

## 10 Year Performance Projection

BEAUTIFUL NEW CONSTRUCTION HOME with NEXT GEN/SUITE  
GOODYEAR, AZ 85338

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518	\$41,734	\$42,986	\$44,275	\$45,604	\$46,972
Vacancy Losses	-\$1,440	-\$1,483	-\$1,528	-\$1,574	-\$1,621	-\$1,669	-\$1,719	-\$1,771	-\$1,824	-\$1,879
<b>Operating Income</b>	<b>\$34,560</b>	<b>\$35,597</b>	<b>\$36,665</b>	<b>\$37,765</b>	<b>\$38,898</b>	<b>\$40,065</b>	<b>\$41,266</b>	<b>\$42,504</b>	<b>\$43,780</b>	<b>\$45,093</b>

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,825	-\$2,910	-\$2,997	-\$3,087	-\$3,180	-\$3,275	-\$3,373	-\$3,474	-\$3,579	-\$3,686
Insurance	-\$1,695	-\$1,746	-\$1,798	-\$1,852	-\$1,908	-\$1,965	-\$2,024	-\$2,085	-\$2,147	-\$2,212
Management Fees	-\$480	-\$494	-\$509	-\$525	-\$540	-\$556	-\$573	-\$590	-\$608	-\$626
Leasing/Advertising Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Association Fees	-\$1,332	-\$1,372	-\$1,413	-\$1,456	-\$1,499	-\$1,544	-\$1,590	-\$1,638	-\$1,687	-\$1,738
Maintenance	-\$720	-\$742	-\$764	-\$787	-\$810	-\$835	-\$860	-\$886	-\$912	-\$939
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
<b>Operating Expenses</b>	<b>-\$7,052</b>	<b>-\$7,263</b>	<b>-\$7,481</b>	<b>-\$7,706</b>	<b>-\$7,937</b>	<b>-\$8,175</b>	<b>-\$8,420</b>	<b>-\$8,673</b>	<b>-\$8,933</b>	<b>-\$9,201</b>

Income Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Net Operating Income</b>	<b>\$27,508</b>	<b>\$28,333</b>	<b>\$29,183</b>	<b>\$30,059</b>	<b>\$30,961</b>	<b>\$31,889</b>	<b>\$32,846</b>	<b>\$33,831</b>	<b>\$34,846</b>	<b>\$35,892</b>
- Mortgage Payments	-\$25,448	-\$25,448	-\$25,448	-\$25,448	-\$25,448	-\$25,448	-\$25,448	-\$31,715	-\$31,715	-\$31,715
<b>= Cash Flow</b>	<b>\$2,060</b>	<b>\$2,885</b>	<b>\$3,735</b>	<b>\$4,611</b>	<b>\$5,512</b>	<b>\$6,441</b>	<b>\$7,398</b>	<b>\$2,117</b>	<b>\$3,132</b>	<b>\$4,177</b>
+ Principal Reduction	\$5,846	\$6,144	\$6,458	\$6,787	\$7,134	\$7,498	\$7,881	\$11,188	\$11,877	\$12,609
+ Appreciation	\$22,600	\$23,504	\$24,444	\$25,421	\$26,438	\$27,496	\$28,596	\$29,740	\$30,929	\$32,166
<b>= Gross Equity Income</b>	<b>\$30,505</b>	<b>\$32,533</b>	<b>\$34,637</b>	<b>\$36,820</b>	<b>\$39,085</b>	<b>\$41,435</b>	<b>\$43,875</b>	<b>\$43,045</b>	<b>\$45,938</b>	<b>\$48,952</b>
Capitalization Rate	4.7%	4.6%	4.6%	4.5%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%
Cash on Cash Return	1.2%	1.6%	2.1%	2.6%	3.1%	3.6%	4.1%	1.2%	1.7%	2.3%
Return on Equity	15.4%	14.3%	13.4%	12.7%	12.1%	11.5%	11.1%	9.9%	9.6%	9.3%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$587,590	\$611,093	\$635,537	\$660,958	\$687,397	\$714,893	\$743,488	\$773,228	\$804,157	\$836,323
- Loan Balance	-\$389,647	-\$383,503	-\$377,046	-\$370,258	-\$363,124	-\$355,626	-\$347,745	-\$336,557	-\$324,679	-\$312,071
<b>= Equity</b>	<b>\$197,942</b>	<b>\$227,590</b>	<b>\$258,491</b>	<b>\$290,700</b>	<b>\$324,272</b>	<b>\$359,266</b>	<b>\$395,743</b>	<b>\$436,671</b>	<b>\$479,478</b>	<b>\$524,253</b>
Loan-to-Value Ratio	66.3%	62.8%	59.3%	56.0%	52.8%	49.7%	46.8%	43.5%	40.4%	37.3%
Potential Cash-Out Refi	\$139,183	\$166,480	\$194,938	\$224,604	\$255,533	\$287,777	\$321,394	\$359,348	\$399,062	\$440,620

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$197,942	\$227,590	\$258,491	\$290,700	\$324,272	\$359,266	\$395,743	\$436,671	\$479,478	\$524,253
- Closing Costs	-\$41,131	-\$42,777	-\$44,488	-\$46,267	-\$48,118	-\$50,042	-\$52,044	-\$54,126	-\$56,291	-\$58,543
<b>= Proceeds After Sale</b>	<b>\$156,811</b>	<b>\$184,813</b>	<b>\$214,004</b>	<b>\$244,433</b>	<b>\$276,155</b>	<b>\$309,224</b>	<b>\$343,699</b>	<b>\$382,545</b>	<b>\$423,187</b>	<b>\$465,710</b>
+ Cumulative Cash Flow	\$2,060	\$4,945	\$8,680	\$13,291	\$18,803	\$25,245	\$32,643	\$34,759	\$37,891	\$42,069
- Initial Cash Invested	-\$179,102	-\$179,102	-\$179,102	-\$179,102	-\$179,102	-\$179,102	-\$179,102	-\$179,102	-\$179,102	-\$179,102
<b>= Net Profit</b>	<b>-\$20,231</b>	<b>\$10,656</b>	<b>\$43,582</b>	<b>\$78,622</b>	<b>\$115,856</b>	<b>\$155,367</b>	<b>\$197,240</b>	<b>\$238,203</b>	<b>\$281,976</b>	<b>\$328,677</b>
Internal Rate of Return	-11.3%	2.9%	7.6%	9.7%	10.7%	11.3%	11.6%	11.6%	11.6%	11.6%
Return on Investment	-11.3%	5.9%	24.3%	43.9%	64.7%	86.7%	110.1%	133.0%	157.4%	183.5%

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