INVESTMENT SUMMARY

ILLUSTRATIVE EXAMPLE — 40-unit garden-style apartments, Memphis, TN *Every figure here is a reference. Nothing is typed on this page — change inputs on the Assumptions tab.*

THE ASSET		
Square footage	34,680	
AS-IS value	3,600,000	
Repair budget	0	
ARV	**3,600,000**	
Purchase price	3,600,000	
Total project cost	3,708,000	
CAPITALISATION		
Senior debt	2,340,000	
Total equity	**1,368,000**	
Sources less uses (must be 0)	0	
SCALE		
Total units	40	
Price per unit	**90,000**	
NOI per unit	**5,825**	
HOLD CASE — YEAR 1		
Potential gross income	532,560	
Effective gross income	492,618	
Net operating income	**233,013**	*Before reserves, fees and debt service.*
Going-in cap rate	**6.47%**	*NOI / purchase price.*
Yield on cost	6.28%	
Debt yield	**9.96%**	
Minimum DSCR over the hold	**1.35x**	*Lenders size to the weakest year.*
RETURNS		
Unlevered IRR	9.23%	
Levered IRR	**12.67%**	
Equity multiple (MOIC)	**2.96x**	
NPV at discount rate	**73,852**	
Gross exit value	5,446,093	

TRIAGE-GRADE. Figures marked as estimates are model output, not appraisal. No interior inspection has been performed and every expense line is a percentage convention rather than a bill. BLUE cells on the Assumptions tab are the only inputs in this workbook; everything else is a formula.

CONVENTIONS: PGI = gross scheduled rent plus other income; vacancy, credit loss and concessions are each a % of PGI. NOI = EGI less operating expenses, before reserves, the asset management fee and debt service. Going-in cap rate on purchase price. Exit value on FORWARD (N+1) NOI over the exit cap. Loan repaid at its outstanding balance. Unlevered IRR off cash flow before debt against total project cost; levered IRR off cash flow after debt against equity.

ASSUMPTIONS

ILLUSTRATIVE EXAMPLE — 40-unit garden-style apartments, Memp
BLUE = hard input, change these. BLACK = formula, do not type over. Cells with a red corner carry a note on basis.

Driver	Value	Basis
VALUATION		
AS-IS value	3,600,000	*Comps: median $/sqft x subject sqft. Unrenovated.*
Repair budget	0	*Tiered $/sqft estimate, or your own figure.*
Renovation uplift multiple	1.55x	*Market value created per $1 of repair spend.*
Ceiling $/sqft (comp Q3)	0.00	*Upper-quartile comp $/sqft. Caps ARV.*
Subject square footage	34,680	*Drives the repair estimate and the ceiling.*
Max ARV as multiple of AS-IS	2.00x	*Absolute sanity cap.*
ARV (after-repair value)	**3,600,000**	*AS-IS + uplift, capped by ceiling and ratio cap.*
DEAL TERMS		
MAO margin (% of ARV)	80.0%	*Rental / turnkey buyer — a property of the BUYER.*
Assignment fee	10,000	
Purchase price	3,600,000	
Buy-side closing costs	2.0%	*% of purchase price.*
Sell-side closing costs	2.0%	*% of sale price. Commission + seller-paid.*
Monthly holding cost	1.00%	*% of ARV per month. Wholesale layer only.*
Hold period (months, wholesale)	5	*Contract to assignment or resale.*
OPERATING — INCOME		
Gross potential rent (monthly)	45,840	*At market, from the rent roll. Never typed here.*
Loss to lease	0.0%	*% of gross potential rent.*
Other income (monthly)	2,400	*Laundry, parking, fees.*
Vacancy	6.0%	*% of potential gross income.*
Credit loss / bad debt	0.5%	*% of potential gross income.*
Concessions	1.0%	*% of potential gross income.*
OPERATING — EXPENSES		
Operating expenses	40.0%	*% of EGI. Taxes, insurance, R&M, management.*
of which: property management	10.0%	*Memo — inside the opex ratio. Dollar amount below.*
property management, $ / year	49,262	*Memo only. Not deducted a second time.*
CapEx / replacement reserve	5.0%	*% of EGI. BELOW the NOI line.*
FEES (institutional / sponsored deals)		
Acquisition fee	1.0%	*% of purchase price. A USE of funds.*
Disposition fee	1.0%	*% of sale price. Added to selling costs at exit.*
Asset management fee	1.5%	*% of EGI. BELOW the NOI line.*
DEBT		
Loan-to-value / loan-to-cost	65.0%	*Applied to purchase price.*
Interest rate	6.20%	*Annual nominal.*
Amortisation (years)	30	*Longer than the hold — loan does not fully amortise.*

