

10 Year Performance Projection

Short-term rental - Up to 3 units to rent
Phoenix, 85021

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$144,000	\$148,320	\$152,770	\$157,353	\$162,073	\$166,935	\$171,944	\$177,102	\$182,415	\$187,887
Vacancy Losses	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Income	\$144,000	\$148,320	\$152,770	\$157,353	\$162,073	\$166,935	\$171,944	\$177,102	\$182,415	\$187,887

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$5,333	-\$5,493	-\$5,658	-\$5,828	-\$6,003	-\$6,183	-\$6,368	-\$6,559	-\$6,756	-\$6,959
Insurance	-\$3,556	-\$3,662	-\$3,772	-\$3,885	-\$4,002	-\$4,122	-\$4,246	-\$4,373	-\$4,504	-\$4,639
Management Fees	-\$21,600	-\$22,248	-\$22,915	-\$23,603	-\$24,311	-\$25,040	-\$25,792	-\$26,565	-\$27,362	-\$28,183
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	-\$7,200	-\$7,416	-\$7,638	-\$7,868	-\$8,104	-\$8,347	-\$8,597	-\$8,855	-\$9,121	-\$9,394
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$37,689	-\$38,820	-\$39,984	-\$41,184	-\$42,419	-\$43,692	-\$45,002	-\$46,353	-\$47,743	-\$49,175

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	\$106,311	\$109,500	\$112,785	\$116,169	\$119,654	\$123,244	\$126,941	\$130,749	\$134,672	\$138,712
- Mortgage Payments	-\$86,667	-\$86,667	-\$86,667	-\$86,667	-\$86,667	-\$86,667	-\$86,667	-\$86,667	-\$86,667	-\$86,667
= Cash Flow	\$19,644	\$22,834	\$26,119	\$29,502	\$32,987	\$36,577	\$40,274	\$44,083	\$48,005	\$52,045
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$106,667	\$113,067	\$119,851	\$127,042	\$134,664	\$142,744	\$151,309	\$160,387	\$170,010	\$180,211
= Gross Equity Income	\$126,311	\$135,900	\$145,969	\$156,544	\$167,652	\$179,321	\$191,583	\$204,470	\$218,015	\$232,256
Capitalization Rate	5.6%	5.5%	5.3%	5.2%	5.0%	4.9%	4.7%	4.6%	4.5%	4.4%
Cash on Cash Return	3.7%	4.4%	5.0%	5.6%	6.3%	7.0%	7.7%	8.4%	9.2%	9.9%
Return on Equity	22.9%	20.5%	18.6%	17.2%	16.0%	15.1%	14.3%	13.6%	13.1%	12.6%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$1,884,444	\$1,997,510	\$2,117,361	\$2,244,403	\$2,379,067	\$2,521,811	\$2,673,119	\$2,833,506	\$3,003,517	\$3,183,728
- Loan Balance	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333	-\$1,333,333
= Equity	\$551,111	\$664,177	\$784,028	\$911,070	\$1,045,734	\$1,188,478	\$1,339,787	\$1,500,174	\$1,670,184	\$1,850,395
Loan-to-Value Ratio	70.8%	66.7%	63.0%	59.4%	56.0%	52.9%	49.9%	47.1%	44.4%	41.9%
Potential Cash-Out Refi	\$362,667	\$464,426	\$572,292	\$686,630	\$807,827	\$936,297	\$1,072,475	\$1,216,823	\$1,369,832	\$1,532,022

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$551,111	\$664,177	\$784,028	\$911,070	\$1,045,734	\$1,188,478	\$1,339,787	\$1,500,174	\$1,670,184	\$1,850,395
- Closing Costs	-\$131,911	-\$139,826	-\$148,215	-\$157,108	-\$166,535	-\$176,527	-\$187,118	-\$198,345	-\$210,246	-\$222,861
= Proceeds After Sale	\$419,200	\$524,352	\$635,813	\$753,962	\$879,199	\$1,011,951	\$1,152,668	\$1,301,828	\$1,459,938	\$1,627,534
+ Cumulative Cash Flow	\$19,644	\$42,478	\$68,597	\$98,099	\$131,087	\$167,664	\$207,938	\$252,021	\$300,026	\$352,071
- Initial Cash Invested	-\$524,444	-\$524,444	-\$524,444	-\$524,444	-\$524,444	-\$524,444	-\$524,444	-\$524,444	-\$524,444	-\$524,444
= Net Profit	-\$85,600	\$42,386	\$179,966	\$327,617	\$485,842	\$655,171	\$836,162	\$1,029,405	\$1,235,520	\$1,455,161
Internal Rate of Return	-16.3%	4.0%	10.7%	13.5%	14.9%	15.5%	15.8%	15.9%	15.9%	15.9%
Return on Investment	-16.3%	8.1%	34.3%	62.5%	92.6%	124.9%	159.4%	196.3%	235.6%	277.5%

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