

# PROPERTY CASH FLOW ANALYSIS

Prepared for **Valued Client**  
Property **1234 Main Street**

Property Income*	Month	Annual
Gross rents	\$ 7,500	\$ 90,000
Other revenue	115	1,380
<b>Total</b>	<b>\$ 7,615</b>	<b>\$ 91,380</b>

Monthly Expenses*	Month	Annual
Mortgage payment (P+I only)	3,313	39,756
Property management	-	-
Water/sewer	275	3,300
Trash	75	900
Landscape/gardening	150	1,800
Other facility maintenance	-	-
Security	-	-
Other unreimbursed utility	-	-
HOA fee	125	1,500
Other assoc. dues	25	300
Major repairs	-	-
Other/misc.	100	1,200
Personal time (hrs x \$50)	750	9,000
<b>Total</b>	<b>\$ 4,813</b>	<b>\$ 57,756</b>

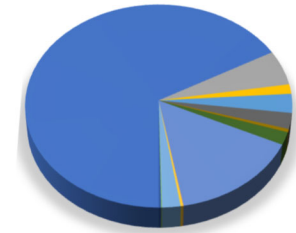
<b>Monthly Income*</b>	<b>\$ 7,615</b>
<b>Monthly Expense*</b>	<b>\$ 7,011</b>
<b>Monthly Cash Flow*</b>	<b>\$ 604</b>

Current Equity*	
Estimated Net Property Value	\$ 2,350,000
Current Loan Balance	\$ 954,040
<b>Total</b>	<b>\$ 1,395,960</b>

Annual Expenses*	Month	Annual
Bookkeeping / tax prep	33	400
Marketing	-	-
Insurance	167	2,000
Property Tax	1,250	15,000
Legal	67	800
Annualized vacancy	167	2,002
Future Capital Expenditures*		
Roof	231	2,778
Plumbing	-	-
HVAC	179	2,143
Hardscaping	-	-
Structural	-	-
All Other	104	1,250
<b>Total</b>	<b>\$ 2,198</b>	<b>\$ 26,373</b>

<b>Annualized Income*</b>	<b>\$ 91,380</b>
<b>Annualized Expense*</b>	<b>\$ 84,129</b>
<b>Annualized Cash Flow*</b>	<b>\$ 7,251</b>
<b>Estimated Cash on Equity *</b>	<b>0.52%</b>
<b>Estimated Yield on Equity *</b>	<b>1.68%</b>

- Adds back principal payments



## Current Expense Breakdown

- Mortgage payment (P+I only) 66.9%
- Property management 0.0%
- Water/sewer 5.6%
- Trash 1.5%
- Landscape/gardening 3.0%
- Other facility maintenance 0.0%
- Security 0.0%
- Other unreimbursed utility 0.0%
- HOA fee 2.5%
- Other assoc. dues 0.5%
- Major repairs 0.0%
- Other/misc. 2.0%
- Personal time (hrs x \$50) 15.1%
- Bookkeeping / tax prep 0.1%
- Marketing 0.0%
- Insurance 0.3%
- Property Tax 2.1%
- Legal 0.1%
- Annualized vacancy 0.3%

\*Based on client-provided estimates

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**1031** Capital Solutions

# TAX ILLUSTRATION

Prepared for **Valued Client**  
Property **1234 Main Street**

## Transaction Data from Questionnaire

Gross Sales Price	\$	2,500,000
Selling Costs	\$	150,000
Net Sales Price	\$	2,350,000
Adjusted basis	\$	300,000
Gross Capital Gain	\$	2,050,000
Carried-Forward Losses	\$	10,000
<b>Net Capital Gain</b>	<b>\$</b>	<b>2,040,000</b>

<b>Estimated Tax</b>	<b>\$704,065</b>
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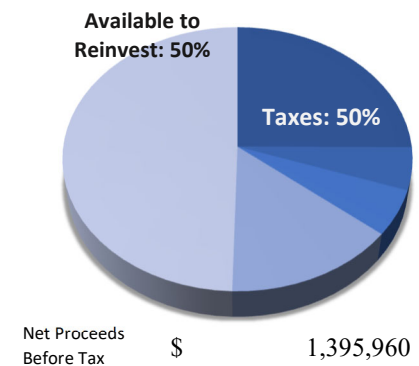
## Tax Category Breakdown

Based on estimated improvement ratios and depreciation

Federal LTCG	20%	\$349,818
Depreciation Recapture	25%	\$72,727
NIIT	3.8%	\$77,520
State	10%	\$204,000
<b>Estimated Tax on Gain</b>	<b>34.5%</b>	<b>\$704,065</b>

## Equity Breakdown

- Federal LTCG 25.1%
- Depreciation Recapture 5.2%
- NIIT 5.6%
- State 14.6%
- Available to Reinvest: 50%



**ESTIMATED FIGURES FOR ILLUSTRATIVE PURPOSES ONLY. DO NOT RELY ON THIS INFORMATION AS TAX GUIDANCE. CONSULT WITH YOUR QUALIFIED TAX OR LEGAL PROFESSIONAL.**

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# HYPOTHETICAL PORTFOLIO ILLUSTRATION<sup>(1)</sup>

Prepared for:

<b>Valued Client</b>
<b>2/13/2023</b>

Date:

