10 Year Performance Projection

Co-Living Property
Mesa, AZ 85201
8 bedrooms 3 bathrooms 1972 year built 2025 year remodeled

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	$87,000	$89,610	$92,298	$95,067	$97,919	$100,857	$103,883	$106,999	$110,209	$113,515
Vacancy Losses	-$6,960	-$7,169	-$7,384	-$7,605	-$7,834	-$8,069	-$8,311	-$8,560	-$8,817	-$9,081
Operating Income	**$80,040**	**$82,441**	**$84,914**	**$87,462**	**$90,086**	**$92,788**	**$95,572**	**$98,439**	**$101,392**	**$104,434**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$1,853	-$1,909	-$1,966	-$2,025	-$2,086	-$2,148	-$2,213	-$2,279	-$2,347	-$2,418
Insurance	-$1,853	-$1,909	-$1,966	-$2,025	-$2,086	-$2,148	-$2,213	-$2,279	-$2,347	-$2,418
Management Fees	-$12,806	-$13,191	-$13,586	-$13,994	-$14,414	-$14,846	-$15,292	-$15,750	-$16,223	-$16,709
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	-$2,610	-$2,688	-$2,769	-$2,852	-$2,938	-$3,026	-$3,116	-$3,210	-$3,306	-$3,405
Other	-$9,600	-$9,888	-$10,185	-$10,490	-$10,805	-$11,129	-$11,463	-$11,807	-$12,161	-$12,526
Operating Expenses	**-$28,722**	**-$29,584**	**-$30,472**	**-$31,386**	**-$32,327**	**-$33,297**	**-$34,296**	**-$35,325**	**-$36,385**	**-$37,476**

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	**$51,318**	**$52,857**	**$54,443**	**$56,076**	**$57,758**	**$59,491**	**$61,276**	**$63,114**	**$65,008**	**$66,958**
- Mortgage Payments	-$36,984	-$36,984	-$36,984	-$36,984	-$36,984	-$36,984	-$36,984	-$36,984	-$36,984	-$36,984
= Cash Flow	**$14,333**	**$15,873**	**$17,459**	**$19,092**	**$20,774**	**$22,507**	**$24,292**	**$26,130**	**$28,023**	**$29,974**
+ Principal Reduction	$4,706	$5,046	$5,411	$5,802	$6,221	$6,671	$7,153	$7,670	$8,225	$8,819
+ Appreciation	$32,700	$34,662	$36,742	$38,946	$41,283	$43,760	$46,386	$49,169	$52,119	$55,246
= Gross Equity Income	**$51,739**	**$55,581**	**$59,611**	**$63,840**	**$68,278**	**$72,938**	**$77,830**	**$82,969**	**$88,367**	**$94,039**
Capitalization Rate	8.9%	8.6%	8.4%	8.2%	7.9%	7.7%	7.5%	7.3%	7.1%	6.9%
Cash on Cash Return	12.9%	14.3%	15.7%	17.2%	18.7%	20.2%	21.8%	23.5%	25.2%	27.0%
Return on Equity	43.4%	35.0%	29.7%	26.0%	23.3%	21.2%	19.6%	18.3%	17.2%	16.3%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$577,700	$612,362	$649,104	$688,050	$729,333	$773,093	$819,478	$868,647	$920,766	$976,012
- Loan Balance	-$458,544	-$453,498	-$448,088	-$442,286	-$436,065	-$429,394	-$422,241	-$414,571	-$406,346	-$397,527
= Equity	**$119,156**	**$158,864**	**$201,016**	**$245,764**	**$293,268**	**$343,699**	**$397,238**	**$454,077**	**$514,420**	**$578,485**
Loan-to-Value Ratio	79.4%	74.1%	69.0%	64.3%	59.8%	55.5%	51.5%	47.7%	44.1%	40.7%
Potential Cash-Out Refi	$61,386	$97,627	$136,106	$176,959	$220,335	$266,390	$315,290	$367,212	$422,344	$480,884

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$119,156	$158,864	$201,016	$245,764	$293,268	$343,699	$397,238	$454,077	$514,420	$578,485
- Closing Costs	-$40,439	-$42,865	-$45,437	-$48,163	-$51,053	-$54,117	-$57,363	-$60,805	-$64,454	-$68,321
= Proceeds After Sale	**$78,717**	**$115,998**	**$155,579**	**$197,600**	**$242,215**	**$289,582**	**$339,874**	**$393,271**	**$449,967**	**$510,165**
+ Cumulative Cash Flow	$14,333	$30,206	$47,665	$66,757	$87,532	$110,039	$134,330	$160,460	$188,484	$218,458
- Approximate Cash Invest	-$111,180	-$111,180	-$111,180	-$111,180	-$111,180	-$111,180	-$111,180	-$111,180	-$111,180	-$111,180
= Net Profit	**-$18,130**	**$35,025**	**$92,064**	**$153,178**	**$218,566**	**$288,441**	**$363,025**	**$442,552**	**$527,270**	**$617,442**
Internal Rate of Return	-16.3%	15.5%	24.6%	27.6%	28.5%	28.5%	28.2%	27.8%	27.3%	26.8%
Return on Investment	-16.3%	31.5%	82.8%	137.8%	196.6%	259.4%	326.5%	398.0%	474.2%	555.4%

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