HOLD & EXIT

Hold period (years)	10	*Counted from the debt schedule. Not an input.*
Discount rate	12.00%	*Required return. NPV is taken at this rate.*
Rent growth (annual)	3.00%	
Expense growth (annual)	3.00%	
Exit capitalisation rate	5.75%	*Applied to FORWARD (N+1) NOI.*

CAPITALISATION

Working capital / operating reserve	0	*A USE of funds, funded at close.*
Preferred equity	0	*A SOURCE of funds, senior to common.*

EQUITY WATERFALL (institutional / multi-investor only)

LP share of equity	90.0%
Preferred return (to LP)	8.0%
GP promote / carry	20.0%

RENT ROLL & T-12 DOLLAR LINES (used when supplied)

Loss to lease ($ / year)	30,780	*From the rent roll. Overrides the % driver.*
Non-revenue units ($ / year)	15,540	*Model, office, employee-occupied.*
Total operating expenses ($ / year)	259,605	*Itemised total. Overrides the % of EGI.*
Replacement reserves ($ / unit / year)	300	*Multifamily convention.*
Unit count	40	*Drives per-unit reserves and metrics.*
Real estate taxes ($ / year)	0	*MEASURED where a county bill was found.*
Insurance ($ / year)	0	
Operating expenses ex-tax (% of EGI)	25.0%	*Used only when taxes are itemised above.*

UNIT MIX

ILLUSTRATIVE EXAMPLE — 40-un *Gross potential rent counts EVERY unit at market, including vacant and non-revenue units. Deductions follow below.*

Unit type	Units	Avg SqFt	Market rent	In-place rent	Rent / SqFt	GPR / month	Loss to lease	Non-revenue	% of units
1BR/1BA	12	650	925	875	1.42	11,100	600	0	30.0%
2BR/1BA	16	880	1,150	1,075	1.31	18,400	1,200	0	40.0%
2BR/2BA	8	1,010	1,295	1,240	1.28	10,360	385	1	20.0%
3BR/2BA	4	1,180	1,495	1,400	1.27	5,980	380	0	10.0%
TOTAL / WEIGHTI	**40**	**867**	**1,146**		**1.32**	**45,840**	**2,565**	**1**	

Total units	**40**
Total rentable SqI	**34,680**
Annualised gross]	**550,080**

In-place rents drive loss to lease. Where a unit type has no in-place rent it is treated as vacant — its market rent is still in GPR and the shortfall shows up as vacancy, not as loss to lease.

OPERATING STATEMENT — YEAR 1

ILLUSTRATIVE EXAMPLE — 40-unit garden-style apartments, Memphi *Itemised, per multifamily convention. A percentage of EGI is a placeholder for a T-12 you do not have.*

	Annual	Per unit	% of GPR
REVENUE			
Gross potential rent	**550,080**	13,752	100.0%
Less: loss to lease	(30,780)	(770)	(5.6%)
Less: non-revenue units	(15,540)	(389)	(2.8%)
Net rental income	**503,760**	12,594	91.6%
Plus: other income	28,800	720	5.2%
POTENTIAL GROSS INCOME	**532,560**	13,314	96.8%
Less: vacancy	(31,954)	(799)	(5.8%)
Less: concessions	(5,326)	(133)	(1.0%)
Less: bad debt / credit loss	(2,663)	(67)	(0.5%)
EFFECTIVE GROSS INCOME	**492,618**	12,315	89.6%
OPERATING EXPENSES			
Real estate taxes	47,500	1,188	8.6%
Insurance	28,800	720	5.2%
Utilities	43,200	1,080	7.9%
Repairs & maintenance	36,000	900	6.5%
Contract services	14,400	360	2.6%
Payroll	52,000	1,300	9.5%
Management fee	19,705	493	3.6%
General & administrative	10,800	270	2.0%
Marketing	7,200	180	1.3%
TOTAL OPERATING EXPENSES	**259,605**	6,490	47.2%
NET OPERATING INCOME	**233,013**	5,825	42.4%
Less: replacement reserves	(12,000)	(300)	(2.2%)
CASH FLOW BEFORE DEBT SERVICE	**221,013**	5,525	40.2%
ECONOMIC VACANCY			
Total revenue loss	86,262		
ECONOMIC VACANCY (% of GPR)	**15.7%**		
of which physical vacancy	6.0%		

This statement is the YEAR-1 build-up. The DCF tab grows it forward and is the series the returns are taken from — this tab exists so the year-1 numbers can be read and checked line by line.

