

10 Year Performance Projection

BEAUTIFUL NEW CONSTRUCTION HOME
Apache Junction , AZ 85120

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	-\$2,212	-\$2,279	-\$2,347	-\$2,417	-\$2,490	-\$2,565	-\$2,642	-\$2,721	-\$2,802	-\$2,887
Insurance	-\$1,129	-\$1,163	-\$1,197	-\$1,233	-\$1,270	-\$1,309	-\$1,348	-\$1,388	-\$1,430	-\$1,473
Management Fees	-\$1,032	-\$1,063	-\$1,095	-\$1,128	-\$1,162	-\$1,196	-\$1,232	-\$1,269	-\$1,307	-\$1,347
Leasing/Advertising Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Association Fees	-\$1,560	-\$1,607	-\$1,655	-\$1,705	-\$1,756	-\$1,808	-\$1,863	-\$1,919	-\$1,976	-\$2,035
Maintenance	-\$600	-\$618	-\$637	-\$656	-\$675	-\$696	-\$716	-\$738	-\$760	-\$783
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$6,533	-\$6,729	-\$6,931	-\$7,139	-\$7,353	-\$7,574	-\$7,801	-\$8,035	-\$8,276	-\$8,524

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	\$21,067	\$21,699	\$22,350	\$23,020	\$23,711	\$24,422	\$25,155	\$25,910	\$26,687	\$27,488
- Mortgage Payments	-\$20,336	-\$20,336	-\$20,336	-\$20,336	-\$20,336	-\$20,336	-\$20,336	-\$25,344	-\$25,344	-\$25,344
= Cash Flow	\$731	\$1,363	\$2,014	\$2,685	\$3,375	\$4,086	\$4,819	\$566	\$1,343	\$2,144
+ Principal Reduction	\$4,671	\$4,910	\$5,160	\$5,424	\$5,701	\$5,992	\$6,298	\$8,941	\$9,491	\$10,076
+ Appreciation	\$27,089	\$28,715	\$30,438	\$32,264	\$34,200	\$36,252	\$38,427	\$40,732	\$43,176	\$45,767
= Gross Equity Income	\$32,492	\$34,988	\$37,612	\$40,372	\$43,276	\$46,330	\$49,544	\$50,240	\$54,011	\$57,987
Capitalization Rate	4.4%	4.3%	4.2%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.4%
Cash on Cash Return	0.5%	1.0%	1.4%	1.9%	2.4%	2.9%	3.4%	0.4%	0.9%	1.5%
Return on Equity	19.4%	17.4%	15.9%	14.7%	13.8%	13.0%	12.4%	11.1%	10.7%	10.4%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$478,579	\$507,294	\$537,732	\$569,996	\$604,195	\$640,447	\$678,874	\$719,606	\$762,783	\$808,550
- Loan Balance	-\$311,372	-\$306,462	-\$301,302	-\$295,878	-\$290,177	-\$284,185	-\$277,887	-\$268,946	-\$259,455	-\$249,379
= Equity	\$167,208	\$200,832	\$236,430	\$274,118	\$314,019	\$356,262	\$400,987	\$450,660	\$503,328	\$559,171
Loan-to-Value Ratio	65.1%	60.4%	56.0%	51.9%	48.0%	44.4%	40.9%	37.4%	34.0%	30.8%
Potential Cash-Out Refi	\$119,350	\$150,103	\$182,657	\$217,119	\$253,599	\$292,218	\$333,100	\$378,700	\$427,050	\$478,316

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$167,208	\$200,832	\$236,430	\$274,118	\$314,019	\$356,262	\$400,987	\$450,660	\$503,328	\$559,171
- Closing Costs	-\$33,501	-\$35,511	-\$37,641	-\$39,900	-\$42,294	-\$44,831	-\$47,521	-\$50,372	-\$53,395	-\$56,598
= Proceeds After Sale	\$133,707	\$165,322	\$198,789	\$234,218	\$271,725	\$311,431	\$353,466	\$400,288	\$449,933	\$502,572
+ Cumulative Cash Flow	\$731	\$2,094	\$4,108	\$6,793	\$10,168	\$14,254	\$19,073	\$19,640	\$20,983	\$23,127
- Initial Cash Invested	-\$143,122	-\$143,122	-\$143,122	-\$143,122	-\$143,122	-\$143,122	-\$143,122	-\$143,122	-\$143,122	-\$143,122
= Net Profit	-\$8,684	\$24,293	\$59,775	\$97,889	\$138,770	\$182,563	\$229,417	\$276,805	\$327,794	\$382,577
Internal Rate of Return	-6.1%	8.2%	12.4%	14.0%	14.7%	14.9%	14.9%	14.8%	14.5%	14.3%
Return on Investment	-6.1%	17.0%	41.8%	68.4%	97.0%	127.6%	160.3%	193.4%	229.0%	267.3%

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