

1 Year Performance Projection

BEAUTIFUL NEW CONSTRUCTION HOME
Mesa, AZ 85212
3 BR, 2BA, NEW CONSTRUCTION



Square Feet	2,144
Initial Market Value	\$494,490
Purchase Price	\$494,490
Downpayment	\$148,347
Loan Origination Fees	\$3,461
Depreciable Closing Costs	\$4,945
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$156,753
Cost per Square Foot	\$231
Monthly Rent per Square Foot	\$1.35

Income	Monthly	Annual
Gross Rent	\$2,900	\$34,800
Vacancy Losses	-\$232	-\$2,784
Operating Income	\$2,668	\$32,016

Expenses	Monthly	Annual
Property Taxes	-\$210	-\$2,522
Insurance	-\$103	-\$1,236
Management Fees	-\$86	-\$1,032
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$111	-\$1,332
Maintenance	-\$58	-\$696
Other	-\$0	-\$0
Operating Expenses	-\$568	-\$6,818

Net Performance	Monthly	Annual
Net Operating Income	\$2,100	\$25,198
- Mortgage Payments	-\$1,856	-\$22,273
= Cash Flow	\$244	\$2,925
+ Principal Reduction	\$426	\$5,116
+ First-Year Appreciation	\$2,472	\$29,669
= Gross Equity Income	\$3,143	\$37,711
+ Tax Savings	\$186	\$2,238
= GEI w/Tax Savings	\$3,329	\$39,948

Mortgage Info	First	Second
Loan-to-Value Ratio	70%	0%
Loan Amount	\$346,143	\$0
Monthly Payment	\$1,856.06	\$0.00
Loan Type	Amortizing ARM	
Term	7 Years	
Interest Rate	4.990%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.13
Annual Gross Rent Multiplier	14
Monthly Gross Rent Multiplier	171
Capitalization Rate	5.1%
Cash on Cash Return	2%
Total Return on Investment	24%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	8%
Management Fee	\$86
Maintenance Percentage	2%

Comments
Builder offering 4.99 rate and 2% towards closing costs
*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.