PER-UNIT & PER-SQFT METRICS

ILLUSTRATIVE EXAMPLE — 40-unit garden-style apartments, Memphis, TN Multifamily trades on these, not on absolute dollars.

SCALE	
Total units	**40**
Total rentable SqFt	**34,680**
Average unit size (SqFt)	**867**
PRICING	
Purchase price	**3,600,000**
Price per unit	**90,000**
Price per SqFt	**103.81**
REVENUE & EXPENSE PER UNIT	
EGI per unit	**12,315**
Operating expenses per unit	**6,490**
NOI per unit	**5,825**
Average market rent per unit (monthly)	**1,146**
Average rent per SqFt (monthly)	**1.32**
Operating expense ratio (opex / EGI)	**52.7%**
YIELD	
Going-in cap rate	**6.47%**
Debt yield	**9.96%**
Year-1 DSCR	**1.35x**
NOI per unit / price per unit (check)	**6.47%**

Every figure on this tab is a reference. Change inputs on Assumptions or Unit Mix.

RENT ROLL

ILLUSTRATIVE EXAMPLE — 40-unit garden-styl *Market rent drives the model. In-place rent is what is actually collected under a lease.*

Unit	Type	Status	Beds	Baths	SqFt	Market rent	In-place rent	Loss to lease	Rent / SqFt
1BR/1BA-1	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-2	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-3	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-4	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-5	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-6	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-7	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-8	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-9	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-10	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-11	Single-family, whole house	Occupied			650	925	875	50	1.42
1BR/1BA-12	Single-family, whole house	Occupied			650	925	875	50	1.42
2BR/1BA-1	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-2	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-3	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-4	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-5	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-6	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-7	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-8	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-9	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-10	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-11	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-12	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-13	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-14	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-15	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/1BA-16	Single-family, whole house	Occupied			880	1,150	1,075	75	1.31
2BR/2BA-1	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-2	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-3	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-4	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-5	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-6	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-7	Single-family, whole house	Occupied			1,010	1,295	1,240	55	1.28
2BR/2BA-8	Single-family, whole house	Vacant			1,010	1,295	0	0	1.28
3BR/2BA-1	Single-family, whole house	Occupied			1,180	1,495	1,400	95	1.27
3BR/2BA-2	Single-family, whole house	Occupied			1,180	1,495	1,400	95	1.27
3BR/2BA-3	Single-family, whole house	Occupied			1,180	1,495	1,400	95	1.27
3BR/2BA-4	Single-family, whole house	Occupied			1,180	1,495	1,400	95	1.27
TOTAL	**40 unit(s)**				**34,680**	**45,840**	**41,980**	**2,565**	

Annualised	**550,080**	
Loss to lease	5.6%	*Compare with the loss-to-lease driver on Assumptions.*

In-place rent is 0 and status is Vacant, because the property is vacant and off-market. Every income figure downstream is therefore a PROJECTION from the market rent estimate, not collected income.

SOURCES & USES

ILLUSTRATIVE EXAMPLE — 40-unit garden-style apartments, Memphis, TN *Sources must equal uses. Common equity is the plug.*

USES OF FUNDS

Line	Amount	Basis
Purchase price	3,600,000	
Buy-side closing costs	72,000	*% of price.*
Renovation / CapEx	0	
Acquisition fee	36,000	*% of price. 0 by default.*
Working capital / operating reserve	0	*Cash funded at close.*
TOTAL USES	**3,708,000**	

SOURCES OF FUNDS

Senior debt	2,340,000	*LTV x purchase price.*
Preferred equity	0	*Senior to common. 0 by default.*
Common equity (plug)	**1,368,000**	*Balances sources to uses.*
TOTAL SOURCES	**3,708,000**	
Check: sources less uses	**0**	*Must be zero.*
Debt % of total capitalisation	63.1%	
Equity % of total capitalisation	36.9%	

T-12 — YEAR 1 BY MONTH

Forward twelve months. This property has no operating histo.Standard chain: GPR -> less loss to lease -> plus other income -> PGI -> less vacancy / credit loss / concessions -> EGI -> less opex -> NOI -> less reserve and AM fee -> cash flow.

