

10 Year Performance Projection

Brand New Wagoner Duplex-Fully Occupied
Wagoner, OK 74467

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$33,000	\$33,990	\$35,010	\$36,060	\$37,142	\$38,256	\$39,404	\$40,586	\$41,803	\$43,058
Vacancy Losses	-\$2,640	-\$2,719	-\$2,801	-\$2,885	-\$2,971	-\$3,060	-\$3,152	-\$3,247	-\$3,344	-\$3,445
Operating Income	\$30,360	\$31,271	\$32,209	\$33,175	\$34,170	\$35,196	\$36,251	\$37,339	\$38,459	\$39,613

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$5,188	-\$5,343	-\$5,503	-\$5,669	-\$5,839	-\$6,014	-\$6,194	-\$6,380	-\$6,571	-\$6,769
Insurance	-\$1,702	-\$1,753	-\$1,805	-\$1,859	-\$1,915	-\$1,973	-\$2,032	-\$2,093	-\$2,155	-\$2,220
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	-\$660	-\$680	-\$700	-\$721	-\$743	-\$765	-\$788	-\$812	-\$836	-\$861
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$7,549	-\$7,775	-\$8,009	-\$8,249	-\$8,496	-\$8,751	-\$9,014	-\$9,284	-\$9,563	-\$9,850

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	\$22,811	\$23,495	\$24,200	\$24,926	\$25,674	\$26,444	\$27,238	\$28,055	\$28,896	\$29,763
- Mortgage Payments	-\$24,824	-\$24,824	-\$24,824	-\$24,824	-\$24,824	-\$24,824	-\$24,824	-\$24,824	-\$24,824	-\$24,824
= Cash Flow	-\$2,013	-\$1,329	-\$624	\$102	\$850	\$1,620	\$2,414	\$3,231	\$4,072	\$4,939
+ Principal Reduction	\$3,168	\$3,396	\$3,642	\$3,904	\$4,186	\$4,488	\$4,812	\$5,160	\$5,532	\$5,932
+ Appreciation	\$24,900	\$26,394	\$27,978	\$29,656	\$31,436	\$33,322	\$35,321	\$37,440	\$39,687	\$42,068
= Gross Equity Income	\$26,055	\$28,462	\$30,995	\$33,663	\$36,472	\$39,431	\$42,547	\$45,831	\$49,291	\$52,939
Capitalization Rate	5.2%	5.0%	4.9%	4.8%	4.6%	4.5%	4.4%	4.2%	4.1%	4.0%
Cash on Cash Return	-1.6%	-1.1%	-0.5%	0.1%	0.7%	1.3%	1.9%	2.6%	3.3%	4.0%
Return on Equity	19.8%	17.6%	16.0%	14.8%	13.9%	13.1%	12.5%	12.0%	11.5%	11.1%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$439,900	\$466,294	\$494,272	\$523,928	\$555,364	\$588,685	\$624,007	\$661,447	\$701,134	\$743,202
- Loan Balance	-\$308,082	-\$304,686	-\$301,044	-\$297,140	-\$292,954	-\$288,465	-\$283,653	-\$278,493	-\$272,961	-\$267,029
= Equity	\$131,818	\$161,608	\$193,227	\$226,788	\$262,410	\$300,220	\$340,354	\$382,954	\$428,173	\$476,173
Loan-to-Value Ratio	70.0%	65.3%	60.9%	56.7%	52.7%	49.0%	45.5%	42.1%	38.9%	35.9%
Potential Cash-Out Refi	\$21,843	\$45,035	\$69,659	\$95,806	\$123,569	\$153,049	\$184,352	\$217,592	\$252,890	\$290,372

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$131,818	\$161,608	\$193,227	\$226,788	\$262,410	\$300,220	\$340,354	\$382,954	\$428,173	\$476,173
- Closing Costs	-\$30,793	-\$32,641	-\$34,599	-\$36,675	-\$38,875	-\$41,208	-\$43,680	-\$46,301	-\$49,079	-\$52,024
= Proceeds After Sale	\$101,025	\$128,968	\$158,628	\$190,113	\$223,535	\$259,012	\$296,673	\$336,653	\$379,094	\$424,149
+ Cumulative Cash Flow	-\$2,013	-\$3,342	-\$3,965	-\$3,863	-\$3,013	-\$1,393	\$1,021	\$4,252	\$8,324	\$13,263
- Initial Cash Invested	-\$124,500	-\$124,500	-\$124,500	-\$124,500	-\$124,500	-\$124,500	-\$124,500	-\$124,500	-\$124,500	-\$124,500
= Net Profit	-\$25,488	\$1,126	\$30,163	\$61,750	\$96,022	\$133,120	\$173,194	\$216,405	\$262,918	\$312,912
Internal Rate of Return	-20.5%	0.4%	7.4%	10.4%	11.9%	12.7%	13.1%	13.3%	13.3%	13.3%
Return on Investment	-20.5%	0.9%	24.2%	49.6%	77.1%	106.9%	139.1%	173.8%	211.2%	251.3%

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