

PROPERTY LEVEL RETURN ANALYSIS - PURCHASE OPTION

	OPTION EO YR 1	OPTION EO YR 2	OPTION EO YR 3	OPTION EO YR 4	OPTION EO YR 5	OPTION EO YR 6	OPTION EO YR 7	OPTION EO YR 8	OPTION EO YR 9	OPTION EO YR 10	YR
IRR	7.303%	8.428%	8.805%	8.993%	9.106%	9.181%	9.235%	9.274%	9.305%	9.330%	
	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	-\$43,729,602	
	\$46,923,197	\$3,273,711	\$3,273,711	\$3,273,711	\$3,273,711	\$3,273,711	\$3,273,711	\$3,273,711	\$3,273,711	\$3,273,711	1
		\$47,861,661	\$3,339,186	\$3,339,186	\$3,339,186	\$3,339,186	\$3,339,186	\$3,339,186	\$3,339,186	\$3,339,186	2
			\$48,818,894	\$3,405,969	\$3,405,969	\$3,405,969	\$3,405,969	\$3,405,969	\$3,405,969	\$3,405,969	3
				\$49,795,272	\$3,474,089	\$3,474,089	\$3,474,089	\$3,474,089	\$3,474,089	\$3,474,089	4
					\$50,791,177	\$3,543,571	\$3,543,571	\$3,543,571	\$3,543,571	\$3,543,571	5
						\$51,807,001	\$3,614,442	\$3,614,442	\$3,614,442	\$3,614,442	6
							\$52,843,141	\$3,686,731	\$3,686,731	\$3,686,731	7
								\$53,900,004	\$3,760,465	\$3,760,465	8
									\$54,978,004	\$3,835,675	9
										\$56,077,564	10
Price	\$43,649,485	\$44,522,475	\$45,412,925	\$46,321,183	\$47,247,607	\$48,192,559	\$49,156,410	\$50,139,538	\$51,142,329	\$52,165,176	
Rnd Price	\$43,600,000	\$44,500,000	\$45,400,000	\$46,300,000	\$47,200,000	\$48,200,000	\$49,200,000	\$50,100,000	\$51,100,000	\$52,200,000	

Returns Yr 1 - 3 are not satisfactory - slightly low.

Returns to property Yr 4 to 10 are in and around 9% - generally satisfactory.

EQUITY RETURN ANALYSIS - PURCHASE OPTION

OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	OPTION EO YR	YR
1	2	3	4	5	6	7	8	9	10		
11.798%	15.904%	16.860%	17.072%	17.023%	16.869%	16.672%	16.460%	16.246%	16.038%		
-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	-\$10,932,401	
\$12,222,163	\$755,472	\$755,472	\$755,472	\$755,472	\$755,472	\$755,472	\$755,472	\$755,472	\$755,472	\$755,472	1
	\$13,810,700	\$820,946	\$820,946	\$820,946	\$820,946	\$820,946	\$820,946	\$820,946	\$820,946	\$820,946	2
		\$15,455,742	\$887,730	\$887,730	\$887,730	\$887,730	\$887,730	\$887,730	\$887,730	\$887,730	3
			\$17,159,855	\$955,849	\$955,849	\$955,849	\$955,849	\$955,849	\$955,849	\$955,849	4
				\$18,925,740	\$1,025,331	\$1,025,331	\$1,025,331	\$1,025,331	\$1,025,331	\$1,025,331	5
					\$20,756,239	\$1,096,202	\$1,096,202	\$1,096,202	\$1,096,202	\$1,096,202	6
						\$22,654,345	\$1,168,491	\$1,168,491	\$1,168,491	\$1,168,491	7
							\$24,623,210	\$1,242,226	\$1,242,226	\$1,242,226	8
								\$26,666,152	\$1,317,435	\$1,317,435	9
									\$28,786,668	\$28,786,668	10
\$43,649,485	\$44,522,475	\$45,412,925	\$46,321,183	\$47,247,607	\$48,192,559	\$49,156,410	\$50,139,538	\$51,142,329	\$52,165,176		
\$43,600,000	\$44,500,000	\$45,400,000	\$46,300,000	\$47,200,000	\$48,200,000	\$49,200,000	\$50,100,000	\$51,100,000	\$52,200,000		

Equity returns Yr 2 to 10 are too high - should be around 12%; by-product of assumed 75% LTVR.