	Equity	Debt	Total	LTV
<b>Client Investment Parameters:</b>	\$1,000,000	\$500,000.00	\$1,500,000	33.33%

<b>Proposed Portfolio:</b>	Equity	Debt	Total	LTV	Sector	Current Cash Flow (2)	Units	States	
Example Multifamily Property 1	\$300,000	30.0%	\$164,660	\$464,660	35.44%	Multifamily	3.20%	280	AL
Example Self-Storage Portfolio Property 2	\$400,000	40.0%	\$410,128	\$810,128	50.63%	Self Storage	3.50%	5082	OK, OK, OK, MA, MA, MD, MI, RI
Example Net-Leased Portfolio Property 3	\$100,000	10.0%	\$77,838	\$177,838	43.77%	Essential Business	5.00%	25	OK, PA, WV, PA, IL, NC, FL, NC, KS, IL, SC, MO, AL, OK, IL, VA, TX, OH, TX, NC, OH, MO, MI, IL, PA
Example Industrial Portfolio Property 4	\$200,000	20.0%	\$0	\$200,000	0.00%	Industrial	3.40%	2	FL, KS
<b>Portfolio Results (Weighted):</b>	<b>\$1,000,000</b>	<b>100%</b>	<b>\$652,626</b>	<b>\$1,652,626</b>	<b>39.49%</b>		<b>3.54%</b>	<b>5389</b>	

(1) Hypothetical replacement property examples intend to mimic what an investor may acquire during a 1031 exchange. Results are not guaranteed and individual results may vary. Though offering objectives may be based on contractual obligations, there is no guarantee any offering will meet its investment objectives. Investors should review the PPM for full details before making any investments.

(2) Current cash flow is not an assurance of future results and does not directly represent investor return. There is no guarantee investors will receive distribution or the return of their capital. Distributions may be derived from sources other than earnings.

**Because investor situations and objectives vary this information is not intended to indicate suitability or a recommendation for all investors.**

This is for informational purposes only and does not constitute an offer to purchase or sell securitized real estate investments and is authorized for use only when accompanies or preceded by the applicable Private Placement Memorandum (PPM). Such offers are only made through the sponsors PPM which is solely available to accredited investors and accredited entities. This should not be relied upon as tax or legal advice. Please consult the appropriate professional regarding your individual circumstance.

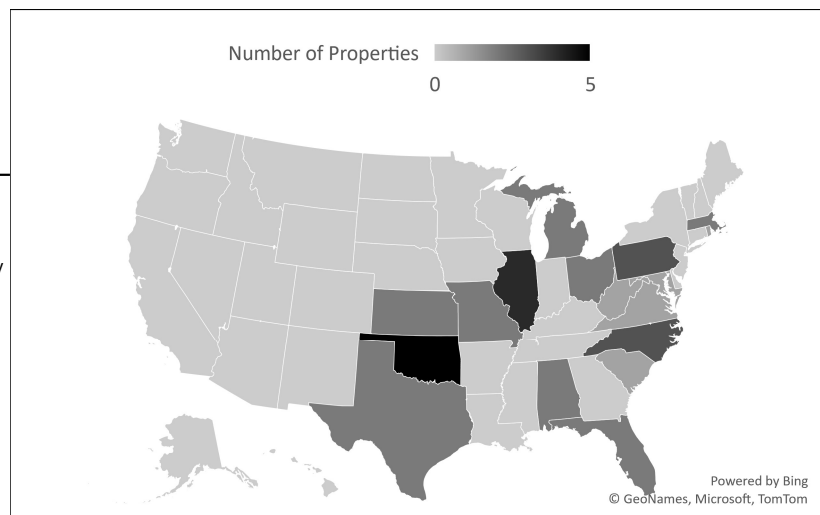
Offerings may only be available to accredited investors (typically defined as having a \$1 million net worth excluding primary residence or \$200,000 income individually/\$300,000 jointly of the last two years; or have an active Series 7, Series 82, or Series 65). Individuals holding a Series 66 do not fall under this definition) and accredited entities only. If you are unsure if you are an accredited investor and/or an accredited entity, please verify with your CPA and Attorney.

**Potential cash flows/returns/appreciation are not guaranteed and could be lower than anticipated. Diversification does not guarantee a profit or protect against a loss in a declining market. It is a method used to help manage investment risk.**

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There are material risks associated with investing in DST properties and real estate securities including liquidity, tenant vacancies, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating commercial and multifamily properties, short term leases associated with multi-family properties, financing risks, potential adverse tax consequences, general economic risks, development risks, long hold periods, and potential loss of the entire investment principal.

Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.



A REIT is a security that sells like a stock on the major exchanges and invests in real estate directly, either through properties or mortgages. REITs receive special tax considerations and typically offer investors high yields, as well as a highly liquid method of investing in real estate. There are risks associated with these types of investments and include but are not limited to the following: Typically, no secondary market exists for the security listed above. Potential difficulty discerning between routine interest payments and principal repayment. Redemption price of a REIT may be worth more or less than the original price paid. Value of the shares in the trust will fluctuate with the portfolio of underlying real estate. Involves risks such as refinancing in the real estate industry, interest rates, availability of mortgage funds, operating expenses, cost of insurance, lease terminations, potential economic and regulatory changes. This is neither an offer to sell nor a solicitation or an offer to buy the securities described herein. The offering is made only by the Prospectus.

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