Line item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Year 1 total	% of EGI
Gross potential rent	45,840	45,840	45,840	45,840	45,840	45,840	45,840	45,840	45,840	45,840	45,840	45,840	**550,080**	111.7%
Less: loss to lease	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	(2,565)	**(30,780)**	(6.2%)
Less: non-revenue units	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	(1,295)	**(15,540)**	(3.2%)
Gross scheduled rent	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**41,980**	**503,760**	102.3%
Plus: other income	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	**28,800**	5.8%
Potential gross income	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**44,380**	**532,560**	108.1%
Less: vacancy	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	(2,663)	**(31,954)**	(6.5%)
Less: credit loss / bad debt	(222)	(222)	(222)	(222)	(222)	(222)	(222)	(222)	(222)	(222)	(222)	(222)	**(2,663)**	(0.5%)
Less: concessions	(444)	(444)	(444)	(444)	(444)	(444)	(444)	(444)	(444)	(444)	(444)	(444)	**(5,326)**	(1.1%)
Effective gross income	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**41,051**	**492,618**	100.0%
Less: operating expenses	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	(21,634)	**(259,605)**	(52.7%)
Net operating income	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**19,418**	**233,013**	47.3%
Less: CapEx / replacement reserve	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	**(12,000)**	(2.4%)
Less: asset management fee	(616)	(616)	(616)	(616)	(616)	(616)	(616)	(616)	(616)	(616)	(616)	(616)	**(7,389)**	(1.5%)
Cash flow before debt service	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**17,802**	**213,624**	43.4%
Less: debt service	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	(14,332)	**(171,981)**	(34.9%)
Cash flow after debt service	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**3,470**	**41,643**	8.5%

PRO-FORMA, NOT A TRAILING 12. This property is vacant with no collected-rent history, so all twelve months are projected from the market rent estimate and percentage assumptions. Do not present this as actuals to a lender or a buyer.

DISCOUNTED CASH FLOW — 10-YEAR HOLD

Unlevered and levered, standard structure.

Exit value = FORWARD (year N+1) NOI / exit cap. Never trailing NOI.

