

Prospective Partner Investment

Bill Sample

123 Sample Street

Any City
Thousand Oaks, Ca

50.00% Equity Interest
8.00% Preferred Return
\$ 167,500 Investment

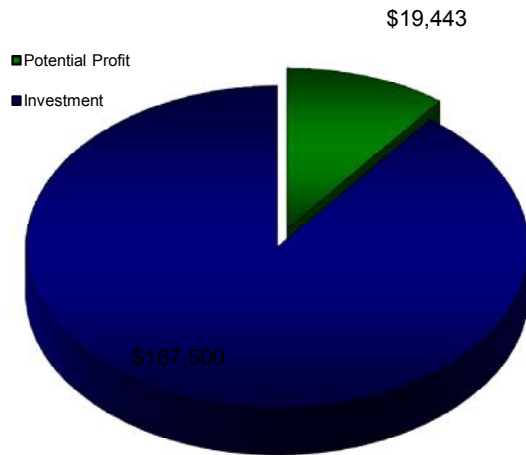


Jeff Smith
805-499-7300

Partner Profit Share	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Before-Tax Projected Cash from Sale	\$ 380,125	\$ 377,500	\$ 376,375	\$ 374,775	\$ 373,175	\$ 371,575
Return of Capital	(335,000)	(335,000)	(335,000)	(335,000)	(335,000)	(335,000)
Before-Tax Profit (Loss)	45,125	42,500	41,375	39,775	38,175	36,575
Bill Sample's Preferred Return	(3,610)	(2,686)	(2,615)	(2,514)	(2,413)	(2,312)
Net Distributable Cash/Profit	\$ 41,515	\$ 39,814	\$ 38,760	\$ 37,261	\$ 35,762	\$ 34,263
Managing Partner's Profit Share	(20,758)	(19,907)	(19,380)	(18,631)	(17,881)	(17,132)
Bill Sample's Share of Profits	\$ 20,758	\$ 19,907	\$ 19,380	\$ 18,631	\$ 17,881	\$ 17,132

Summary of Cash to Bill Sample

Bill Sample's Preferred Return	3,610	2,686	2,615	2,514	2,413	2,312
Bill Sample's Share of Profits	20,758	19,907	19,380	18,631	17,881	17,132
Bill Sample's Return of Capital	167,500	167,500	167,500	167,500	167,500	167,500
Total Cash to Bill Sample	\$ 191,868	\$ 190,093	\$ 189,495	\$ 188,644	\$ 187,794	\$ 186,943
Bill Sample's Cash on Cash Return	14.5%	13.5%	13.1%	12.6%	12.1%	11.6%



Investment Period is Six Months

Inspection Checklist

Property Location	
City, State, Zip	
Date of Inspection	

Exterior

Acceptable	Defective	Marginal	Not Present	Not Inspected	See Comments	Item	Potential Issues/ Concerns	Notes
						Steps	Cracking, sturdiness, loose material, level	
						Walkways	Cracking, tree roots penetrating, uneven	
						Decking	Cracked beams, level wood	
						Retaining Walls	Leaning, cracks, weep holes for drainage	
						Driveway	Cracking, clean	
						Trees	Dead trees	
						Vegetation	Overgrown	
						Basement Stairwell	Look for signs of water penetration	
						Grading	Should grade away from home	
						Fences	Unstable, needs repair	
						Type- Circle one: Vinyl Brick Wood Alum. Stucco	Check for loose, bent, cracked, or broken pieces. Inspect all caulked joints, particularly around window and door trim.	
						Soffits	Rot- Falling from home	
						Entry Doors	Lock working properly-weather seals	
						Door Bell	Working	
						Windows	Broken-Humidity between panes	
						Screens	Ripped	
						Electrical Outlets	G.F.C.I. Protected	
						Hose Bibs	Location- Gate Valves	
						Chimney	Check for crumbling mortar around brickwork.	

