

10 Year Performance Projection

Lake Front Property  
Lakewood Ranch, FL 34202

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765	\$34,778	\$35,822	\$36,896	\$38,003	\$39,143
Vacancy Losses	-\$2,400	-\$2,472	-\$2,546	-\$2,623	-\$2,701	-\$2,782	-\$2,866	-\$2,952	-\$3,040	-\$3,131
Operating Income	\$27,600	\$28,428	\$29,281	\$30,159	\$31,064	\$31,996	\$32,956	\$33,945	\$34,963	\$36,012

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$6,298	-\$6,487	-\$6,682	-\$6,883	-\$7,089	-\$7,302	-\$7,521	-\$7,746	-\$7,979	-\$8,218
Insurance	-\$1,680	-\$1,730	-\$1,782	-\$1,835	-\$1,890	-\$1,947	-\$2,006	-\$2,066	-\$2,128	-\$2,191
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	-\$120	-\$124	-\$127	-\$131	-\$135	-\$139	-\$143	-\$148	-\$152	-\$157
Maintenance	-\$1,200	-\$1,236	-\$1,273	-\$1,311	-\$1,351	-\$1,391	-\$1,433	-\$1,476	-\$1,520	-\$1,566
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$9,298	-\$9,577	-\$9,864	-\$10,160	-\$10,465	-\$10,779	-\$11,102	-\$11,435	-\$11,779	-\$12,132

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	\$18,302	\$18,851	\$19,416	\$19,999	\$20,599	\$21,217	\$21,853	\$22,509	\$23,184	\$23,880
- Mortgage Payments	-\$23,886	-\$23,886	-\$23,886	-\$23,886	-\$23,886	-\$23,886	-\$23,886	-\$23,886	-\$23,886	-\$23,886
= Cash Flow	-\$5,585	-\$5,036	-\$4,470	-\$3,887	-\$3,288	-\$2,670	-\$2,033	-\$1,377	-\$702	-\$7
+ Principal Reduction	\$3,520	\$3,756	\$4,007	\$4,276	\$4,562	\$4,868	\$5,194	\$5,541	\$5,912	\$6,308
+ Appreciation	\$25,194	\$26,706	\$28,308	\$30,006	\$31,807	\$33,715	\$35,738	\$37,882	\$40,155	\$42,565
= Gross Equity Income	\$23,129	\$25,426	\$27,845	\$30,395	\$33,081	\$35,913	\$38,899	\$42,046	\$45,366	\$48,866
Capitalization Rate	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.4%	3.3%	3.2%
Cash on Cash Return	-5.0%	-4.5%	-4.0%	-3.5%	-2.9%	-2.4%	-1.8%	-1.2%	-0.6%	0.0%
Return on Equity	17.3%	15.5%	14.2%	13.2%	12.4%	11.7%	11.2%	10.8%	10.4%	10.1%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$445,094	\$471,800	\$500,108	\$530,114	\$561,921	\$595,636	\$631,374	\$669,257	\$709,412	\$751,977
- Loan Balance	-\$311,405	-\$307,649	-\$303,642	-\$299,366	-\$294,804	-\$289,937	-\$284,743	-\$279,202	-\$273,290	-\$266,981
= Equity	\$133,689	\$164,150	\$196,466	\$230,748	\$267,117	\$305,699	\$346,631	\$390,055	\$436,123	\$484,996
Loan-to-Value Ratio	70.0%	65.2%	60.7%	56.5%	52.5%	48.7%	45.1%	41.7%	38.5%	35.5%
Potential Cash-Out Refi	\$89,180	\$116,970	\$146,455	\$177,736	\$210,924	\$246,136	\$283,494	\$323,129	\$365,181	\$409,798

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$133,689	\$164,150	\$196,466	\$230,748	\$267,117	\$305,699	\$346,631	\$390,055	\$436,123	\$484,996
- Closing Costs	-\$31,157	-\$33,026	-\$35,008	-\$37,108	-\$39,334	-\$41,695	-\$44,196	-\$46,848	-\$49,659	-\$52,638
= Proceeds After Sale	\$102,532	\$131,124	\$161,458	\$193,640	\$227,782	\$264,005	\$302,435	\$343,207	\$386,464	\$432,357
+ Cumulative Cash Flow	-\$5,585	-\$10,620	-\$15,090	-\$18,978	-\$22,265	-\$24,935	-\$26,968	-\$28,345	-\$29,047	-\$29,054
- Initial Cash Invested	-\$112,323	-\$112,323	-\$112,323	-\$112,323	-\$112,323	-\$112,323	-\$112,323	-\$112,323	-\$112,323	-\$112,323
= Net Profit	-\$15,375	\$8,181	\$34,045	\$62,339	\$93,194	\$126,747	\$163,144	\$202,538	\$245,093	\$290,980
Internal Rate of Return	-13.7%	3.5%	8.9%	11.1%	12.1%	12.5%	12.7%	12.8%	12.7%	12.6%
Return on Investment	-13.7%	7.3%	30.3%	55.5%	83.0%	112.8%	145.2%	180.3%	218.2%	259.1%

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