

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	-\$6,748	-\$6,951	-\$7,159	-\$7,374	-\$7,595	-\$7,823	-\$8,058	-\$8,300	-\$8,549	-\$8,805
Insurance	-\$1,800	-\$1,854	-\$1,909	-\$1,966	-\$2,025	-\$2,086	-\$2,149	-\$2,213	-\$2,280	-\$2,348
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	-\$9,868	-\$10,164	-\$10,469	-\$10,783	-\$11,107	-\$11,440	-\$11,783	-\$12,137	-\$12,501	-\$12,876

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	\$17,732	\$18,264	\$18,812	\$19,376	\$19,957	\$20,556	\$21,173	\$21,808	\$22,462	\$23,136
- Mortgage Payments	-\$25,593	-\$25,593	-\$25,593	-\$25,593	-\$25,593	-\$25,593	-\$25,593	-\$25,593	-\$25,593	-\$25,593
= Cash Flow	-\$7,861	-\$7,329	-\$6,781	-\$6,217	-\$5,636	-\$5,037	-\$4,420	-\$3,785	-\$3,131	-\$2,457
+ Principal Reduction	\$3,772	\$4,024	\$4,294	\$4,581	\$4,888	\$5,215	\$5,565	\$5,937	\$6,335	\$6,759
+ Appreciation	\$26,994	\$28,614	\$30,330	\$32,150	\$34,079	\$36,124	\$38,292	\$40,589	\$43,024	\$45,606
= Gross Equity Income	\$22,904	\$25,309	\$27,843	\$30,514	\$33,332	\$36,302	\$39,436	\$42,741	\$46,228	\$49,908
Capitalization Rate	3.7%	3.6%	3.5%	3.4%	3.3%	3.2%	3.1%	3.0%	3.0%	2.9%
Cash on Cash Return	-6.5%	-6.1%	-5.6%	-5.2%	-4.7%	-4.2%	-3.7%	-3.1%	-2.6%	-2.0%
Return on Equity	16.0%	14.4%	13.2%	12.3%	11.6%	11.1%	10.6%	10.2%	9.9%	9.6%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$476,894	\$505,508	\$535,838	\$567,988	\$602,068	\$638,192	\$676,483	\$717,072	\$760,097	\$805,702
- Loan Balance	-\$333,653	-\$329,629	-\$325,336	-\$320,755	-\$315,867	-\$310,651	-\$305,087	-\$299,149	-\$292,814	-\$286,055
= Equity	\$143,241	\$175,878	\$210,502	\$247,234	\$286,201	\$327,541	\$371,397	\$417,923	\$467,282	\$519,647
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	\$95,551	\$125,328	\$156,919	\$190,435	\$225,994	\$263,721	\$303,748	\$346,216	\$391,273	\$439,077

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$143,241	\$175,878	\$210,502	\$247,234	\$286,201	\$327,541	\$371,397	\$417,923	\$467,282	\$519,647
- Closing Costs	-\$33,383	-\$35,386	-\$37,509	-\$39,759	-\$42,145	-\$44,673	-\$47,354	-\$50,195	-\$53,207	-\$56,399
= Proceeds After Sale	\$109,858	\$140,493	\$172,994	\$207,475	\$244,056	\$282,867	\$324,043	\$367,728	\$414,076	\$463,248
+ Cumulative Cash Flow	-\$7,861	-\$15,190	-\$21,972	-\$28,189	-\$33,825	-\$38,862	-\$43,282	-\$47,067	-\$50,198	-\$52,655
- Initial Cash Invested	-\$120,348	-\$120,348	-\$120,348	-\$120,348	-\$120,348	-\$120,348	-\$120,348	-\$120,348	-\$120,348	-\$120,348
= Net Profit	-\$18,352	\$4,954	\$30,674	\$58,938	\$89,884	\$123,657	\$160,413	\$200,313	\$243,529	\$290,245
Internal Rate of Return	-15.2%	2.0%	7.4%	9.7%	10.8%	11.4%	11.6%	11.7%	11.7%	11.7%
Return on Investment	-15.2%	4.1%	25.5%	49.0%	74.7%	102.7%	133.3%	166.4%	202.4%	241.2%

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