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	$31,200	$32,136	$33,100	$34,093	$35,116	$36,169	$37,254	$38,372	$39,523	$40,709
Vacancy Losses	-$2,496	-$2,571	-$2,648	-$2,727	-$2,809	-$2,894	-$2,980	-$3,070	-$3,162	-$3,257
Operating Income	**$28,704**	**$29,565**	**$30,452**	**$31,366**	**$32,307**	**$33,276**	**$34,274**	**$35,302**	**$36,361**	**$37,452**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$1,869	-$1,925	-$1,983	-$2,042	-$2,103	-$2,166	-$2,231	-$2,298	-$2,367	-$2,438
Insurance	-$701	-$722	-$743	-$766	-$789	-$812	-$837	-$862	-$888	-$914
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	-$624	-$643	-$662	-$682	-$702	-$723	-$745	-$767	-$790	-$814
Other	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Operating Expenses	**-$4,274**	**-$4,402**	**-$4,534**	**-$4,670**	**-$4,810**	**-$4,954**	**-$5,103**	**-$5,256**	**-$5,414**	**-$5,576**

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	**$24,430**	**$25,163**	**$25,918**	**$26,696**	**$27,497**	**$28,322**	**$29,171**	**$30,046**	**$30,948**	**$31,876**
- Mortgage Payments	-$20,050	-$20,050	-$20,050	-$20,050	-$20,050	-$20,050	-$20,050	-$20,050	-$20,050	-$20,050
= Cash Flow	**$4,381**	**$5,114**	**$5,869**	**$6,646**	**$7,447**	**$8,272**	**$9,122**	**$9,997**	**$10,898**	**$11,826**
+ Principal Reduction	$6,181	$6,432	$6,694	$6,966	$7,249	$7,544	$7,850	$8,169	$8,501	$8,847
+ Appreciation	$28,031	$29,713	$31,496	$33,386	$35,389	$37,512	$39,763	$42,149	$44,678	$47,358
= Gross Equity Income	**$38,593**	**$41,259**	**$44,059**	**$46,998**	**$50,085**	**$53,328**	**$56,735**	**$60,315**	**$64,077**	**$68,032**
Capitalization Rate	4.9%	4.8%	4.7%	4.5%	4.4%	4.3%	4.2%	4.0%	3.9%	3.8%
Cash on Cash Return	3.3%	3.8%	4.4%	5.0%	5.6%	6.2%	6.9%	7.5%	8.2%	8.9%
Return on Equity	25.6%	22.0%	19.6%	17.7%	16.2%	15.1%	14.1%	13.4%	12.7%	12.1%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$495,221	$524,935	$556,431	$589,817	$625,206	$662,718	$702,481	$744,630	$789,308	$836,666
- Loan Balance	-$344,211	-$337,779	-$331,085	-$324,119	-$316,870	-$309,326	-$301,476	-$293,307	-$284,806	-$275,959
= Equity	**$151,010**	**$187,156**	**$225,346**	**$265,698**	**$308,336**	**$353,392**	**$401,005**	**$451,323**	**$504,502**	**$560,707**
Loan-to-Value Ratio	69.5%	64.3%	59.5%	55.0%	50.7%	46.7%	42.9%	39.4%	36.1%	33.0%
Potential Cash-Out Refi	$101,488	$134,662	$169,703	$206,716	$245,815	$287,120	$330,757	$376,860	$425,571	$477,040

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$151,010	$187,156	$225,346	$265,698	$308,336	$353,392	$401,005	$451,323	$504,502	$560,707
- Closing Costs	-$34,665	-$36,745	-$38,950	-$41,287	-$43,764	-$46,390	-$49,174	-$52,124	-$55,252	-$58,567
= Proceeds After Sale	**$116,345**	**$150,411**	**$186,396**	**$224,411**	**$264,571**	**$307,001**	**$351,831**	**$399,199**	**$449,250**	**$502,140**
+ Cumulative Cash Flow	$4,381	$9,494	$15,363	$22,009	$29,456	$37,728	$46,849	$56,846	$67,744	$79,571
- Approximate Cash Invest	-$133,149	-$133,149	-$133,149	-$133,149	-$133,149	-$133,149	-$133,149	-$133,149	-$133,149	-$133,149
= Net Profit	**-$12,424**	**$26,756**	**$68,610**	**$113,270**	**$160,878**	**$211,580**	**$265,531**	**$322,896**	**$383,845**	**$448,562**
Internal Rate of Return	-9.3%	9.7%	15.3%	17.3%	18.0%	18.2%	18.1%	17.9%	17.6%	17.4%
Return on Investment	-9.3%	20.1%	51.5%	85.1%	120.8%	158.9%	199.4%	242.5%	288.3%	336.9%

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