Ten Year Performance Projection

New Construction Duplex
Arkansas
6bd | 3ba | Built: 2025

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	$36,480	$37,574	$38,702	$39,863	$41,059	$42,290	$43,559	$44,866	$46,212	$47,598
Vacancy Losses	-$2,918	-$3,006	-$3,096	-$3,189	-$3,285	-$3,383	-$3,485	-$3,589	-$3,697	-$3,808
Operating Income	**$33,562**	**$34,568**	**$35,606**	**$36,674**	**$37,774**	**$38,907**	**$40,074**	**$41,277**	**$42,515**	**$43,790**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$4,988	-$5,162	-$5,343	-$5,530	-$5,723	-$5,924	-$6,131	-$6,345	-$6,568	-$6,797
Insurance	-$1,077	-$1,115	-$1,154	-$1,194	-$1,236	-$1,279	-$1,324	-$1,371	-$1,419	-$1,468
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	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Maintenance	-$730	-$755	-$782	-$809	-$837	-$867	-$897	-$928	-$961	-$994
Other	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Operating Expenses	**-$6,794**	**-$7,032**	**-$7,278**	**-$7,533**	**-$7,797**	**-$8,070**	**-$8,352**	**-$8,644**	**-$8,947**	**-$9,260**

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	**$26,767**	**$27,536**	**$28,327**	**$29,141**	**$29,977**	**$30,837**	**$31,722**	**$32,632**	**$33,568**	**$34,530**
- Mortgage Payments	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698
= Cash Flow	**$4,070**	**$4,839**	**$5,630**	**$6,443**	**$7,280**	**$8,140**	**$9,025**	**$9,935**	**$10,870**	**$11,833**
+ Principal Reduction	$3,345	$3,569	$3,808	$4,063	$4,335	$4,625	$4,935	$5,265	$5,618	$5,994
+ Appreciation	$23,940	$25,376	$26,899	$28,513	$30,224	$32,037	$33,959	$35,997	$38,157	$40,446
= Gross Equity Income	**$31,354**	**$33,784**	**$36,336**	**$39,019**	**$41,838**	**$44,802**	**$47,919**	**$51,197**	**$54,645**	**$58,273**
Capitalization Rate	6.3%	6.1%	6.0%	5.8%	5.6%	5.4%	5.3%	5.1%	5.0%	4.8%
Cash on Cash Return	3.5%	4.2%	4.9%	5.6%	6.3%	7.1%	7.9%	8.7%	9.5%	10.3%
Return on Equity	24.7%	21.7%	19.5%	17.8%	16.5%	15.4%	14.5%	13.8%	13.2%	12.6%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$422,940	$448,316	$475,215	$503,728	$533,952	$565,989	$599,948	$635,945	$674,102	$714,548
- Loan Balance	-$295,905	-$292,337	-$288,529	-$284,466	-$280,131	-$275,506	-$270,571	-$265,306	-$259,688	-$253,693
= Equity	**$127,035**	**$155,980**	**$186,687**	**$219,262**	**$253,821**	**$290,483**	**$329,377**	**$370,640**	**$414,415**	**$460,855**
Loan-to-Value Ratio	70.0%	65.2%	60.7%	56.5%	52.5%	48.7%	45.1%	41.7%	38.5%	35.5%
Potential Cash-Out Refi	$84,741	$111,148	$139,165	$168,890	$200,426	$233,884	$269,383	$307,045	$347,004	$389,400

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$127,035	$155,980	$186,687	$219,262	$253,821	$290,483	$329,377	$370,640	$414,415	$460,855
- Closing Costs	-$29,606	-$31,382	-$33,265	-$35,261	-$37,377	-$39,619	-$41,996	-$44,516	-$47,187	-$50,018
= Proceeds After Sale	**$97,429**	**$124,598**	**$153,422**	**$184,001**	**$216,444**	**$250,864**	**$287,381**	**$326,124**	**$367,227**	**$410,837**
+ Cumulative Cash Flow	$4,070	$8,908	$14,538	$20,981	$28,261	$36,401	$45,425	$55,360	$66,230	$78,063
- Approximate Cash Invest	-$114,712	-$114,712	-$114,712	-$114,712	-$114,712	-$114,712	-$114,712	-$114,712	-$114,712	-$114,712
= Net Profit	**-$13,214**	**$18,794**	**$53,247**	**$90,270**	**$129,992**	**$172,552**	**$218,094**	**$266,771**	**$318,745**	**$374,187**
Internal Rate of Return	-11.5%	8.0%	14.0%	16.3%	17.3%	17.6%	17.7%	17.6%	17.5%	17.3%
Return on Investment	-11.5%	16.4%	46.4%	78.7%	113.3%	150.4%	190.1%	232.6%	277.9%	326.2%

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