10 Year Performance Projection

Co-living Atlanta
Atlanta, GA 30318
10 bedrooms 6 bathrooms 2004 year built 2015 year remodeled

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	$92,484	$95,259	$98,116	$101,060	$104,092	$107,214	$110,431	$113,744	$117,156	$120,671
Vacancy Losses	-$11,098	-$11,431	-$11,774	-$12,127	-$12,491	-$12,866	-$13,252	-$13,649	-$14,059	-$14,480
Operating Income	**$81,386**	**$83,827**	**$86,342**	**$88,933**	**$91,601**	**$94,349**	**$97,179**	**$100,094**	**$103,097**	**$106,190**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$5,775	-$5,948	-$6,127	-$6,310	-$6,500	-$6,695	-$6,896	-$7,103	-$7,316	-$7,535
Insurance	-$3,150	-$3,244	-$3,342	-$3,442	-$3,545	-$3,652	-$3,761	-$3,874	-$3,990	-$4,110
Management Fees	-$13,022	-$13,412	-$13,815	-$14,229	-$14,656	-$15,096	-$15,549	-$16,015	-$16,496	-$16,990
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	-$5,549	-$5,716	-$5,887	-$6,064	-$6,245	-$6,433	-$6,626	-$6,825	-$7,029	-$7,240
Other	-$10,200	-$10,506	-$10,821	-$11,146	-$11,480	-$11,825	-$12,179	-$12,545	-$12,921	-$13,309
Operating Expenses	**-$37,696**	**-$38,827**	**-$39,991**	**-$41,191**	**-$42,427**	**-$43,700**	**-$45,011**	**-$46,361**	**-$47,752**	**-$49,184**

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	**$43,690**	**$45,001**	**$46,351**	**$47,741**	**$49,174**	**$50,649**	**$52,168**	**$53,733**	**$55,345**	**$57,006**
- Mortgage Payments	-$30,646	-$30,646	-$30,646	-$30,646	-$30,646	-$30,646	-$30,646	-$30,646	-$30,646	-$30,646
= Cash Flow	**$13,044**	**$14,355**	**$15,705**	**$17,095**	**$18,527**	**$20,003**	**$21,522**	**$23,087**	**$24,699**	**$26,359**
+ Principal Reduction	$4,196	$4,489	$4,801	$5,135	$5,493	$5,876	$6,285	$6,722	$7,190	$7,691
+ Appreciation	$31,500	$33,390	$35,393	$37,517	$39,768	$42,154	$44,683	$47,364	$50,206	$53,219
= Gross Equity Income	**$48,740**	**$52,233**	**$55,899**	**$59,748**	**$63,788**	**$68,032**	**$72,490**	**$77,174**	**$82,095**	**$87,269**
Capitalization Rate	7.9%	7.6%	7.4%	7.2%	7.0%	6.8%	6.6%	6.4%	6.2%	6.1%
Cash on Cash Return	8.5%	9.4%	10.3%	11.2%	12.1%	13.1%	14.1%	15.1%	16.2%	17.2%
Return on Equity	29.2%	25.5%	22.8%	20.8%	19.2%	17.9%	16.8%	15.9%	15.1%	14.4%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$556,500	$589,890	$625,283	$662,800	$702,568	$744,723	$789,406	$836,770	$886,976	$940,195
- Loan Balance	-$389,554	-$385,065	-$380,264	-$375,128	-$369,635	-$363,760	-$357,475	-$350,753	-$343,563	-$335,872
= Equity	**$166,946**	**$204,825**	**$245,020**	**$287,672**	**$332,933**	**$380,963**	**$431,931**	**$486,017**	**$543,414**	**$604,323**
Loan-to-Value Ratio	70.0%	65.3%	60.8%	56.6%	52.6%	48.8%	45.3%	41.9%	38.7%	35.7%
Potential Cash-Out Refi	$111,296	$145,836	$182,491	$221,392	$262,676	$306,491	$352,990	$402,340	$454,716	$510,304

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$166,946	$204,825	$245,020	$287,672	$332,933	$380,963	$431,931	$486,017	$543,414	$604,323
- Closing Costs	-$38,955	-$41,292	-$43,770	-$46,396	-$49,180	-$52,131	-$55,258	-$58,574	-$62,088	-$65,814
= Proceeds After Sale	**$127,991**	**$163,533**	**$201,250**	**$241,276**	**$283,753**	**$328,832**	**$376,672**	**$427,443**	**$481,325**	**$538,510**
+ Cumulative Cash Flow	$13,044	$27,398	$43,103	$60,198	$78,725	$98,728	$120,250	$143,337	$168,036	$194,395
- Approximate Cash Invest	-$152,906	-$152,906	-$152,906	-$152,906	-$152,906	-$152,906	-$152,906	-$152,906	-$152,906	-$152,906
= Net Profit	**-$11,871**	**$38,025**	**$91,446**	**$148,568**	**$209,572**	**$274,654**	**$344,016**	**$417,874**	**$496,455**	**$579,998**
Internal Rate of Return	-7.8%	12.2%	18.1%	20.4%	21.2%	21.4%	21.4%	21.2%	21.0%	20.7%
Return on Investment	-7.8%	24.9%	59.8%	97.2%	137.1%	179.6%	225.0%	273.3%	324.7%	379.3%

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