Pro-Forma of 48 North Forest Beach

Selling Price:			$774,900.00	
Interest Rate:			5.250%	
Down payment (20%):			$154,980.00	
Total no of payments:			360	
Income: (Avg per week)	18	$ 2,208.00	$ 39,744.00	
Less:	**Qty**	**Payment**	**Expense**	**Notes**
Principal & Interest	12	($3,423.22)	-$41,078.65	
Taxes (estimate)	1	$ (3,356.00)	$ (3,356.00)	
Regime Fee (12 x $288)	12	$ (317.00)	$ (3,804.00)	
Hazard Insurance (estimate)	1	$ (3,940.00)	$ (3,940.00)	
Flood Insurance (estimate)	1	$ (386.00)	$ (386.00)	
Electricity (estimate based on average months)	12	$ (250.00)	$ (3,000.00)	
Telephone (estimate)	12	$ (26.00)	$ (312.00)	
Cable Television (estimate)	12	$ (48.00)	$ (576.00)	
Pest Control (estimate)	12	$ (25.00)	$ (300.00)	
Pool Cleaning	12	$ (190.00)	$ (2,280.00)	
Water and Sewer (estimate)	12	$ (35.00)	$ (420.00)	
Cleaning	18	$ (185.00)	$ (3,330.00)	
Contingency for slippage, repairs, assessment (estimate)	1	$ (1,000.00)	$ (1,000.00)	
Annual Marketing Fee	1	$ (275.00)	$ (275.00)	
Management fee (25%)	1	$ (9,936.00)	$ (9,936.00)	
Total Expenses: (estimate)			$ (73,993.65)	
Net Operating Income: (estimate only, actual results may vary)				$ (34,249.65)
Annual income yield:				-4.42%
Annual depreciation @ .037			$ 28,671.30	
Annual Cost of Ownership				$ (5,578.35)
Projected Net Ten-Year Appreciation (assumes 4% annual growth)	$1,147,041			
Projected Ten-Year IRR: (includes 7.5% closing costs)		21.11%		

**Note: The above pro-forma is to be used only as a guideline in evaluation, and as such, is speculative in nature. All numbers used were based upon historical data and/or best estimates. Actual results may show significant deviation from above. Rental estimates for 2004 provided by SeaCoast Homes and Villas*

This information provided by:

Cheryl Morgan
Hilton Head Island Realty and Rentals
Hilton Head Island, SC 29928
843-298-5264