

10 Year Performance Projection

Renovated SFR in Davenport Iowa  
Davenport, IA 52803

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent	\$86,400	\$88,992	\$91,662	\$94,412	\$97,244	\$100,161	\$103,166	\$106,261	\$109,449	\$112,732
Vacancy Losses	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Income	\$86,400	\$88,992	\$91,662	\$94,412	\$97,244	\$100,161	\$103,166	\$106,261	\$109,449	\$112,732

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$3,192	-\$3,288	-\$3,386	-\$3,488	-\$3,593	-\$3,700	-\$3,811	-\$3,926	-\$4,044	-\$4,165
Insurance	-\$1,875	-\$1,932	-\$1,990	-\$2,049	-\$2,111	-\$2,174	-\$2,239	-\$2,306	-\$2,376	-\$2,447
Management Fees	-\$8,640	-\$8,899	-\$9,166	-\$9,441	-\$9,724	-\$10,016	-\$10,317	-\$10,626	-\$10,945	-\$11,273
Leasing/Advertising Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Association Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Maintenance	-\$8,640	-\$8,899	-\$9,166	-\$9,441	-\$9,724	-\$10,016	-\$10,317	-\$10,626	-\$10,945	-\$11,273
Other	-\$21,000	-\$21,630	-\$22,279	-\$22,947	-\$23,636	-\$24,345	-\$25,075	-\$25,827	-\$26,602	-\$27,400
Operating Expenses	-\$43,347	-\$44,648	-\$45,987	-\$47,367	-\$48,788	-\$50,251	-\$51,759	-\$53,312	-\$54,911	-\$56,558

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	\$43,053	\$44,344	\$45,675	\$47,045	\$48,456	\$49,910	\$51,407	\$52,949	\$54,538	\$56,174
- Mortgage Payments	-\$22,698	-\$22,698	-\$22,698	-\$22,698	-\$22,698	-\$22,698	-\$22,698	-\$22,698	-\$22,698	-\$22,698
= Cash Flow	\$20,355	\$21,647	\$22,977	\$24,347	\$25,759	\$27,212	\$28,710	\$30,252	\$31,840	\$33,476
+ Principal Reduction	\$3,345	\$3,569	\$3,808	\$4,063	\$4,335	\$4,625	\$4,935	\$5,265	\$5,618	\$5,994
+ Appreciation	\$11,970	\$12,329	\$12,699	\$13,080	\$13,472	\$13,877	\$14,293	\$14,722	\$15,163	\$15,618
= Gross Equity Income	\$35,670	\$37,545	\$39,484	\$41,490	\$43,566	\$45,714	\$47,937	\$50,239	\$52,622	\$55,089
Capitalization Rate	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
Cash on Cash Return	9.8%	10.4%	11.0%	11.7%	12.3%	13.0%	13.8%	14.5%	15.3%	16.0%
Return on Equity	31.0%	28.7%	26.8%	25.2%	23.9%	22.8%	21.8%	20.9%	20.2%	19.5%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$410,970	\$423,299	\$435,998	\$449,078	\$462,550	\$476,427	\$490,720	\$505,441	\$520,605	\$536,223
- Loan Balance	-\$295,905	-\$292,337	-\$288,529	-\$284,466	-\$280,131	-\$275,506	-\$270,571	-\$265,306	-\$259,688	-\$253,693
= Equity	\$115,065	\$130,963	\$147,469	\$164,612	\$182,419	\$200,921	\$220,149	\$240,136	\$260,917	\$282,529
Loan-to-Value Ratio	72.0%	69.1%	66.2%	63.3%	60.6%	57.8%	55.1%	52.5%	49.9%	47.3%
Potential Cash-Out Refi	\$73,968	\$88,633	\$103,870	\$119,704	\$136,164	\$153,278	\$171,077	\$189,592	\$208,857	\$228,907

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$115,065	\$130,963	\$147,469	\$164,612	\$182,419	\$200,921	\$220,149	\$240,136	\$260,917	\$282,529
- Closing Costs	-\$28,768	-\$29,631	-\$30,520	-\$31,435	-\$32,379	-\$33,350	-\$34,350	-\$35,381	-\$36,442	-\$37,536
= Proceeds After Sale	\$86,297	\$101,332	\$116,949	\$133,177	\$150,041	\$167,571	\$185,798	\$204,755	\$224,475	\$244,994
+ Cumulative Cash Flow	\$20,355	\$42,002	\$64,979	\$89,326	\$115,085	\$142,297	\$171,007	\$201,259	\$233,099	\$266,576
- Initial Cash Invested	-\$208,728	-\$208,728	-\$208,728	-\$208,728	-\$208,728	-\$208,728	-\$208,728	-\$208,728	-\$208,728	-\$208,728
= Net Profit	-\$102,075	-\$65,394	-\$26,799	\$13,775	\$56,398	\$101,141	\$148,078	\$197,286	\$248,846	\$302,842
Internal Rate of Return	-48.9%	-18.2%	-5.0%	1.9%	6.0%	8.6%	10.3%	11.5%	12.4%	13.0%
Return on Investment	-48.9%	-31.3%	-12.8%	6.6%	27.0%	48.5%	70.9%	94.5%	119.2%	145.1%

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