

Ten Year Performance Projection

Currently Occupied - Self Management
Arizona
3bd | 2ba | Built: 1987

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	\$42,000	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800
Vacancy Losses	-\$3,360	-\$3,461	-\$3,565	-\$3,672	-\$3,782	-\$3,895	-\$4,012	-\$4,132	-\$4,256	-\$4,384
Operating Income	\$38,640	\$39,799	\$40,993	\$42,223	\$43,490	\$44,794	\$46,138	\$47,522	\$48,948	\$50,416

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,710	-\$1,773	-\$1,839	-\$1,907	-\$1,977	-\$2,051	-\$2,127	-\$2,205	-\$2,287	-\$2,371
Insurance	-\$2,280	-\$2,364	-\$2,452	-\$2,543	-\$2,637	-\$2,734	-\$2,835	-\$2,940	-\$3,049	-\$3,162
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	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Maintenance	-\$2,100	-\$2,178	-\$2,258	-\$2,342	-\$2,428	-\$2,518	-\$2,612	-\$2,708	-\$2,808	-\$2,912
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$6,090	-\$6,315	-\$6,549	-\$6,791	-\$7,043	-\$7,303	-\$7,573	-\$7,854	-\$8,144	-\$8,446

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	\$32,550	\$33,484	\$34,444	\$35,432	\$36,447	\$37,491	\$38,565	\$39,669	\$40,804	\$41,971
- Mortgage Payments	-\$29,391	-\$29,391	-\$29,391	-\$29,391	-\$29,391	-\$29,391	-\$29,391	-\$29,391	-\$29,391	-\$29,391
= Cash Flow	\$3,159	\$4,093	\$5,054	\$6,041	\$7,056	\$8,101	\$9,174	\$10,278	\$11,413	\$12,580
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$28,500	\$29,925	\$31,421	\$32,992	\$34,642	\$36,374	\$38,193	\$40,102	\$42,107	\$44,213
= Gross Equity Income	\$31,659	\$34,018	\$36,475	\$39,033	\$41,698	\$44,475	\$47,367	\$50,380	\$53,521	\$56,793
Capitalization Rate	5.4%	5.3%	5.2%	5.1%	5.0%	4.9%	4.8%	4.7%	4.6%	4.5%
Cash on Cash Return	2.0%	2.6%	3.2%	3.8%	4.4%	5.1%	5.7%	6.4%	7.2%	7.9%
Return on Equity	18.5%	16.9%	15.7%	14.7%	13.9%	13.2%	12.6%	12.2%	11.7%	11.3%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$598,500	\$628,425	\$659,846	\$692,839	\$727,480	\$763,855	\$802,047	\$842,150	\$884,257	\$928,470
- Loan Balance	-\$427,500	-\$427,500	-\$427,500	-\$427,500	-\$427,500	-\$427,500	-\$427,500	-\$427,500	-\$427,500	-\$427,500
= Equity	\$171,000	\$200,925	\$232,346	\$265,339	\$299,980	\$336,355	\$374,547	\$414,650	\$456,757	\$500,970
Loan-to-Value Ratio	71.4%	68.0%	64.8%	61.7%	58.8%	56.0%	53.3%	50.8%	48.3%	46.0%
Potential Cash-Out Refi	\$111,150	\$138,082	\$166,362	\$196,055	\$227,232	\$259,969	\$294,343	\$330,435	\$368,331	\$408,123

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$171,000	\$200,925	\$232,346	\$265,339	\$299,980	\$336,355	\$374,547	\$414,650	\$456,757	\$500,970
- Closing Costs	-\$41,895	-\$43,990	-\$46,189	-\$48,499	-\$50,924	-\$53,470	-\$56,143	-\$58,950	-\$61,898	-\$64,993
= Proceeds After Sale	\$129,105	\$156,935	\$186,157	\$216,840	\$249,057	\$282,885	\$318,404	\$355,699	\$394,859	\$435,977
+ Cumulative Cash Flow	\$3,159	\$7,253	\$12,306	\$18,347	\$25,404	\$33,504	\$42,678	\$52,956	\$64,370	\$76,950
- Approximate Cash Invest	-\$159,600	-\$159,600	-\$159,600	-\$159,600	-\$159,600	-\$159,600	-\$159,600	-\$159,600	-\$159,600	-\$159,600
= Net Profit	-\$27,336	\$4,588	\$38,863	\$75,587	\$114,860	\$156,789	\$201,482	\$249,056	\$299,629	\$353,327
Internal Rate of Return	-17.1%	1.4%	7.7%	10.5%	11.9%	12.6%	13.1%	13.3%	13.4%	13.4%
Return on Investment	-17.1%	2.9%	24.4%	47.4%	72.0%	98.2%	126.2%	156.0%	187.7%	221.4%

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