

## 1 Year Performance Projection

BEAUTIFUL NEW CONSTRUCTION HOME with NEXT GEN/SU  
San Tan Valley, AZ 85143  
4 BR, 3 BA, NEW CONSTRUCTION + NEXTGEN/CASITA



|                               |                  |
|-------------------------------|------------------|
| Square Feet                   | 2,647            |
| Initial Market Value          | \$559,490        |
| Purchase Price                | \$559,490        |
| Downpayment                   | \$167,847        |
| Loan Origination Fees         | \$3,916          |
| Depreciable Closing Costs     | \$5,595          |
| Other Closing Costs and Fixup | \$0              |
| <b>Initial Cash Invested</b>  | <b>\$177,358</b> |
| Cost per Square Foot          | \$211            |
| Monthly Rent per Square Foot  | \$1.13           |

| Income                  | Monthly        | Annual          |
|-------------------------|----------------|-----------------|
| Gross Rent              | \$3,000        | \$36,000        |
| Vacancy Losses          | -\$240         | -\$2,880        |
| <b>Operating Income</b> | <b>\$2,760</b> | <b>\$33,120</b> |

| Expenses                  | Monthly       | Annual          |
|---------------------------|---------------|-----------------|
| Property Taxes            | -\$186        | -\$2,238        |
| Insurance                 | -\$117        | -\$1,399        |
| Management Fees           | -\$86         | -\$1,032        |
| Leasing/Advertising Fees  | -\$0          | -\$0            |
| Association Fees          | -\$95         | -\$1,140        |
| Maintenance               | -\$60         | -\$720          |
| Other                     | -\$0          | -\$0            |
| <b>Operating Expenses</b> | <b>-\$544</b> | <b>-\$6,529</b> |

| Net Performance              | Monthly        | Annual          |
|------------------------------|----------------|-----------------|
| <b>Net Operating Income</b>  | <b>\$2,216</b> | <b>\$26,591</b> |
| - Mortgage Payments          | -\$2,100       | -\$25,200       |
| <b>= Cash Flow</b>           | <b>\$116</b>   | <b>\$1,391</b>  |
| + Principal Reduction        | \$482          | \$5,789         |
| + First-Year Appreciation    | \$2,797        | \$33,569        |
| <b>= Gross Equity Income</b> | <b>\$3,396</b> | <b>\$40,749</b> |
| + Tax Savings                | \$266          | \$3,190         |
| <b>= GEI w/Tax Savings</b>   | <b>\$3,662</b> | <b>\$43,939</b> |

| Mortgage Info       | First          | Second |
|---------------------|----------------|--------|
| Loan-to-Value Ratio | 70%            | 0%     |
| Loan Amount         | \$391,643      | \$0    |
| Monthly Payment     | \$2,100.03     | \$0.00 |
| Loan Type           | Amortizing ARM |        |
| Term                | 7 Years        |        |
| Interest Rate       | 4.990%         | 0.000% |
| Monthly PMI         | \$0            |        |

| Financial Indicators   |            |
|--|------------|
| Debt Coverage Ratio  | 1.06       |
| Annual Gross Rent Multiplier                                   | 16         |
| Monthly Gross Rent Multiplier                                  | 186        |
| Capitalization Rate  | 4.8%       |
| Cash on Cash Return  | 1%         |
| <b>Total Return on Investment</b>                              | <b>23%</b> |
| <b>+ Tax Benefits: Deductions, Depreciation, 1031 Exchange</b> |            |

| 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 cost |

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