Ten Year Performance Projection

New Construction in Birmingham Metro 6pts credit from builder DSCR Lender
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	$25,200	$26,208	$27,256	$28,347	$29,480	$30,660	$31,886	$33,161	$34,488	$35,867
Vacancy Losses	-$2,016	-$2,097	-$2,181	-$2,268	-$2,358	-$2,453	-$2,551	-$2,653	-$2,759	-$2,869
Operating Income	**$23,184**	**$24,111**	**$25,076**	**$26,079**	**$27,122**	**$28,207**	**$29,335**	**$30,509**	**$31,729**	**$32,998**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$2,079	-$2,156	-$2,236	-$2,319	-$2,405	-$2,494	-$2,586	-$2,682	-$2,781	-$2,884
Insurance	-$1,919	-$1,990	-$2,064	-$2,140	-$2,220	-$2,302	-$2,387	-$2,475	-$2,567	-$2,662
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	-$552	-$572	-$594	-$616	-$638	-$662	-$686	-$712	-$738	-$766
Maintenance	-$756	-$784	-$813	-$843	-$874	-$907	-$940	-$975	-$1,011	-$1,048
Other	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Operating Expenses	**-$5,307**	**-$5,503**	**-$5,707**	**-$5,918**	**-$6,137**	**-$6,364**	**-$6,599**	**-$6,844**	**-$7,097**	**-$7,359**

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	**$17,877**	**$18,608**	**$19,369**	**$20,161**	**$20,985**	**$21,843**	**$22,736**	**$23,665**	**$24,632**	**$25,639**
- Mortgage Payments	-$18,198	-$18,198	-$18,198	-$18,198	-$18,198	-$18,198	-$18,198	-$18,198	-$18,198	-$18,198
= Cash Flow	**-$321**	**$410**	**$1,171**	**$1,963**	**$2,787**	**$3,645**	**$4,538**	**$5,467**	**$6,434**	**$7,441**
+ Principal Reduction	$2,682	$2,861	$3,053	$3,257	$3,476	$3,708	$3,957	$4,222	$4,504	$4,806
+ Appreciation	$15,995	$16,795	$17,634	$18,516	$19,442	$20,414	$21,435	$22,507	$23,632	$24,813
= Gross Equity Income	**$18,356**	**$20,066**	**$21,859**	**$23,737**	**$25,705**	**$27,768**	**$29,929**	**$32,195**	**$34,571**	**$37,060**
Capitalization Rate	5.3%	5.3%	5.2%	5.2%	5.1%	5.1%	5.1%	5.0%	5.0%	4.9%
Cash on Cash Return	-0.4%	0.5%	1.3%	2.2%	3.2%	4.1%	5.1%	6.2%	7.3%	8.4%
Return on Equity	18.6%	17.0%	15.7%	14.8%	14.0%	13.4%	12.8%	12.4%	12.0%	11.7%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$335,895	$352,690	$370,324	$388,840	$408,282	$428,697	$450,131	$472,638	$496,270	$521,083
- Loan Balance	-$237,243	-$234,382	-$231,329	-$228,072	-$224,596	-$220,888	-$216,931	-$212,709	-$208,205	-$203,399
= Equity	**$98,652**	**$118,308**	**$138,995**	**$160,769**	**$183,686**	**$207,809**	**$233,200**	**$259,929**	**$288,065**	**$317,684**
Loan-to-Value Ratio	70.6%	66.5%	62.5%	58.7%	55.0%	51.5%	48.2%	45.0%	42.0%	39.0%
Potential Cash-Out Refi	$31,473	$47,770	$64,930	$83,001	$102,030	$122,070	$143,174	$165,401	$188,811	$213,468

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$98,652	$118,308	$138,995	$160,769	$183,686	$207,809	$233,200	$259,929	$288,065	$317,684
- Closing Costs	-$23,513	-$24,688	-$25,923	-$27,219	-$28,580	-$30,009	-$31,509	-$33,085	-$34,739	-$36,476
= Proceeds After Sale	**$75,139**	**$93,620**	**$113,073**	**$133,550**	**$155,107**	**$177,800**	**$201,691**	**$226,844**	**$253,326**	**$281,209**
+ Cumulative Cash Flow	-$321	$90	$1,261	$3,224	$6,011	$9,656	$14,194	$19,662	$26,096	$33,537
- Approximate Cash Invest	-$88,372	-$88,372	-$88,372	-$88,372	-$88,372	-$88,372	-$88,372	-$88,372	-$88,372	-$88,372
= Net Profit	**-$13,554**	**$5,337**	**$25,961**	**$48,402**	**$72,746**	**$99,084**	**$127,513**	**$158,133**	**$191,050**	**$226,373**
Internal Rate of Return	-15.3%	3.0%	9.0%	11.6%	12.8%	13.5%	13.8%	14.0%	14.0%	14.0%
Return on Investment	-15.3%	6.0%	29.4%	54.8%	82.3%	112.1%	144.3%	178.9%	216.2%	256.2%

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

Make your own dynamic proformas for FREE at www.PropertyTracker.com and Find investments at www.EmpoweredInvestor.com/Properties
Talk with an Investment Counselor from Empowered Investor LLC: www.EmpoweredInvestor.com or 1-714-820-4200 ext. 2
Talk or text with Jason's AI Clone at www.EmpoweredInvestor.com/AI.
Subject to Terms of Service and Privacy Policy | © 2004-2026