

Ten Year Performance Projection

New Construction in Birmingham Metro
Alabama
4bd | 2.5ba | Built: 2026

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	\$31,200	\$32,448	\$33,746	\$35,096	\$36,500	\$37,960	\$39,478	\$41,057	\$42,699	\$44,407
Vacancy Losses	-\$2,496	-\$2,596	-\$2,700	-\$2,808	-\$2,920	-\$3,037	-\$3,158	-\$3,285	-\$3,416	-\$3,553
Operating Income	\$28,704	\$29,852	\$31,046	\$32,288	\$33,580	\$34,923	\$36,320	\$37,773	\$39,283	\$40,855

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,696	-\$2,796	-\$2,899	-\$3,007	-\$3,118	-\$3,233	-\$3,353	-\$3,477	-\$3,606	-\$3,739
Insurance	-\$2,489	-\$2,581	-\$2,676	-\$2,775	-\$2,878	-\$2,985	-\$3,095	-\$3,210	-\$3,328	-\$3,451
Management Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Leasing/Advertising Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Association Fees	-\$804	-\$834	-\$865	-\$897	-\$930	-\$964	-\$1,000	-\$1,037	-\$1,075	-\$1,115
Maintenance	-\$936	-\$971	-\$1,007	-\$1,044	-\$1,082	-\$1,122	-\$1,164	-\$1,207	-\$1,252	-\$1,298
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$6,925	-\$7,181	-\$7,447	-\$7,722	-\$8,008	-\$8,305	-\$8,612	-\$8,930	-\$9,261	-\$9,603

Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$21,779	\$22,671	\$23,599	\$24,566	\$25,571	\$26,618	\$27,708	\$28,842	\$30,023	\$31,251
- Mortgage Payments	-\$18,365	-\$18,365	-\$18,365	-\$18,365	-\$18,365	-\$18,365	-\$18,365	-\$18,267	-\$18,267	-\$18,267
= Cash Flow	\$3,414	\$4,306	\$5,234	\$6,200	\$7,206	\$8,253	\$9,343	\$10,575	\$11,756	\$12,985
+ Principal Reduction	\$5,245	\$5,472	\$5,709	\$5,957	\$6,215	\$6,484	\$6,765	\$11,000	\$11,306	\$11,621
+ Appreciation	\$20,740	\$21,777	\$22,866	\$24,009	\$25,210	\$26,470	\$27,794	\$29,183	\$30,642	\$32,175
= Gross Equity Income	\$29,399	\$31,555	\$33,809	\$36,166	\$38,631	\$41,207	\$43,902	\$50,759	\$53,705	\$56,781
Capitalization Rate	5.0%	5.0%	4.9%	4.9%	4.8%	4.8%	4.7%	4.7%	4.7%	4.6%
Cash on Cash Return	3.0%	3.8%	4.6%	5.4%	6.3%	7.2%	8.2%	9.2%	10.3%	11.3%
Return on Equity	22.7%	20.1%	18.2%	16.8%	15.6%	14.7%	14.0%	14.3%	13.5%	12.9%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$435,540	\$457,317	\$480,183	\$504,192	\$529,402	\$555,872	\$583,665	\$612,849	\$643,491	\$675,665
- Loan Balance	-\$305,855	-\$300,383	-\$294,674	-\$288,717	-\$282,502	-\$276,018	-\$269,253	-\$258,253	-\$246,946	-\$235,325
= Equity	\$129,685	\$156,934	\$185,509	\$215,475	\$246,899	\$279,853	\$314,412	\$354,596	\$396,544	\$440,340
Loan-to-Value Ratio	70.2%	65.7%	61.4%	57.3%	53.4%	49.7%	46.1%	42.1%	38.4%	34.8%
Potential Cash-Out Refi	\$42,577	\$65,470	\$89,472	\$114,636	\$141,019	\$168,679	\$197,679	\$232,026	\$267,846	\$305,207

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$129,685	\$156,934	\$185,509	\$215,475	\$246,899	\$279,853	\$314,412	\$354,596	\$396,544	\$440,340
- Closing Costs	-\$30,488	-\$32,012	-\$33,613	-\$35,293	-\$37,058	-\$38,911	-\$40,857	-\$42,899	-\$45,044	-\$47,297
= Proceeds After Sale	\$99,197	\$124,922	\$151,896	\$180,181	\$209,841	\$240,942	\$273,556	\$311,696	\$351,500	\$393,044
+ Cumulative Cash Flow	\$3,414	\$7,720	\$12,954	\$19,154	\$26,361	\$34,614	\$43,956	\$54,532	\$66,288	\$79,272
- Approximate Cash Invest	-\$114,588	-\$114,588	-\$114,588	-\$114,588	-\$114,588	-\$114,588	-\$114,588	-\$114,588	-\$114,588	-\$114,588
= Net Profit	-\$11,978	\$18,053	\$50,261	\$84,747	\$121,613	\$160,968	\$202,924	\$251,640	\$303,199	\$357,728
Internal Rate of Return	-10.5%	7.7%	13.2%	15.4%	16.4%	16.7%	16.8%	16.9%	16.9%	16.8%
Return on Investment	-10.5%	15.8%	43.9%	74.0%	106.1%	140.5%	177.1%	219.6%	264.6%	312.2%

*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.