

10 Year Performance Projection

New Construction Duplex  
Palm Coast, FL 32164

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$31,200	\$32,136	\$33,100	\$34,093	\$35,116	\$36,169	\$37,254	\$38,372	\$39,523	\$40,709
Vacancy Losses	-\$1,560	-\$1,607	-\$1,655	-\$1,705	-\$1,756	-\$1,808	-\$1,863	-\$1,919	-\$1,976	-\$2,035
Operating Income	\$29,640	\$30,529	\$31,445	\$32,388	\$33,360	\$34,361	\$35,392	\$36,453	\$37,547	\$38,673

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$5,784	-\$5,958	-\$6,136	-\$6,320	-\$6,510	-\$6,705	-\$6,906	-\$7,114	-\$7,327	-\$7,547
Insurance	-\$997	-\$1,027	-\$1,058	-\$1,090	-\$1,122	-\$1,156	-\$1,191	-\$1,226	-\$1,263	-\$1,301
Management Fees	-\$2,371	-\$2,442	-\$2,516	-\$2,591	-\$2,669	-\$2,749	-\$2,831	-\$2,916	-\$3,004	-\$3,094
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	-\$936	-\$964	-\$993	-\$1,023	-\$1,053	-\$1,085	-\$1,118	-\$1,151	-\$1,186	-\$1,221
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$10,088	-\$10,391	-\$10,703	-\$11,024	-\$11,355	-\$11,695	-\$12,046	-\$12,408	-\$12,780	-\$13,163

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	\$19,552	\$20,138	\$20,742	\$21,364	\$22,005	\$22,666	\$23,346	\$24,046	\$24,767	\$25,510
- Mortgage Payments	-\$16,882	-\$16,882	-\$16,882	-\$16,882	-\$16,882	-\$16,882	-\$16,882	-\$16,882	-\$16,882	-\$16,882
= Cash Flow	\$2,670	\$3,256	\$3,860	\$4,482	\$5,123	\$5,784	\$6,464	\$7,164	\$7,885	\$8,628
+ Principal Reduction	\$5,384	\$5,596	\$5,817	\$6,046	\$6,285	\$6,533	\$6,791	\$7,058	\$7,337	\$7,626
+ Appreciation	\$23,934	\$25,370	\$26,892	\$28,506	\$30,216	\$32,029	\$33,951	\$35,988	\$38,147	\$40,436
= Gross Equity Income	\$31,987	\$34,222	\$36,569	\$39,035	\$41,625	\$44,346	\$47,205	\$50,210	\$53,369	\$56,691
Capitalization Rate	4.6%	4.5%	4.4%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%
Cash on Cash Return	2.3%	2.8%	3.3%	3.8%	4.4%	5.0%	5.5%	6.1%	6.8%	7.4%
Return on Equity	24.8%	21.4%	19.0%	17.2%	15.8%	14.7%	13.8%	13.0%	12.4%	11.8%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$422,834	\$448,204	\$475,096	\$503,602	\$533,818	\$565,847	\$599,798	\$635,786	\$673,933	\$714,369
- Loan Balance	-\$293,791	-\$288,195	-\$282,378	-\$276,331	-\$270,046	-\$263,514	-\$256,723	-\$249,665	-\$242,328	-\$234,701
= Equity	\$129,043	\$160,009	\$192,718	\$227,271	\$263,772	\$302,334	\$343,075	\$386,121	\$431,605	\$479,668
Loan-to-Value Ratio	69.5%	64.3%	59.4%	54.9%	50.6%	46.6%	42.8%	39.3%	36.0%	32.9%
Potential Cash-Out Refi	\$23,334	\$47,958	\$73,944	\$101,370	\$130,317	\$160,872	\$193,126	\$227,175	\$263,122	\$301,075

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$129,043	\$160,009	\$192,718	\$227,271	\$263,772	\$302,334	\$343,075	\$386,121	\$431,605	\$479,668
- Closing Costs	-\$29,598	-\$31,374	-\$33,257	-\$35,252	-\$37,367	-\$39,609	-\$41,986	-\$44,505	-\$47,175	-\$50,006
= Proceeds After Sale	\$99,444	\$128,635	\$159,462	\$192,018	\$226,404	\$262,724	\$301,089	\$341,616	\$384,430	\$429,662
+ Cumulative Cash Flow	\$2,670	\$5,926	\$9,786	\$14,268	\$19,392	\$25,175	\$31,639	\$38,803	\$46,688	\$55,316
- Initial Cash Invested	-\$116,678	-\$116,678	-\$116,678	-\$116,678	-\$116,678	-\$116,678	-\$116,678	-\$116,678	-\$116,678	-\$116,678
= Net Profit	-\$14,564	\$17,882	\$52,569	\$89,609	\$129,118	\$171,221	\$216,050	\$263,741	\$314,440	\$368,300
Internal Rate of Return	-12.5%	7.5%	13.5%	15.8%	16.7%	17.0%	17.0%	16.8%	16.6%	16.4%
Return on Investment	-12.5%	15.3%	45.1%	76.8%	110.7%	146.7%	185.2%	226.0%	269.5%	315.7%

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