Line item	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11 (fwd)
OPERATING PROJECTION												
Gross potential rent		550,080	566,582	583,580	601,087	619,120	637,693	656,824	676,529	696,825	717,730	739,262
Less: loss to lease		(30,780)	(31,703)	(32,655)	(33,634)	(34,643)	(35,682)	(36,753)	(37,856)	(38,991)	(40,161)	(41,366)
Less: non-revenue units		(15,540)	(16,006)	(16,486)	(16,981)	(17,490)	(18,015)	(18,556)	(19,112)	(19,686)	(20,276)	(20,884)
Gross scheduled rent		**503,760**	**518,873**	**534,439**	**550,472**	**566,986**	**583,996**	**601,516**	**619,561**	**638,148**	**657,293**	**677,011**
Plus: other income		28,800	29,664	30,554	31,471	32,415	33,387	34,389	35,420	36,483	37,577	38,705
Potential gross income		**532,560**	**548,537**	**564,993**	**581,943**	**599,401**	**617,383**	**635,904**	**654,982**	**674,631**	**694,870**	**715,716**
Less: vacancy		(31,954)	(32,912)	(33,900)	(34,917)	(35,964)	(37,043)	(38,154)	(39,299)	(40,478)	(41,692)	(42,943)
Less: credit loss / bad debt		(2,663)	(2,743)	(2,825)	(2,910)	(2,997)	(3,087)	(3,180)	(3,275)	(3,373)	(3,474)	(3,579)
Less: concessions		(5,326)	(5,485)	(5,650)	(5,819)	(5,994)	(6,174)	(6,359)	(6,550)	(6,746)	(6,949)	(7,157)
Effective gross income		**492,618**	**507,397**	**522,618**	**538,297**	**554,446**	**571,079**	**588,212**	**605,858**	**624,034**	**642,755**	**662,037**
Less: operating expenses		(259,605)	(267,393)	(275,415)	(283,677)	(292,187)	(300,953)	(309,982)	(319,281)	(328,859)	(338,725)	(348,887)
Net operating income		**233,013**	**240,004**	**247,204**	**254,620**	**262,258**	**270,126**	**278,230**	**286,577**	**295,174**	**304,029**	**313,150**
NOI margin (% of EGI)		47.3%	47.3%	47.3%	47.3%	47.3%	47.3%	47.3%	47.3%	47.3%	47.3%	
Less: CapEx / replacement reserve		(12,000)	(12,360)	(12,731)	(13,113)	(13,506)	(13,911)	(14,329)	(14,758)	(15,201)	(15,657)	
Less: asset management fee		(7,389)	(7,611)	(7,839)	(8,074)	(8,317)	(8,566)	(8,823)	(9,088)	(9,361)	(9,641)	
Cash flow before debt service		**213,624**	**220,033**	**226,634**	**233,433**	**240,436**	**247,649**	**255,078**	**262,731**	**270,613**	**278,731**	
Less: debt service		(171,981)	(171,981)	(171,981)	(171,981)	(171,981)	(171,981)	(171,981)	(171,981)	(171,981)	(171,981)	
Levered cash flow (operations)		**41,643**	**48,051**	**54,652**	**61,451**	**68,454**	**75,667**	**83,097**	**90,749**	**98,631**	**106,750**	
EXIT												
Gross exit value											**5,446,093**	
Less: selling costs + disposition fee											(163,383)	
Less: loan payoff (balance at exit)											(1,968,605)	
Net proceeds — unlevered											**5,282,710**	
Net proceeds — levered (to equity)											**3,314,106**	
CASH-FLOW LINES FOR RETURNS												
Unlevered cash flow	**(3,708,000)**	**213,624**	**220,033**	**226,634**	**233,433**	**240,436**	**247,649**	**255,078**	**262,731**	**270,613**	**5,561,441**	
Levered cash flow (to equity)	**(1,368,000)**	**41,643**	**48,051**	**54,652**	**61,451**	**68,454**	**75,667**	**83,097**	**90,749**	**98,631**	**3,420,855**	

Unlevered flows run off cash flow BEFORE debt against total project cost. Levered flows run off cash flow AFTER debt against equity. The exit is added into the final year of each. These two rows are the only inputs to the IRR and NPV calculations.

DEBT — SIZING & AMORTISATION

Level-payment mortgage, amortised monthly, reported annually.

SIZING

Loan amount	**2,340,000**	*From Sources & Uses.*
Annual debt service	**171,981**	*Level monthly payment x 12.*
Monthly payment	14,331.77	
Debt yield	**9.96%**	*Year-1 NOI / loan amount.*

AMORTISATION SCHEDULE (annual)

Year	Beginning balance	Interest paid	Ending balance	Principal repaid	NOI	DSCR
1	2,340,000	144,302	2,312,321	27,679	233,013	**1.35x**
2	2,312,321	142,537	2,282,876	29,445	240,004	**1.40x**
3	2,282,876	140,658	2,251,553	31,323	247,204	**1.44x**
4	2,251,553	138,660	2,218,232	33,321	254,620	**1.48x**
5	2,218,232	136,534	2,182,785	35,447	262,258	**1.52x**
6	2,182,785	134,273	2,145,077	37,708	270,126	**1.57x**
7	2,145,077	131,868	2,104,963	40,114	278,230	**1.62x**
8	2,104,963	129,309	2,062,290	42,673	286,577	**1.67x**
9	2,062,290	126,586	2,016,895	45,395	295,174	**1.72x**
10	2,016,895	123,691	1,968,605	48,291	304,029	**1.77x**

Minimum DSCR over the hold	**1.35x**	*Lenders size to the weakest year.*
Balance at exit	**1,968,605**	*Repaid out of sale proceeds.*

RETURNS

Levered and unlevered, standard definitions.

