

10 Year Performance Projection

Growing area near TSMC  
Surprise, AZ 85387  
3 bedrooms 2 bathrooms 2025 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	\$24,000	\$24,720	\$25,462	\$26,225	\$27,012	\$27,823	\$28,657	\$29,517	\$30,402	\$31,315
Vacancy Losses	-\$1,920	-\$1,978	-\$2,037	-\$2,098	-\$2,161	-\$2,226	-\$2,293	-\$2,361	-\$2,432	-\$2,505
Operating Income	\$22,080	\$22,742	\$23,425	\$24,127	\$24,851	\$25,597	\$26,365	\$27,156	\$27,970	\$28,809

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,600	-\$1,648	-\$1,697	-\$1,748	-\$1,801	-\$1,855	-\$1,910	-\$1,968	-\$2,027	-\$2,088
Insurance	-\$800	-\$824	-\$849	-\$874	-\$900	-\$927	-\$955	-\$984	-\$1,013	-\$1,044
Management Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Leasing/Advertising Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Association Fees	-\$1,788	-\$1,842	-\$1,897	-\$1,954	-\$2,012	-\$2,073	-\$2,135	-\$2,199	-\$2,265	-\$2,333
Maintenance	-\$480	-\$494	-\$509	-\$525	-\$540	-\$556	-\$573	-\$590	-\$608	-\$626
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$4,668	-\$4,808	-\$4,952	-\$5,101	-\$5,254	-\$5,411	-\$5,574	-\$5,741	-\$5,913	-\$6,091

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	\$17,412	\$17,934	\$18,472	\$19,027	\$19,597	\$20,185	\$20,791	\$21,415	\$22,057	\$22,719
- Mortgage Payments	-\$17,024	-\$17,024	-\$17,024	-\$17,024	-\$17,024	-\$17,024	-\$17,024	-\$17,024	-\$17,024	-\$17,024
= Cash Flow	\$388	\$910	\$1,448	\$2,002	\$2,573	\$3,161	\$3,767	\$4,390	\$5,033	\$5,695
+ Principal Reduction	\$4,517	\$4,724	\$4,941	\$5,168	\$5,406	\$5,654	\$5,914	\$6,186	\$6,470	\$6,767
+ Appreciation	\$23,999	\$25,439	\$26,966	\$28,584	\$30,299	\$32,117	\$34,044	\$36,086	\$38,251	\$40,546
= Gross Equity Income	\$28,904	\$31,074	\$33,355	\$35,755	\$38,278	\$40,932	\$43,724	\$46,662	\$49,754	\$53,008
Capitalization Rate	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.4%	3.3%	3.2%
Cash on Cash Return	0.3%	0.7%	1.1%	1.5%	2.0%	2.4%	2.9%	3.4%	3.9%	4.4%
Return on Equity	19.5%	17.4%	15.8%	14.6%	13.7%	12.9%	12.2%	11.7%	11.2%	10.8%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$423,989	\$449,429	\$476,394	\$504,978	\$535,277	\$567,393	\$601,437	\$637,523	\$675,775	\$716,321
- Loan Balance	-\$275,476	-\$270,752	-\$265,810	-\$260,642	-\$255,236	-\$249,582	-\$243,668	-\$237,482	-\$231,012	-\$224,245
= Equity	\$148,513	\$178,677	\$210,584	\$244,336	\$280,041	\$317,812	\$357,769	\$400,041	\$444,762	\$492,076
Loan-to-Value Ratio	65.0%	60.2%	55.8%	51.6%	47.7%	44.0%	40.5%	37.3%	34.2%	31.3%
Potential Cash-Out Refi	\$106,114	\$133,734	\$162,945	\$193,838	\$226,513	\$261,072	\$297,626	\$336,289	\$377,185	\$420,444

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$148,513	\$178,677	\$210,584	\$244,336	\$280,041	\$317,812	\$357,769	\$400,041	\$444,762	\$492,076
- Closing Costs	-\$29,679	-\$31,460	-\$33,348	-\$35,348	-\$37,469	-\$39,718	-\$42,101	-\$44,627	-\$47,304	-\$50,142
= Proceeds After Sale	\$118,834	\$147,217	\$177,237	\$208,988	\$242,571	\$278,094	\$315,669	\$355,414	\$397,458	\$441,933
+ Cumulative Cash Flow	\$388	\$1,298	\$2,746	\$4,749	\$7,322	\$10,483	\$14,250	\$18,641	\$23,674	\$29,368
- Approximate Cash Invest	-\$129,597	-\$129,597	-\$129,597	-\$129,597	-\$129,597	-\$129,597	-\$129,597	-\$129,597	-\$129,597	-\$129,597
= Net Profit	-\$10,375	\$18,918	\$50,386	\$84,140	\$120,297	\$158,981	\$200,322	\$244,458	\$291,535	\$341,705
Internal Rate of Return	-8.0%	7.1%	11.6%	13.4%	14.2%	14.5%	14.5%	14.4%	14.3%	14.2%
Return on Investment	-8.0%	14.6%	38.9%	64.9%	92.8%	122.7%	154.6%	188.6%	225.0%	263.7%

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