10 Year Performance Projection

Co-living - Currently Occupied
Tempe, AZ 85282
6 bedrooms 2 bathrooms 1972 year built

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	$55,200	$56,856	$58,562	$60,319	$62,128	$63,992	$65,912	$67,889	$69,926	$72,023
Vacancy Losses	-$4,416	-$4,548	-$4,685	-$4,825	-$4,970	-$5,119	-$5,273	-$5,431	-$5,594	-$5,762
Operating Income	**$50,784**	**$52,308**	**$53,877**	**$55,493**	**$57,158**	**$58,873**	**$60,639**	**$62,458**	**$64,332**	**$66,262**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$1,900	-$1,957	-$2,016	-$2,076	-$2,138	-$2,203	-$2,269	-$2,337	-$2,407	-$2,479
Insurance	-$1,900	-$1,957	-$2,016	-$2,076	-$2,138	-$2,203	-$2,269	-$2,337	-$2,407	-$2,479
Management Fees	-$8,125	-$8,369	-$8,620	-$8,879	-$9,145	-$9,420	-$9,702	-$9,993	-$10,293	-$10,602
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	-$1,104	-$1,137	-$1,171	-$1,206	-$1,243	-$1,280	-$1,318	-$1,358	-$1,399	-$1,440
Other	-$9,600	-$9,888	-$10,185	-$10,490	-$10,805	-$11,129	-$11,463	-$11,807	-$12,161	-$12,526
Operating Expenses	**-$22,629**	**-$23,308**	**-$24,008**	**-$24,728**	**-$25,470**	**-$26,234**	**-$27,021**	**-$27,831**	**-$28,666**	**-$29,526**

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	**$28,155**	**$28,999**	**$29,869**	**$30,765**	**$31,688**	**$32,639**	**$33,618**	**$34,627**	**$35,665**	**$36,735**
- Mortgage Payments	-$26,670	-$26,670	-$26,670	-$26,670	-$26,670	-$26,670	-$26,670	-$26,670	-$26,670	-$26,670
= Cash Flow	**$1,484**	**$2,329**	**$3,199**	**$4,095**	**$5,018**	**$5,968**	**$6,948**	**$7,956**	**$8,995**	**$10,065**
+ Principal Reduction	$4,077	$4,345	$4,630	$4,934	$5,258	$5,603	$5,971	$6,363	$6,781	$7,226
+ Appreciation	$28,500	$30,210	$32,023	$33,944	$35,981	$38,139	$40,428	$42,853	$45,425	$48,150
= Gross Equity Income	**$34,061**	**$36,884**	**$39,851**	**$42,973**	**$46,256**	**$49,711**	**$53,346**	**$57,173**	**$61,200**	**$65,441**
Capitalization Rate	5.6%	5.4%	5.3%	5.1%	5.0%	4.8%	4.7%	4.6%	4.4%	4.3%
Cash on Cash Return	1.1%	1.7%	2.3%	3.0%	3.7%	4.3%	5.1%	5.8%	6.5%	7.3%
Return on Equity	22.5%	19.8%	17.9%	16.4%	15.3%	14.4%	13.6%	12.9%	12.4%	11.9%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$503,500	$533,710	$565,733	$599,677	$635,657	$673,797	$714,224	$757,078	$802,503	$850,653
- Loan Balance	-$352,173	-$347,828	-$343,198	-$338,263	-$333,005	-$327,402	-$321,431	-$315,068	-$308,287	-$301,061
= Equity	**$151,327**	**$185,882**	**$222,535**	**$261,413**	**$302,652**	**$346,394**	**$392,793**	**$442,010**	**$494,215**	**$549,591**
Loan-to-Value Ratio	69.9%	65.2%	60.7%	56.4%	52.4%	48.6%	45.0%	41.6%	38.4%	35.4%
Potential Cash-Out Refi	$100,977	$132,511	$165,962	$201,446	$239,086	$279,015	$321,371	$366,302	$413,965	$464,526

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$151,327	$185,882	$222,535	$261,413	$302,652	$346,394	$392,793	$442,010	$494,215	$549,591
- Closing Costs	-$35,245	-$37,360	-$39,601	-$41,977	-$44,496	-$47,166	-$49,996	-$52,995	-$56,175	-$59,546
= Proceeds After Sale	**$116,082**	**$148,523**	**$182,934**	**$219,436**	**$258,156**	**$299,229**	**$342,798**	**$389,014**	**$438,040**	**$490,046**
+ Cumulative Cash Flow	$1,484	$3,813	$7,011	$11,106	$16,124	$22,092	$29,040	$36,996	$45,991	$56,056
- Approximate Cash Invest	-$137,453	-$137,453	-$137,453	-$137,453	-$137,453	-$137,453	-$137,453	-$137,453	-$137,453	-$137,453
= Net Profit	**-$19,887**	**$14,882**	**$52,492**	**$93,089**	**$136,827**	**$183,868**	**$234,384**	**$288,557**	**$346,578**	**$408,648**
Internal Rate of Return	-14.5%	5.3%	11.5%	14.0%	15.2%	15.6%	15.8%	15.8%	15.7%	15.6%
Return on Investment	-14.5%	10.8%	38.2%	67.7%	99.5%	133.8%	170.5%	209.9%	252.1%	297.3%

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