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	$33,480	$34,484	$35,519	$36,584	$37,682	$38,812	$39,977	$41,176	$42,411	$43,684
Vacancy Losses	-$2,678	-$2,759	-$2,842	-$2,927	-$3,015	-$3,105	-$3,198	-$3,294	-$3,393	-$3,495
Operating Income	**$30,802**	**$31,726**	**$32,677**	**$33,658**	**$34,667**	**$35,707**	**$36,779**	**$37,882**	**$39,019**	**$40,189**

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	-$670	-$693	-$717	-$742	-$768	-$795	-$823	-$852	-$882	-$913
Other	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Operating Expenses	**-$6,734**	**-$6,970**	**-$7,214**	**-$7,467**	**-$7,728**	**-$7,998**	**-$8,278**	**-$8,568**	**-$8,868**	**-$9,178**

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	**$24,067**	**$24,756**	**$25,463**	**$26,191**	**$26,940**	**$27,709**	**$28,500**	**$29,314**	**$30,151**	**$31,011**
- Mortgage Payments	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698	-$22,698
= Cash Flow	**$1,370**	**$2,058**	**$2,766**	**$3,494**	**$4,242**	**$5,012**	**$5,803**	**$6,617**	**$7,453**	**$8,313**
+ 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	**$28,654**	**$31,003**	**$33,473**	**$36,069**	**$38,801**	**$41,674**	**$44,697**	**$47,879**	**$51,228**	**$54,754**
Capitalization Rate	5.7%	5.5%	5.4%	5.2%	5.0%	4.9%	4.8%	4.6%	4.5%	4.3%
Cash on Cash Return	1.2%	1.8%	2.4%	3.0%	3.7%	4.4%	5.1%	5.8%	6.5%	7.2%
Return on Equity	22.6%	19.9%	17.9%	16.5%	15.3%	14.3%	13.6%	12.9%	12.4%	11.9%

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	$1,370	$3,428	$6,194	$9,687	$13,929	$18,941	$24,744	$31,360	$38,813	$47,127
- 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	**-$15,914**	**$13,313**	**$44,903**	**$78,976**	**$115,661**	**$155,092**	**$197,412**	**$242,771**	**$291,328**	**$343,251**
Internal Rate of Return	-13.9%	5.7%	11.8%	14.2%	15.3%	15.8%	15.9%	15.9%	15.8%	15.7%
Return on Investment	-13.9%	11.6%	39.1%	68.8%	100.8%	135.2%	172.1%	211.6%	254.0%	299.2%

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