Roof

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Age _____	Check for curling shingles	
						Ventilation	Ridge vents	
						Gutters		
						Downspouts		
						Leader	Redirect water away from foundation	
						Chimney		

Garage

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
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Inspection Checklist

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																	Garage Doors	Rot-Closing smoothly		
																		Door Operation	has safety feature to open if it hits obstruction.	
																		Service Door	Metal or fire retardant	
																		Electrical Outlet	G.F.C.I. protected	
																		Floor	Concrete Cracking	

Electrical

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Service	100 amp service is recommended	
						Outlets	Check each with recommended tester.	

Attic

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Ventilation	Ridge Vents- Soffit vents	
						Insulation	Flooring covered	
						Water Penetration	Staining on beams	
						Stairs	Secure	

Basement

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Floors	Cracking-uneven	
						Walls	Cracking	
						Floor Drain	Sump pump/ French drain	
						Seepage	Water stains	

Heating System

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Heating System Age_____	Turn on-Check all radiators, heat registers etc. for output.	
						Fuel	Gas___ Oil___ Elec. ___ Other_____	
						Oil Tank		
						Auto Water Feed-Steam units	See if steam systems have auto feed mechanism installed.	
						Zones Valves	Check each zone individually to insure it works.	
						Asbestos		

Plumbing

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Hot Water Heater	Look for signs of water on floor and rust around base of unit. Gallons	
						Toilets		
						Shower		

Inspection Checklist

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																		Water Service Line	Type_____	
																		Main Water Shut-off	Working properly	
																		Waste Lines		

Bath-1

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Ceiling	Sign of stains from bath above-soft spots	
						Walls	Ceramic Tile-need re-grouting-soft spots	
						Bath/Shower walls	Ceramic Tile-need re-grouting-soft spots	
						Electrical Outlets	G.F.C.I. protected	
						Sink	Chips	
						Faucets	Leaking-test water pressure	
						Heating	Heating work	
						Counter	Tight-Chips-Secure	
						Traps under sink	Leakage	
						Ventilation	Vent fans installed and working	
						Windows	Condensation between panes	

Bath-2

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Ceiling	Sign of stains from bath above-soft spots	
						Walls	Ceramic Tile-need re-grouting-soft spots	
						Bath/Shower walls	Ceramic Tile-need re-grouting-soft spots	
						Electrical Outlets	G.F.C.I. protected	
						Sink	Chips	
						Faucets	Leaking-test water pressure	
						Traps under sink	Leakage	
						Heating	Heating work	
						Counter	Tight-Chips-Secure	
						Ventilation	Vent fans installed and working	
						Windows	Condensation between panes	

Bath-3

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Ceiling	Sign of stains from bath above-soft spots	
						Walls	Ceramic Tile-need re-grouting-soft spots	
						Bath/Shower walls	Ceramic Tile-need re-grouting-soft spots	

Inspection Checklist												
Property Location												
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							Electrical Outlets	G.F.C.I. protected	
							Sink	Chips	
							Faucets	Leaking-test water pressure	
							Traps under sink	Leakage	
							Heating	Heating work	
							Counter	Tight-Chips-Secure	
							Ventilation	Vent fans installed and working	
							Windows	Condensation between panes	

Kitchen

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Stove	Turn on all burners	
						Oven	Turn on-Heat up	
						Dishwasher	Run thru cycle	
						Microwave	Try out	
						Refrigerator	Check age-Cooling	
						Exhaust Fan	Vented properly	
						Other _____		
						Electrical Outlet	G.F.C.I. protected	
						Countertops	Chips-secure	
						Sink	Chips	
						Faucets	Leaking-test water pressure	
						Traps under sink	Leakage	
						Heating	Heating work	
						Counter	Chips-Secure	
						Ventilation	Vent fans installed and working	
						Windows	Condensation between panes	
						Floors and wall tile	Cracking or chipping- Look for soft spots	
						Ceiling	Check for stains from any baths above	
						Cabinets	Secure to wall	

Other Rooms- Bedrooms-Family Rooms etc.

