

1 Year Performance Projection

Upgraded Duplex - Asking \$550k
Phoenix, AZ 85016
2 bdrm/ 2 bath + 1 bdrm/ 1 bath - Built 1953



Square Feet	1,564
Initial Market Value	\$540,000
Purchase Price	\$540,000
Downpayment	\$162,000
Loan Origination Fees	\$7,560
Depreciable Closing Costs	\$16,200
Other Closing Costs and Fixup	\$12,228
Initial Cash Invested	\$197,988
Cost per Square Foot	\$345
Monthly Rent per Square Foot	\$2.30

Income	Monthly	Annual
Gross Rent	\$3,600	\$43,200
Vacancy Losses	-\$288	-\$3,456
Operating Income	\$3,312	\$39,744

Expenses	Monthly	Annual
Property Taxes	-\$180	-\$2,160
Insurance	-\$90	-\$1,080
Management Fees	-\$265	-\$3,180
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$180	-\$2,160
Other	-\$0	-\$0
Operating Expenses	-\$715	-\$8,580

Net Performance	Monthly	Annual
Net Operating Income	\$2,597	\$31,164
- Mortgage Payments	-\$2,087	-\$25,042
= Cash Flow	\$510	\$6,122
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$2,700	\$32,400
= Gross Equity Income	\$3,210	\$38,522
+ Tax Savings	\$291	\$3,490
= GEI w/Tax Savings	\$3,501	\$42,012

Mortgage Info	First	Second
Loan-to-Value Ratio	70%	0%
Loan Amount	\$378,000	\$0
Monthly Payment	\$2,086.88	\$0.00
Loan Type	Interest Only Fixed	
Term	10 Years	
Interest Rate	6.625%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.24
Annual Gross Rent Multiplier	13
Monthly Gross Rent Multiplier	150
Capitalization Rate	5.8%
Cash on Cash Return	3%
Total Return on Investment	19%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	8%
Management Fee	8%
Maintenance Percentage	5%

Comments
New Water Heater, New Washer/Dryer & Dishwasher! Kitche

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