## Ten Year Performance Projection

BEAUTIFUL NEW CONSTRUCTION HOME (copy)
Arizona
4bd | 3ba | Built: 2026

| Projected Income | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Projected Rent | $45,600 | $46,968 | $48,377 | $49,828 | $51,323 | $52,863 | $54,449 | $56,082 | $57,765 | $59,498 |
| Vacancy Losses | -$3,648 | -$3,757 | -$3,870 | -$3,986 | -$4,106 | -$4,229 | -$4,356 | -$4,487 | -$4,621 | -$4,760 |
| **Operating Income** | **$41,952** | **$43,211** | **$44,507** | **$45,842** | **$47,217** | **$48,634** | **$50,093** | **$51,596** | **$53,144** | **$54,738** |

| Estimated Expenses | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Property Taxes | -$2,509 | -$2,597 | -$2,687 | -$2,781 | -$2,879 | -$2,980 | -$3,084 | -$3,192 | -$3,304 | -$3,419 |
| Insurance | -$1,280 | -$1,325 | -$1,371 | -$1,419 | -$1,469 | -$1,520 | -$1,573 | -$1,628 | -$1,685 | -$1,744 |
| Management Fees | -$1,032 | -$1,063 | -$1,095 | -$1,128 | -$1,162 | -$1,196 | -$1,232 | -$1,269 | -$1,307 | -$1,347 |
| Leasing/Advertising Fees | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 |
| Association Fees | -$1,332 | -$1,379 | -$1,427 | -$1,477 | -$1,529 | -$1,582 | -$1,637 | -$1,695 | -$1,754 | -$1,815 |
| Maintenance | -$912 | -$944 | -$977 | -$1,011 | -$1,047 | -$1,083 | -$1,121 | -$1,160 | -$1,201 | -$1,243 |
| Other | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 | -$0 |
| **Operating Expenses** | **-$7,065** | **-$7,307** | **-$7,557** | **-$7,816** | **-$8,084** | **-$8,361** | **-$8,648** | **-$8,945** | **-$9,251** | **-$9,569** |

| 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** | **$34,887** | **$35,904** | **$36,950** | **$38,026** | **$39,133** | **$40,273** | **$41,445** | **$42,651** | **$43,892** | **$45,169** |
| - Mortgage Payments | -$26,831 | -$26,831 | -$26,831 | -$26,831 | -$26,831 | -$26,831 | -$26,831 | -$26,831 | -$26,831 | -$26,831 |
| **= Cash Flow** | **$8,056** | **$9,073** | **$10,119** | **$11,195** | **$12,302** | **$13,442** | **$14,614** | **$15,820** | **$17,061** | **$18,338** |
| + Principal Reduction | $4,102 | $4,371 | $4,658 | $4,964 | $5,290 | $5,637 | $6,007 | $6,401 | $6,822 | $7,269 |
| + Appreciation | $30,719 | $32,563 | $34,516 | $36,587 | $38,783 | $41,109 | $43,576 | $46,191 | $48,962 | $51,900 |
| **= Gross Equity Income** | **$42,878** | **$46,006** | **$49,293** | **$52,746** | **$56,374** | **$60,188** | **$64,197** | **$68,412** | **$72,845** | **$77,508** |
| Capitalization Rate | 6.4% | 6.2% | 6.1% | 5.9% | 5.7% | 5.5% | 5.4% | 5.2% | 5.1% | 4.9% |
| Cash on Cash Return | 5.0% | 5.6% | 6.2% | 6.9% | 7.6% | 8.3% | 9.0% | 9.7% | 10.5% | 11.3% |
| Return on Equity | 22.8% | 20.4% | 18.6% | 17.2% | 16.1% | 15.2% | 14.4% | 13.7% | 13.1% | 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 | $542,709 | $575,272 | $609,788 | $646,376 | $685,158 | $726,268 | $769,844 | $816,034 | $864,996 | $916,896 |
| - Loan Balance | -$354,291 | -$349,920 | -$345,262 | -$340,298 | -$335,008 | -$329,371 | -$323,365 | -$316,963 | -$310,142 | -$302,872 |
| **= Equity** | **$188,418** | **$225,352** | **$264,526** | **$306,077** | **$350,150** | **$396,896** | **$446,479** | **$499,071** | **$554,855** | **$614,024** |
| Loan-to-Value Ratio | 65.3% | 60.8% | 56.6% | 52.6% | 48.9% | 45.4% | 42.0% | 38.8% | 35.9% | 33.0% |
| Potential Cash-Out Refi | $134,147 | $167,825 | $203,547 | $241,440 | $281,634 | $324,269 | $369,495 | $417,468 | $468,355 | $522,334 |

| Sale Analysis | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Equity | $188,418 | $225,352 | $264,526 | $306,077 | $350,150 | $396,896 | $446,479 | $499,071 | $554,855 | $614,024 |
| - Closing Costs | -$37,990 | -$40,269 | -$42,685 | -$45,246 | -$47,961 | -$50,839 | -$53,889 | -$57,122 | -$60,550 | -$64,183 |
| **= Proceeds After Sale** | **$150,429** | **$185,083** | **$221,841** | **$260,831** | **$302,189** | **$346,057** | **$392,590** | **$441,949** | **$494,305** | **$549,841** |
| + Cumulative Cash Flow | $8,056 | $17,129 | $27,248 | $38,443 | $50,745 | $64,187 | $78,800 | $94,621 | $111,682 | $130,020 |
| - Approximate Cash Invest | -$162,301 | -$162,301 | -$162,301 | -$162,301 | -$162,301 | -$162,301 | -$162,301 | -$162,301 | -$162,301 | -$162,301 |
| **= Net Profit** | **-$3,816** | **$39,911** | **$86,788** | **$136,973** | **$190,633** | **$247,943** | **$309,090** | **$374,269** | **$443,686** | **$517,561** |
| Internal Rate of Return | -2.4% | 11.9% | 16.0% | 17.5% | 18.1% | 18.2% | 18.1% | 18.0% | 17.8% | 17.5% |
| Return on Investment | -2.4% | 24.6% | 53.5% | 84.4% | 117.5% | 152.8% | 190.4% | 230.6% | 273.4% | 318.9% |

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