

Ten Year Performance Projection

Great Opportunity!
Arizona
3bd | 3ba | Built: 1985

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	\$33,600	\$34,608	\$35,646	\$36,716	\$37,817	\$38,952	\$40,120	\$41,324	\$42,563	\$43,840
Vacancy Losses	-\$2,688	-\$2,769	-\$2,852	-\$2,937	-\$3,025	-\$3,116	-\$3,210	-\$3,306	-\$3,405	-\$3,507
Operating Income	\$30,912	\$31,839	\$32,795	\$33,778	\$34,792	\$35,835	\$36,911	\$38,018	\$39,158	\$40,333

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,347	-\$1,397	-\$1,449	-\$1,502	-\$1,558	-\$1,615	-\$1,675	-\$1,737	-\$1,801	-\$1,868
Insurance	-\$1,796	-\$1,862	-\$1,931	-\$2,003	-\$2,077	-\$2,154	-\$2,233	-\$2,316	-\$2,402	-\$2,491
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	-\$648	-\$672	-\$697	-\$723	-\$749	-\$777	-\$806	-\$836	-\$867	-\$899
Maintenance	-\$1,680	-\$1,742	-\$1,807	-\$1,873	-\$1,943	-\$2,015	-\$2,089	-\$2,167	-\$2,247	-\$2,330
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$5,471	-\$5,673	-\$5,883	-\$6,101	-\$6,327	-\$6,561	-\$6,804	-\$7,055	-\$7,316	-\$7,587

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	\$25,441	\$26,166	\$26,911	\$27,677	\$28,465	\$29,275	\$30,107	\$30,963	\$31,842	\$32,746
- Mortgage Payments	-\$23,152	-\$23,152	-\$23,152	-\$23,152	-\$23,152	-\$23,152	-\$23,152	-\$23,152	-\$23,152	-\$23,152
= Cash Flow	\$2,289	\$3,014	\$3,760	\$4,526	\$5,313	\$6,123	\$6,955	\$7,811	\$8,690	\$9,594
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$22,450	\$23,572	\$24,751	\$25,989	\$27,288	\$28,653	\$30,085	\$31,589	\$33,169	\$34,827
= Gross Equity Income	\$24,739	\$26,587	\$28,511	\$30,514	\$32,601	\$34,776	\$37,040	\$39,400	\$41,859	\$44,422
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	1.8%	2.4%	3.0%	3.6%	4.2%	4.9%	5.5%	6.2%	6.9%	7.6%
Return on Equity	18.4%	16.8%	15.6%	14.6%	13.8%	13.1%	12.6%	12.1%	11.6%	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	\$471,450	\$495,022	\$519,774	\$545,762	\$573,050	\$601,703	\$631,788	\$663,377	\$696,546	\$731,374
- Loan Balance	-\$336,750	-\$336,750	-\$336,750	-\$336,750	-\$336,750	-\$336,750	-\$336,750	-\$336,750	-\$336,750	-\$336,750
= Equity	\$134,700	\$158,272	\$183,024	\$209,012	\$236,300	\$264,953	\$295,038	\$326,627	\$359,796	\$394,624
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	\$87,555	\$108,770	\$131,046	\$154,436	\$178,995	\$204,783	\$231,859	\$260,290	\$290,142	\$321,486

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$134,700	\$158,272	\$183,024	\$209,012	\$236,300	\$264,953	\$295,038	\$326,627	\$359,796	\$394,624
- Closing Costs	-\$33,002	-\$34,652	-\$36,384	-\$38,203	-\$40,114	-\$42,119	-\$44,225	-\$46,436	-\$48,758	-\$51,196
= Proceeds After Sale	\$101,698	\$123,621	\$146,639	\$170,809	\$196,187	\$222,834	\$250,813	\$280,191	\$311,038	\$343,428
+ Cumulative Cash Flow	\$2,289	\$5,304	\$9,063	\$13,589	\$18,902	\$25,025	\$31,981	\$39,792	\$48,482	\$58,077
- Approximate Cash Invest	-\$125,720	-\$125,720	-\$125,720	-\$125,720	-\$125,720	-\$125,720	-\$125,720	-\$125,720	-\$125,720	-\$125,720
= Net Profit	-\$21,732	\$3,205	\$29,983	\$58,678	\$89,369	\$122,139	\$157,074	\$194,263	\$233,800	\$275,784
Internal Rate of Return	-17.3%	1.3%	7.5%	10.3%	11.7%	12.5%	12.9%	13.1%	13.2%	13.3%
Return on Investment	-17.3%	2.5%	23.8%	46.7%	71.1%	97.2%	124.9%	154.5%	186.0%	219.4%

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