

10 Year Performance Projection

New Construction includes bonus studio
San Tan Valley, AZ 85143
4 bedrooms 3 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	\$32,400	\$33,372	\$34,373	\$35,404	\$36,466	\$37,560	\$38,687	\$39,848	\$41,043	\$42,275
Vacancy Losses	-\$2,592	-\$2,670	-\$2,750	-\$2,832	-\$2,917	-\$3,005	-\$3,095	-\$3,188	-\$3,283	-\$3,382
Operating Income	\$29,808	\$30,702	\$31,623	\$32,572	\$33,549	\$34,556	\$35,592	\$36,660	\$37,760	\$38,893

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,218	-\$2,284	-\$2,353	-\$2,424	-\$2,496	-\$2,571	-\$2,648	-\$2,728	-\$2,810	-\$2,894
Insurance	-\$832	-\$857	-\$882	-\$909	-\$936	-\$964	-\$993	-\$1,023	-\$1,054	-\$1,085
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	-\$1,080	-\$1,112	-\$1,146	-\$1,180	-\$1,216	-\$1,252	-\$1,290	-\$1,328	-\$1,368	-\$1,409
Maintenance	-\$648	-\$667	-\$687	-\$708	-\$729	-\$751	-\$774	-\$797	-\$821	-\$845
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$4,778	-\$4,921	-\$5,069	-\$5,221	-\$5,377	-\$5,539	-\$5,705	-\$5,876	-\$6,052	-\$6,234

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	\$25,030	\$25,781	\$26,555	\$27,351	\$28,172	\$29,017	\$29,887	\$30,784	\$31,708	\$32,659
- Mortgage Payments	-\$25,229	-\$25,229	-\$25,229	-\$25,229	-\$25,229	-\$25,229	-\$25,229	-\$25,229	-\$25,229	-\$25,229
= Cash Flow	-\$199	\$552	\$1,325	\$2,122	\$2,943	\$3,788	\$4,658	\$5,555	\$6,478	\$7,430
+ Principal Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ Appreciation	\$33,269	\$35,266	\$37,381	\$39,624	\$42,002	\$44,522	\$47,193	\$50,025	\$53,026	\$56,208
= Gross Equity Income	\$33,070	\$35,817	\$38,707	\$41,746	\$44,944	\$48,310	\$51,851	\$55,580	\$59,505	\$63,638
Capitalization Rate	4.3%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.4%	3.3%
Cash on Cash Return	-0.1%	0.3%	0.7%	1.1%	1.6%	2.0%	2.5%	3.0%	3.5%	4.0%
Return on Equity	16.6%	15.2%	14.2%	13.4%	12.7%	12.1%	11.6%	11.2%	10.8%	10.5%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$587,759	\$623,025	\$660,406	\$700,031	\$742,033	\$786,555	\$833,748	\$883,773	\$936,799	\$993,007
- Loan Balance	-\$388,143	-\$388,143	-\$388,143	-\$388,143	-\$388,143	-\$388,143	-\$388,143	-\$388,143	-\$388,143	-\$388,143
= Equity	\$199,616	\$234,882	\$272,263	\$311,888	\$353,890	\$398,412	\$445,605	\$495,630	\$548,656	\$604,864
Loan-to-Value Ratio	66.0%	62.3%	58.8%	55.4%	52.3%	49.3%	46.6%	43.9%	41.4%	39.1%
Potential Cash-Out Refi	\$140,840	\$172,579	\$206,223	\$241,885	\$279,686	\$319,756	\$362,230	\$407,253	\$454,976	\$505,563

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$199,616	\$234,882	\$272,263	\$311,888	\$353,890	\$398,412	\$445,605	\$495,630	\$548,656	\$604,864
- Closing Costs	-\$41,143	-\$43,612	-\$46,228	-\$49,002	-\$51,942	-\$55,059	-\$58,362	-\$61,864	-\$65,576	-\$69,510
= Proceeds After Sale	\$158,473	\$191,270	\$226,035	\$262,886	\$301,947	\$343,353	\$387,243	\$433,766	\$483,080	\$535,354
+ Cumulative Cash Flow	-\$199	\$353	\$1,678	\$3,800	\$6,743	\$10,531	\$15,189	\$20,744	\$27,222	\$34,652
- Approximate Cash Invest	-\$185,200	-\$185,200	-\$185,200	-\$185,200	-\$185,200	-\$185,200	-\$185,200	-\$185,200	-\$185,200	-\$185,200
= Net Profit	-\$26,925	\$6,424	\$42,514	\$81,486	\$123,491	\$168,684	\$217,232	\$269,310	\$325,103	\$384,806
Internal Rate of Return	-14.5%	1.7%	7.1%	9.6%	10.8%	11.5%	11.8%	12.0%	12.1%	12.1%
Return on Investment	-14.5%	3.5%	23.0%	44.0%	66.7%	91.1%	117.3%	145.4%	175.5%	207.8%

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