

1 Year Performance Projection

Occupied 3 Townhome Package
Phoenix, AZ 85019
All condos in same complex



Square Feet	2,934
Initial Market Value	\$570,000
Purchase Price	\$570,000
Downpayment	\$142,500
Loan Origination Fees	\$4,275
Depreciable Closing Costs	\$17,100
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$163,875
Cost per Square Foot	\$194
Monthly Rent per Square Foot	\$1.91

Income	Monthly	Annual
Gross Rent	\$5,600	\$67,200
Vacancy Losses	-\$448	-\$5,376
Operating Income	\$5,152	\$61,824

Expenses	Monthly	Annual
Property Taxes	-\$142	-\$1,710
Insurance	-\$95	-\$1,140
Management Fees	-\$412	-\$4,946
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$631	-\$7,572
Maintenance	-\$448	-\$5,376
Other	-\$0	-\$0
Operating Expenses	-\$1,729	-\$20,744

Net Performance	Monthly	Annual
Net Operating Income	\$3,423	\$41,080
- Mortgage Payments	-\$2,702	-\$32,425
= Cash Flow	\$721	\$8,655
+ Principal Reduction	\$398	\$4,778
+ First-Year Appreciation	\$2,850	\$34,200
= Gross Equity Income	\$3,969	\$47,633
+ Tax Savings	\$108	\$1,293
= GEI w/Tax Savings	\$4,077	\$48,927

Mortgage Info	First	Second
Loan-to-Value Ratio	75%	0%
Loan Amount	\$427,500	\$0
Monthly Payment	\$2,702.09	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	6.500%	0.000%
Monthly PMI	\$0	

Financial Indicators		
Debt Coverage Ratio		1.27
Annual Gross Rent Multiplier		8
Monthly Gross Rent Multiplier		102
Capitalization Rate		7.2%
Cash on Cash Return		5%
Total Return on Investment		29%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange		

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

Comments	
HOA: Exterior Mnt of Unit; Sewer; Garbage Collection; F	
*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.	