10 Year Performance Projection

New Construction
Mesa, AZ 85212
3 bedrooms 2 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	$34,800	$35,844	$36,919	$38,027	$39,168	$40,343	$41,553	$42,800	$44,084	$45,406
Vacancy Losses	-$2,784	-$2,868	-$2,954	-$3,042	-$3,133	-$3,227	-$3,324	-$3,424	-$3,527	-$3,632
Operating Income	**$32,016**	**$32,976**	**$33,966**	**$34,985**	**$36,034**	**$37,115**	**$38,229**	**$39,376**	**$40,557**	**$41,774**

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-$2,610	-$2,688	-$2,769	-$2,852	-$2,937	-$3,025	-$3,116	-$3,210	-$3,306	-$3,405
Insurance	-$1,279	-$1,318	-$1,357	-$1,398	-$1,440	-$1,483	-$1,527	-$1,573	-$1,620	-$1,669
Management Fees	-$576	-$593	-$611	-$629	-$648	-$668	-$688	-$708	-$730	-$752
Leasing/Advertising Fees	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Association Fees	-$1,332	-$1,372	-$1,413	-$1,456	-$1,499	-$1,544	-$1,590	-$1,638	-$1,687	-$1,738
Maintenance	-$696	-$717	-$738	-$761	-$783	-$807	-$831	-$856	-$882	-$908
Other	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0	-$0
Operating Expenses	**-$6,493**	**-$6,688**	**-$6,888**	**-$7,095**	**-$7,308**	**-$7,527**	**-$7,753**	**-$7,985**	**-$8,225**	**-$8,472**

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	**$25,523**	**$26,289**	**$27,078**	**$27,890**	**$28,727**	**$29,588**	**$30,476**	**$31,390**	**$32,332**	**$33,302**
- Mortgage Payments	-$26,815	-$26,815	-$26,815	-$26,815	-$26,815	-$26,815	-$26,815	-$26,815	-$26,815	-$26,815
= Cash Flow	**-$1,292**	**-$526**	**$262**	**$1,075**	**$1,911**	**$2,773**	**$3,661**	**$4,575**	**$5,517**	**$6,487**
+ Principal Reduction	$4,099	$4,369	$4,655	$4,961	$5,287	$5,634	$6,003	$6,398	$6,818	$7,265
+ Appreciation	$30,701	$32,543	$34,496	$36,566	$38,760	$41,085	$43,551	$46,164	$48,933	$51,869
= Gross Equity Income	**$33,509**	**$36,386**	**$39,414**	**$42,601**	**$45,958**	**$49,492**	**$53,215**	**$57,136**	**$61,268**	**$65,621**
Capitalization Rate	4.7%	4.6%	4.4%	4.3%	4.2%	4.1%	4.0%	3.8%	3.7%	3.6%
Cash on Cash Return	-0.8%	-0.3%	0.2%	0.7%	1.2%	1.7%	2.3%	2.8%	3.4%	4.0%
Return on Equity	17.8%	16.2%	14.9%	13.9%	13.1%	12.5%	11.9%	11.5%	11.0%	10.7%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	$542,391	$574,935	$609,431	$645,997	$684,757	$725,842	$769,393	$815,556	$864,489	$916,359
- Loan Balance	-$354,084	-$349,715	-$345,060	-$340,099	-$334,812	-$329,178	-$323,175	-$316,777	-$309,960	-$302,695
= Equity	**$188,308**	**$225,220**	**$264,371**	**$305,898**	**$349,945**	**$396,664**	**$446,218**	**$498,779**	**$554,530**	**$613,664**
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	$134,069	$167,726	$203,428	$241,298	$281,469	$324,079	$369,278	$417,223	$468,081	$522,028

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	$188,308	$225,220	$264,371	$305,898	$349,945	$396,664	$446,218	$498,779	$554,530	$613,664
- Closing Costs	-$37,967	-$40,245	-$42,660	-$45,220	-$47,933	-$50,809	-$53,857	-$57,089	-$60,514	-$64,145
= Proceeds After Sale	**$150,340**	**$184,974**	**$221,711**	**$260,678**	**$302,012**	**$345,855**	**$392,360**	**$441,690**	**$494,015**	**$549,519**
+ Cumulative Cash Flow	-$1,292	-$1,818	-$1,556	-$481	$1,430	$4,203	$7,864	$12,439	$17,956	$24,442
- Approximate Cash Invest	-$162,206	-$162,206	-$162,206	-$162,206	-$162,206	-$162,206	-$162,206	-$162,206	-$162,206	-$162,206
= Net Profit	**-$13,157**	**$20,950**	**$57,949**	**$97,991**	**$141,236**	**$187,852**	**$238,018**	**$291,923**	**$349,765**	**$411,756**
Internal Rate of Return	-8.1%	6.2%	10.7%	12.5%	13.3%	13.6%	13.8%	13.8%	13.7%	13.6%
Return on Investment	-8.1%	12.9%	35.7%	60.4%	87.1%	115.8%	146.7%	180.0%	215.6%	253.8%

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