

10 Year Performance Projection

Co-Living Property  
Tempe, AZ 85282  
8 bedrooms 3 bathrooms 1977 year built 2025 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	\$89,400	\$92,082	\$94,844	\$97,690	\$100,620	\$103,639	\$106,748	\$109,951	\$113,249	\$116,647
Vacancy Losses	-\$7,152	-\$7,367	-\$7,588	-\$7,815	-\$8,050	-\$8,291	-\$8,540	-\$8,796	-\$9,060	-\$9,332
Operating Income	\$82,248	\$84,715	\$87,257	\$89,875	\$92,571	\$95,348	\$98,208	\$101,155	\$104,189	\$107,315

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,887	-\$1,944	-\$2,002	-\$2,062	-\$2,124	-\$2,188	-\$2,253	-\$2,321	-\$2,390	-\$2,462
Insurance	-\$1,887	-\$1,944	-\$2,002	-\$2,062	-\$2,124	-\$2,188	-\$2,253	-\$2,321	-\$2,390	-\$2,462
Management Fees	-\$13,160	-\$13,554	-\$13,961	-\$14,380	-\$14,811	-\$15,256	-\$15,713	-\$16,185	-\$16,670	-\$17,170
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	-\$2,682	-\$2,762	-\$2,845	-\$2,931	-\$3,019	-\$3,109	-\$3,202	-\$3,299	-\$3,397	-\$3,499
Other	-\$9,600	-\$9,888	-\$10,185	-\$10,490	-\$10,805	-\$11,129	-\$11,463	-\$11,807	-\$12,161	-\$12,526
Operating Expenses	-\$29,216	-\$30,092	-\$30,995	-\$31,925	-\$32,883	-\$33,869	-\$34,885	-\$35,932	-\$37,010	-\$38,120

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	\$53,032	\$54,623	\$56,262	\$57,950	\$59,688	\$61,479	\$63,323	\$65,223	\$67,180	\$69,195
- Mortgage Payments	-\$30,755	-\$30,755	-\$30,755	-\$30,755	-\$30,755	-\$30,755	-\$30,755	-\$30,755	-\$30,755	-\$30,755
= Cash Flow	\$22,277	\$23,868	\$25,507	\$27,195	\$28,933	\$30,724	\$32,568	\$34,468	\$36,425	\$38,440
+ Principal Reduction	\$4,878	\$5,191	\$5,525	\$5,881	\$6,259	\$6,661	\$7,090	\$7,546	\$8,031	\$8,548
+ Appreciation	\$33,300	\$35,298	\$37,416	\$39,661	\$42,040	\$44,563	\$47,237	\$50,071	\$53,075	\$56,260
= Gross Equity Income	\$60,455	\$64,358	\$68,448	\$72,736	\$77,233	\$81,948	\$86,895	\$92,085	\$97,531	\$103,248
Capitalization Rate	9.0%	8.8%	8.5%	8.3%	8.0%	7.8%	7.6%	7.4%	7.2%	7.0%
Cash on Cash Return	14.1%	15.1%	16.1%	17.2%	18.3%	19.4%	20.6%	21.8%	23.0%	24.3%
Return on Equity	34.2%	29.6%	26.3%	23.8%	21.8%	20.2%	18.9%	17.8%	16.9%	16.1%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$588,300	\$623,598	\$661,014	\$700,675	\$742,715	\$787,278	\$834,515	\$884,586	\$937,661	\$993,920
- Loan Balance	-\$411,372	-\$406,181	-\$400,656	-\$394,775	-\$388,516	-\$381,855	-\$374,765	-\$367,219	-\$359,188	-\$350,640
= Equity	\$176,928	\$217,417	\$260,358	\$305,899	\$354,199	\$405,423	\$459,750	\$517,367	\$578,473	\$643,281
Loan-to-Value Ratio	69.9%	65.1%	60.6%	56.3%	52.3%	48.5%	44.9%	41.5%	38.3%	35.3%
Potential Cash-Out Refi	\$118,098	\$155,057	\$194,257	\$235,832	\$279,927	\$326,695	\$376,298	\$428,908	\$484,707	\$543,888

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$176,928	\$217,417	\$260,358	\$305,899	\$354,199	\$405,423	\$459,750	\$517,367	\$578,473	\$643,281
- Closing Costs	-\$41,181	-\$43,652	-\$46,271	-\$49,047	-\$51,990	-\$55,109	-\$58,416	-\$61,921	-\$65,636	-\$69,574
= Proceeds After Sale	\$135,747	\$173,765	\$214,087	\$256,852	\$302,209	\$350,314	\$401,334	\$455,446	\$512,837	\$573,706
+ Cumulative Cash Flow	\$22,277	\$46,146	\$71,652	\$98,847	\$127,781	\$158,505	\$191,073	\$225,541	\$261,966	\$300,406
- Approximate Cash Invest	-\$158,175	-\$158,175	-\$158,175	-\$158,175	-\$158,175	-\$158,175	-\$158,175	-\$158,175	-\$158,175	-\$158,175
= Net Profit	-\$151	\$61,736	\$127,564	\$197,524	\$271,814	\$350,643	\$434,232	\$522,811	\$616,627	\$715,937
Internal Rate of Return	-0.1%	19.0%	24.3%	26.0%	26.5%	26.4%	26.1%	25.8%	25.4%	25.0%
Return on Investment	-0.1%	39.0%	80.6%	124.9%	171.8%	221.7%	274.5%	330.5%	389.8%	452.6%

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