

PARKWAY ESTATES, LLC

NEW CLIENT ANALYSIS JANUARY 2010



PARKWAY ESTATES, LLC

ST. PAUL, MN

MARKET RATE - 82 UNITS



SECTION ONE

..... CURRENT OPERATIONS

SECTION TWO

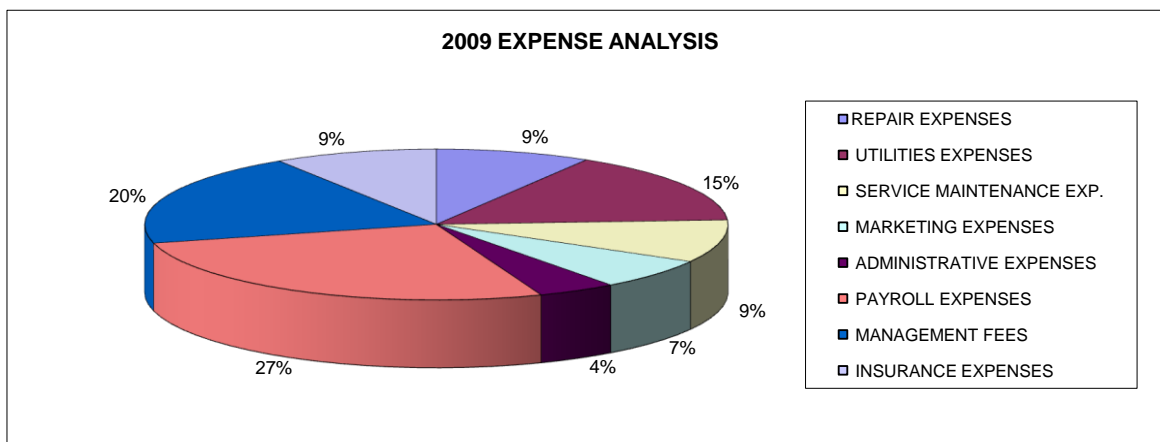
..... PROJECTED RESULTS

The information contained in this Report is strictly confidential. Vision Quest Property Management makes no warranties or representations with respect to the future financial performance of the investment or the valuation of the investment in the marketplace.



CURRENT OPERATIONS

	<u>2009</u>	<u>PER UNIT</u>	<u>%</u>
<u>REVENUE</u>			
GROSS MARKET RENT	1,324,020	16,147	99.1%
GARAGE RENTAL	43,550	531	3.3%
STORAGE RENTAL	1,650	20	0.1%
RENTAL CONCESSIONS	-8,475	-103	-0.6%
RENTAL VACANCY	-27,895	-340	-2.1%
GARAGE VACANCY	-9,180	-112	-0.7%
NET RENTAL INCOME	<u>1,323,670</u>	<u>16,142</u>	<u>99.1%</u>
OTHER INCOME	<u>12,585</u>	<u>153</u>	<u>0.9%</u>
TOTAL INCOME	<u>1,336,255</u>	<u>16,296</u>	<u>100.0%</u>
<u>EXPENSES</u>			
REPAIR EXPENSES	34,658	423	2.6%
UTILITIES EXPENSES	62,154	758	4.7%
SERVICE MAINTENANCE EXPENSES	36,745	448	2.7%
MARKETING EXPENSES	26,589	324	2.0%
ADMINISTRATIVE EXPENSES	17,452	213	1.3%
PAYROLL EXPENSES	107,854	1,315	8.1%
MANAGEMENT FEES	80,175	978	6.0%
INSURANCE EXPENSE	<u>36,524</u>	<u>445</u>	<u>2.7%</u>
TOTAL OPERATING EXPENSES	<u>402,151</u>	<u>4,904</u>	<u>30.1%</u>
REAL ESTATE TAXES	<u>98,547</u>	<u>1,202</u>	<u>7.4%</u>
NET INCOME FROM OPERATIONS	<u>835,557</u>	<u>10,190</u>	<u>62.5%</u>



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PROJECTED RESULTS

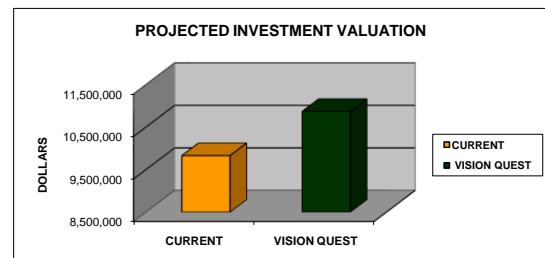
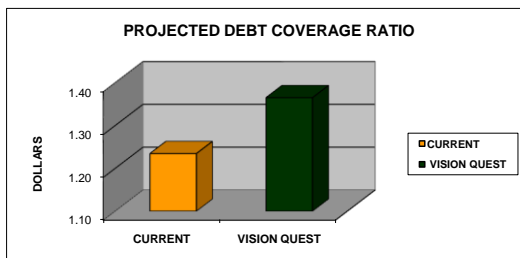
	<u>CURRENT PER UNIT</u>	<u>PROJECTED PER UNIT</u>	<u>PER UNIT DIFFERENCE</u>
<u>REVENUE</u>			
GROSS MARKET RENT	16,147	16,267	120
GARAGE RENTAL	531	531	0
STORAGE RENTAL	20	20	0
RENTAL CONCESSIONS	-103	-85	18
RENTAL VACANCY	-340	-310	30
GARAGE VACANCY	-112	-112	0
NET RENTAL INCOME	<u>16,142</u>	<u>16,311</u>	<u>169</u>
OTHER INCOME	<u>153</u>	<u>153</u>	<u>0</u>
TOTAL INCOME	<u>16,296</u>	<u>16,464</u>	<u>168</u>
<u>EXPENSES</u>			
REPAIR EXPENSES	423	308	-115
UTILITIES EXPENSES	758	719	-39
SERVICE MAINTENANCE EXPENSES	448	342	-106
MARKETING EXPENSES	324	208	-116
ADMINISTRATIVE EXPENSES	213	181	-32
PAYROLL EXPENSES	1,315	1,083	-232
MANAGEMENT FEES	978	813	-165
INSURANCE EXPENSE	445	341	-104
TOTAL OPERATING EXPENSES	<u>4,904</u>	<u>3,995</u>	<u>-909</u>
REAL ESTATE TAXES	<u>1,202</u>	<u>1,202</u>	<u>0</u>
NET INCOME FROM OPERATIONS	<u>10,190</u>	<u>11,267</u>	<u>1,077</u>
TOTAL NET INCOME FROM OPERATIONS	<u>835,557</u>	<u>923,894</u>	<u>88,337</u>

DEBT COVERAGE RATIO

	<u>CURRENT</u>	<u>PROJECTED</u>
*NOI	835,557	923,894
**DEBT COVERAGE	<u>676,801</u>	<u>676,801</u>
RATIO	<u>1.23</u>	<u>1.37</u>

INVESTMENT VALUATION

	<u>CURRENT</u>	<u>PROJECTED</u>
*NOI	835,557	923,894
***CAP. RATE	<u>8.5%</u>	<u>8.5%</u>
VALUE	<u>9,830,082</u>	<u>10,869,341</u>



*NOI is defined as earnings before interest, depreciation & amortization.
 **Capitalization Rate is an estimate based on current market conditions.

**Debt coverage is defined as 81% of current NOI, unless otherwise noted.
 If disclosed by ownership, actual figures will be used.

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