	\$99,589	\$97,038	\$94,357	\$91,538	\$88,575	\$85,461	\$82,187	\$78,745
Debt Yield		6.3%	6.5%	6.7%	6.9%	7.1%	7.3%	7.5%	7.8%	8.1%	8.4%	8.7%	9.1%	9.6%	10.0%	10.6%

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	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Rental Operation															
Gross Operating Income	\$15,963	\$16,123	\$16,284	\$16,447	\$16,611	\$16,778	\$16,945	\$17,115	\$17,286	\$17,459	\$17,633	\$17,810	\$17,988	\$18,168	\$18,349
-Less Gross Operating Expenses	-\$7,546	-\$7,622	-\$7,698	-\$7,775	-\$7,853	-\$7,931	-\$8,011	-\$8,091	-\$8,172	-\$8,253	-\$8,336	-\$8,419	-\$8,503	-\$8,588	-\$8,674
Net Operating Income	\$8,417	\$8,501	\$8,586	\$8,672	\$8,759	\$8,846	\$8,935	\$9,024	\$9,114	\$9,206	\$9,298	\$9,391	\$9,485	\$9,579	\$9,675
Cash Flow Before Debt	\$8,417	\$8,501	\$8,586	\$8,672	\$8,759	\$8,846	\$8,935	\$9,024	\$9,114	\$9,206	\$9,298	\$9,391	\$9,485	\$9,579	\$9,675
Unlevered COCR	5.28%	5.3%	5.4%	5.4%	5.5%	5.5%	5.6%	5.7%	5.7%	5.8%	5.8%	5.9%	5.9%	6.0%	6.1%
Financing															
Starting Balance	\$116,000														
Interest Portion	-\$3,855	-\$3,670	-\$3,475	-\$3,271	-\$3,056	-\$2,830	-\$2,593	-\$2,343	-\$2,080	-\$1,805	-\$1,515	-\$1,210	-\$889	-\$553	-\$199
Amortization (Principal Portion)	-\$3,617	-\$3,803	-\$3,997	-\$4,202	-\$4,417	-\$4,642	-\$4,880	-\$5,130	-\$5,392	-\$5,668	-\$5,958	-\$6,263	-\$6,583	-\$6,920	-\$7,274
Total Debt Service	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473
Ending Balance (Payoff)	\$75,128	\$71,325	\$67,328	\$63,127	\$58,710	\$54,068	\$49,188	\$44,058	\$38,666	\$32,998	\$27,040	\$20,777	\$14,194	\$7,274	\$0
Cash Flow After Debt	\$944	\$1,029	\$1,114	\$1,200	\$1,286	\$1,374	\$1,462	\$1,552	\$1,642	\$1,733	\$1,825	\$1,918	\$2,012	\$2,107	\$2,203
Levered COCR	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%	4.2%	4.4%	4.6%	4.8%	5.1%
Debt Coverage															
Net Operating Income	\$8,417	\$8,501	\$8,586	\$8,672	\$8,759	\$8,846	\$8,935	\$9,024	\$9,114	\$9,206	\$9,298	\$9,391	\$9,485	\$9,579	\$9,675
Debt Service	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473	-\$7,473
DCR (Debt Coverage Ratio)	1.13	1.14	1.15	1.16	1.17	1.18	1.20	1.21	1.22	1.23	1.24	1.26	1.27	1.28	1.29
Loan-to-Value															
Property Value	\$234,516	\$236,861	\$239,229	\$241,622	\$244,038	\$246,478	\$248,943	\$251,433	\$253,947	\$256,486	\$259,051	\$261,642	\$264,258	\$266,901	\$269,570
Total Debt (Loan Payoff)	-\$75,128	-\$71,325	-\$67,328	-\$63,127	-\$58,710	-\$54,068	-\$49,188	-\$44,058	-\$38,666	-\$32,998	-\$27,040	-\$20,777	-\$14,194	-\$7,274	\$0
Total Equity	\$159,388	\$165,536	\$171,901	\$178,495	\$185,328	\$192,411	\$199,755	\$207,375	\$215,281	\$223,488	\$232,011	\$240,865	\$250,064	\$259,627	\$269,570
LTV (Loan to Value Ratio)	32.0%	30.1%	28.1%	26.1%	24.1%	21.9%	19.8%	17.5%	15.2%	12.9%	10.4%	7.9%	5.4%	2.7%	0.0%
Debt Yield															
Net Operating Income	\$8,417	\$8,501	\$8,586	\$8,672	\$8,759	\$8,846	\$8,935	\$9,024	\$9,114	\$9,206	\$9,298	\$9,391	\$9,485	\$9,579	\$9,675
Total Debt (Loan Payoff)	\$75,128	\$71,325	\$67,328	\$63,127	\$58,710	\$54,068	\$49,188	\$44,058	\$38,666	\$32,998	\$27,040	\$20,777	\$14,194	\$7,274	\$0
Debt Yield	11.2%	11.9%	12.8%	13.7%	14.9%	16.4%	18.2%	20.5%	23.6%	27.9%	34.4%	45.2%	66.8%	131.7%	