Room #1

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Floors	Level	
						Ceilings	Cracking-water stains	
						Walls	Cracking-water stains	
						Doors	Shut properly-locks	

Inspection Checklist

Property Location	
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											Windows	Open/close easily-humidity-locks	
											Heat Registers	Working and producing heat/air	
											Thermostat	Working	
											Electrical Outlets	Check if working	
											Closets	Cracking-water stains	

Room #2

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Floors	Level	
						Ceilings	Cracking-water stains	
						Walls	Cracking-water stains	
						Doors	Shut properly-locks	
						Windows	Open/close easily-humidity-locks	
						Heat Registers	Working and producing heat/air	
						Thermostat	Working	
						Electrical Outlets	Check if working	
						Closets	Cracking-water stains	

Room #3

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Floors	Level	
						Ceilings	Cracking-water stains	
						Walls	Cracking-water stains	
						Doors	Shut properly-locks	
						Windows	Open/close easily-humidity-locks	
						Heat Registers	Working and producing heat/air	
						Thermostat	Working	
						Electrical Outlets	Check if working	
						Closets	Cracking-water stains	

Room #4

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Floors	Level	
						Ceilings	Cracking-water stains	
						Walls	Cracking-water stains	
						Doors	Shut properly-locks	
						Windows	Open/close easily-humidity-locks	
						Heat Registers	Working and producing heat/air	
						Thermostat	Working	

Inspection Checklist

Property Location	
City, State, Zip	
Date of Inspection	

															Electrical Outlets	Check if working	
															Closets	Cracking-water stains	

Laundry Room

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes
						Electrical Outlet	G.F.C.I. protected	
						Washer Hose Bib	Stainless steel hoses recommended	
						Washer/Dryer	Test-venting outside properly	
						Dryer Vent	Flexible connector	

Swimming Pool/Hot Tub

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes

Miscellaneous

A	D	M	NP	NI	C	Item	Potential Issues/ Concerns	Notes

Budget, Rehab & Performance Tracking	Budget	Actual	Variance Over / (Under)	Comments/ Notes
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Choose which month to compare: Month 6

Projected / Actual Sales Price	\$ 475,000		\$ (475,000)	
Estimated / Actual Selling Expenses	(33,250)		33,250	
Net Projected / Actual Sales Price	\$ 441,750	\$ -	\$ (441,750)	

Description of Rehab Expenses

Bathroom	(10,000)		\$ 10,000	
Carpet	(1,500)		1,500	
Ceiling Fans	-		-	
Decks	-		-	
Doors	-		-	
Electrical	-		-	
Fireplace	-		-	
Flooring	(7,500)		7,500	
Garage Doors	-		-	
Gutters	-		-	
Heating & Cooling	-		-	
HVAC	-		-	
Kitchen Appliances	(2,500)		2,500	
Kitchen Cabinets	(8,000)		8,000	
Landscaping	(1,500)		1,500	
Light Fixtures	-		-	
Painting - Exterior	-		-	
Painting - Interior	(25,000)		25,000	
Paving	-		-	
Pest Control	-		-	
Plumbing	-		-	
Roof Repairs	-		-	
Siding/Brick/Stucco	-		-	
Site Inspection	-		-	
Supplies	-		-	
Trash Removal	-		-	
Tree Removal	-		-	
Wall Board	-		-	
Water Heater	-		-	
Windows	(5,000)		5,000	
Other	-		-	
Other	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Miscellaneous	-		-	
Total Rehab Costs	\$ (61,000)	\$ -	\$ 61,000	

Purchase Price of Property	\$ (335,000)		\$ 335,000	
Points Estimated / Paid	-		-	
Prepayment Penalty (if any)	-		-	
Cumulative Holding Expenses	(9,175)		9,175	
Equity Payments	-		-	
Income Taxes	(7,681)		7,681	

Total Cumulated Cash Generated **\$ 28,894** **\$ -** **\$ (28,894)**

Cash on Cash Return **7.13%** **0.00%** **-7.13%**

Project Scheduler Name

1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/0/1900 1/1/1900