CAPITALISATION		
Total project cost (uses)	**3,708,000**	*From Sources & Uses.*
Total equity (pref + common)	**1,368,000**	*From Sources & Uses.*
Senior debt	2,340,000	
YIELD MEASURES		
Going-in cap rate	**6.47%**	*Year-1 NOI / purchase price.*
Yield on cost	6.28%	*Year-1 NOI / total project cost.*
Debt yield	**9.96%**	*Year-1 NOI / loan amount.*
Exit cap rate (assumed)	5.75%	
Yield on cost less exit cap	0.53%	*Positive = value created over the hold.*
RETURNS — UNLEVERED		
Unlevered IRR	**9.23%**	*Off the unlevered cash-flow line.*
Unlevered NPV at discount rate	(660,577)	
Unlevered equity multiple	2.09x	
RETURNS — LEVERED (TO EQUITY)		
Levered IRR	**12.67%**	*Off the levered cash-flow line.*
Levered NPV at discount rate	**73,852**	
Levered equity multiple (MOIC)	**2.96x**	
Profit to equity	2,675,253	
CASH-ON-CASH BY YEAR		

Year	1	2	3	4	5	6	7	8	9	10
Cash flow after debt	41,643	48,051	54,652	61,451	68,454	75,667	83,097	90,749	98,631	106,750
Cash-on-cash	**3.04%**	**3.51%**	**4.00%**	**4.49%**	**5.00%**	**5.53%**	**6.07%**	**6.63%**	**7.21%**	**7.80%**

Cash-on-cash excludes sale proceeds by convention. The exit appears in the IRR and the equity multiple, not in an operating yield.

EQUITY WATERFALL — LP / GP DISTRIBUTIONS

Return of capital, preferred return, GP catch-up, residual split.

INSTITUTIONAL / MULTI-INVESTOR DEALS ONLY. A solo wholesale assignment has no LP capital and no promote — see the note at the foot of this tab.

Line item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Levered cash flow to equity	**41,643**	**48,051**	**54,652**	**61,451**	**68,454**	**75,667**	**83,097**	**90,749**	**98,631**	**3,420,855**	**4,043,253**
Distributable cash (capital calls excluded)	**41,643**	**48,051**	**54,652**	**61,451**	**68,454**	**75,667**	**83,097**	**90,749**	**98,631**	**3,420,855**	**4,043,253**
TIER 1 — RETURN OF CAPITAL (pari passu, LP and GP co-invest)											
Additional capital called	0	0	0	0	0	0	0	0	0	0	**0**
Unreturned capital, opening	1,368,000	1,326,357	1,278,306	1,223,653	1,162,202	1,093,748	1,018,080	934,983	844,234	745,603	
Capital returned	41,643	48,051	54,652	61,451	68,454	75,667	83,097	90,749	98,631	745,603	**1,368,000**
Unreturned capital, closing	**1,326,357**	**1,278,306**	**1,223,653**	**1,162,202**	**1,093,748**	**1,018,080**	**934,983**	**844,234**	**745,603**	**0**	
of which to LP	37,478	43,246	49,187	55,306	61,609	68,101	74,787	81,674	88,768	671,042	**1,231,200**
of which to GP co-invest	4,164	4,805	5,465	6,145	6,845	7,567	8,310	9,075	9,863	74,560	**136,800**
TIER 2 — PREFERRED RETURN (pari passu on unreturned capital)											
Accrued pref, opening	0	109,440	215,549	317,813	415,705	508,681	596,181	677,628	752,426	819,965	
Pref accrued this year	109,440	106,109	102,264	97,892	92,976	87,500	81,446	74,799	67,539	59,648	**879,613**
Pref paid	0	0	0	0	0	0	0	0	0	879,613	**879,613**
Accrued pref, closing	**109,440**	**215,549**	**317,813**	**415,705**	**508,681**	**596,181**	**677,628**	**752,426**	**819,965**	**0**	
of which to LP	0	0	0	0	0	0	0	0	0	791,652	**791,652**
of which to GP co-invest	0	0	0	0	0	0	0	0	0	87,961	**87,961**
TIERS 3 & 4 — GP CATCH-UP, THEN RESIDUAL SPLIT											
GP catch-up to promote	0	0	0	0	0	0	0	0	0	219,903	**219,903**
Residual after pref & catch-up	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,575,736**	
Residual to LP	0	0	0	0	0	0	0	0	0	1,260,589	**1,260,589**
Residual to GP (promote)	0	0	0	0	0	0	0	0	0	315,147	**315,147**
TOTAL DISTRIBUTIONS											
TOTAL TO LP	**37,478**	**43,246**	**49,187**	**55,306**	**61,609**	**68,101**	**74,787**	**81,674**	**88,768**	**2,723,283**	**3,283,441**
TOTAL TO GP	**4,164**	**4,805**	**5,465**	**6,145**	**6,845**	**7,567**	**8,310**	**9,075**	**9,863**	**697,572**	**759,812**
Check: LP + GP less distributable	0	0	0	0	0	0	0	0	0	0	**0**

