

1 Year Performance Projection

Client - 15 Unit SFH - New Construction
Phoenix, AZ 85018
3 bdrm/ 2.5 bath each unit - Only 3 units vacant



Square Feet	27,375
Initial Market Value	\$9,250,000
Purchase Price	\$9,250,000
Downpayment	\$2,775,000
Loan Origination Fees	\$129,500
Depreciable Closing Costs	\$277,500
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$3,182,000
Cost per Square Foot	\$338
Monthly Rent per Square Foot	\$1.89

Income	Monthly	Annual
Gross Rent	\$51,850	\$622,200
Vacancy Losses	-\$2,592	-\$31,110
Operating Income	\$49,258	\$591,090

Expenses	Monthly	Annual
Property Taxes	-\$1,156	-\$13,875
Insurance	-\$771	-\$9,250
Management Fees	-\$1,970	-\$23,644
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$1,037	-\$12,444
Other	-\$0	-\$0
Operating Expenses	-\$4,934	-\$59,213

Net Performance	Monthly	Annual
Net Operating Income	\$44,323	\$531,877
- Mortgage Payments	-\$35,073	-\$420,875
= Cash Flow	\$9,250	\$111,002
+ Principal Reduction	\$0	\$0
+ First-Year Appreciation	\$46,250	\$555,000
= Gross Equity Income	\$55,500	\$666,002
+ Tax Savings	\$4,807	\$57,686
= GEI w/Tax Savings	\$60,307	\$723,688

Mortgage Info	First	Second
Loan-to-Value Ratio	70%	0%
Loan Amount	\$6,475,000	\$0
Monthly Payment	\$35,072.92	\$0.00
Loan Type	Interest Only Fixed	
Term	10 Years	
Interest Rate	6.500%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.26
Annual Gross Rent Multiplier	15
Monthly Gross Rent Multiplier	178
Capitalization Rate	5.8%
Cash on Cash Return	3%
Total Return on Investment	21%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	5%
Management Fee	4%
Maintenance Percentage	2%

Comments
No Pool.
Blinds included.
Appliances included.
Wash

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