Total to LP	**3,283,441**
Total to GP	**759,812**
GP share of distributions	18.8%

WHY THIS TAB MAY NOT APPLY: an FPP wholesale assignment is a single-party transaction — the operator contracts and assigns, with no LP capital and therefore no promote. This tab exists for institutional or multi-investor deals and so the model is complete when one arises. For a solo assignment read the Wholesale tab.

SENSITIVITY

Levered IRR against the two assumptions that move it most. Each column is a full scenario cash flow. The column matching the Assumptions tab reproduces the headline IRR — that is the check that these grids are wired correctly.

LEVERED IRR vs EXIT CAP

Exit cap	Case 1	Case 2	Case 3	Case 4	Case 5	Case 6
Exit cap	6.50%	7.00%	7.50%	8.00%	8.50%	9.00%
Gross exit value	4,817,698	4,473,577	4,175,338	3,914,380	3,684,122	3,479,448
Net proceeds to equity	2,704,562	2,370,765	2,081,473	1,828,344	1,604,994	1,406,460
Levered cash flow by year						
Year 0	(1,368,000)	(1,368,000)	(1,368,000)	(1,368,000)	(1,368,000)	(1,368,000)
Year 1	41,643	41,643	41,643	41,643	41,643	41,643
Year 2	48,051	48,051	48,051	48,051	48,051	48,051
Year 3	54,652	54,652	54,652	54,652	54,652	54,652
Year 4	61,451	61,451	61,451	61,451	61,451	61,451
Year 5	68,454	68,454	68,454	68,454	68,454	68,454
Year 6	75,667	75,667	75,667	75,667	75,667	75,667
Year 7	83,097	83,097	83,097	83,097	83,097	83,097
Year 8	90,749	90,749	90,749	90,749	90,749	90,749
Year 9	98,631	98,631	98,631	98,631	98,631	98,631
Year 10	2,811,312	2,477,514	2,188,223	1,935,093	1,711,743	1,513,210
LEVERED IRR	**10.79%**	**9.62%**	**8.50%**	**7.41%**	**6.36%**	**5.33%**

LEVERED IRR vs RENT GROWTH

Rent growth	Case 1	Case 2	Case 3	Case 4	Case 5	Case 6
Rent growth	0.00%	1.00%	2.00%	3.00%	4.00%	5.00%
Gross exit value	2,499,669	3,395,995	4,375,853	5,446,093	6,614,051	7,887,579
Net proceeds to equity	456,074	1,325,510	2,275,973	3,314,106	4,447,025	5,682,347
Levered cash flow by year						
Year 0	(1,368,000)	(1,368,000)	(1,368,000)	(1,368,000)	(1,368,000)	(1,368,000)
Year 1	41,643	41,643	41,643	41,643	41,643	41,643
Year 2	48,051	48,051	48,051	48,051	48,051	48,051
Year 3	54,652	54,652	54,652	54,652	54,652	54,652
Year 4	61,451	61,451	61,451	61,451	61,451	61,451
Year 5	68,454	68,454	68,454	68,454	68,454	68,454
Year 6	75,667	75,667	75,667	75,667	75,667	75,667
Year 7	83,097	83,097	83,097	83,097	83,097	83,097
Year 8	90,749	90,749	90,749	90,749	90,749	90,749
Year 9	98,631	98,631	98,631	98,631	98,631	98,631
Year 10	562,824	1,432,260	2,382,723	3,420,855	4,553,775	5,789,096
LEVERED IRR	**(1.82%)**	**4.88%**	**9.26%**	**12.67%**	**15.53%**	**18.03%**

WHY NOT A NATIVE EXCEL DATA TABLE: a What-If data table stores its results as an array Excel refreshes on recalculation, and openpyxl cannot author one. These grids instead rebuild the affected chain in live formulas over a visible cash-flow series, which recomputes from the Assumptions tab like every other cell and is auditable in a way a data table is not.