

## 10 Year Performance Projection

High Cash Flow Property

Mesa, AZ 85203

9bd | 4ba | Built: 1969 | Remodeled: 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	\$104,400	\$107,532	\$110,758	\$114,081	\$117,503	\$121,028	\$124,659	\$128,399	\$132,251	\$136,218
Vacancy Losses	-\$8,352	-\$8,603	-\$8,861	-\$9,126	-\$9,400	-\$9,682	-\$9,973	-\$10,272	-\$10,580	-\$10,897
Operating Income	\$96,048	\$98,929	\$101,897	\$104,954	\$108,103	\$111,346	\$114,686	\$118,127	\$121,671	\$125,321

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,708	-\$1,759	-\$1,812	-\$1,866	-\$1,922	-\$1,980	-\$2,039	-\$2,101	-\$2,164	-\$2,229
Insurance	-\$1,647	-\$1,696	-\$1,747	-\$1,800	-\$1,854	-\$1,909	-\$1,967	-\$2,026	-\$2,086	-\$2,149
Management Fees	-\$15,368	-\$15,829	-\$16,304	-\$16,793	-\$17,296	-\$17,815	-\$18,350	-\$18,900	-\$19,467	-\$20,051
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	-\$3,132	-\$3,226	-\$3,323	-\$3,422	-\$3,525	-\$3,631	-\$3,740	-\$3,852	-\$3,968	-\$4,087
Other	-\$26,304	-\$27,093	-\$27,906	-\$28,743	-\$29,605	-\$30,494	-\$31,408	-\$32,351	-\$33,321	-\$34,321
Operating Expenses	-\$48,159	-\$49,603	-\$51,092	-\$52,624	-\$54,203	-\$55,829	-\$57,504	-\$59,229	-\$61,006	-\$62,836

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	\$47,889	\$49,326	\$50,806	\$52,330	\$53,900	\$55,517	\$57,182	\$58,898	\$60,665	\$62,485
- Mortgage Payments	-\$32,915	-\$32,915	-\$32,915	-\$32,915	-\$32,915	-\$32,915	-\$32,915	-\$32,915	-\$32,915	-\$32,915
= Cash Flow	\$14,974	\$16,411	\$17,890	\$19,415	\$20,985	\$22,602	\$24,267	\$25,983	\$27,749	\$29,569
+ Principal Reduction	\$5,618	\$5,965	\$6,333	\$6,723	\$7,138	\$7,578	\$8,045	\$8,542	\$9,068	\$9,628
+ Appreciation	\$36,600	\$38,796	\$41,124	\$43,591	\$46,207	\$48,979	\$51,918	\$55,033	\$58,335	\$61,835
= Gross Equity Income	\$57,192	\$61,171	\$65,347	\$69,729	\$74,329	\$79,159	\$84,230	\$89,557	\$95,153	\$101,032
Capitalization Rate	7.4%	7.2%	7.0%	6.8%	6.6%	6.4%	6.2%	6.1%	5.9%	5.7%
Cash on Cash Return	8.8%	9.6%	10.5%	11.4%	12.3%	13.2%	14.2%	15.2%	16.2%	17.3%
Return on Equity	29.4%	25.5%	22.8%	20.7%	19.0%	17.7%	16.6%	15.7%	14.9%	14.2%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$646,600	\$685,396	\$726,520	\$770,111	\$816,318	\$865,297	\$917,214	\$972,247	\$1,030,582	\$1,092,417
- Loan Balance	-\$451,882	-\$445,917	-\$439,585	-\$432,862	-\$425,724	-\$418,146	-\$410,101	-\$401,559	-\$392,491	-\$382,863
= Equity	\$194,718	\$239,479	\$286,935	\$337,249	\$390,594	\$447,151	\$507,114	\$570,688	\$638,092	\$709,554
Loan-to-Value Ratio	69.9%	65.1%	60.5%	56.2%	52.2%	48.3%	44.7%	41.3%	38.1%	35.0%
Potential Cash-Out Refi	\$130,058	\$170,939	\$214,283	\$260,238	\$308,962	\$360,621	\$415,392	\$473,464	\$535,033	\$600,313

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$194,718	\$239,479	\$286,935	\$337,249	\$390,594	\$447,151	\$507,114	\$570,688	\$638,092	\$709,554
- Closing Costs	-\$45,262	-\$47,978	-\$50,856	-\$53,908	-\$57,142	-\$60,571	-\$64,205	-\$68,057	-\$72,141	-\$76,469
= Proceeds After Sale	\$149,456	\$191,501	\$236,079	\$283,341	\$333,451	\$386,580	\$442,909	\$502,631	\$565,951	\$633,085
+ Cumulative Cash Flow	\$14,974	\$31,385	\$49,275	\$68,690	\$89,675	\$112,276	\$136,543	\$162,526	\$190,275	\$219,845
- Approximate Cash Invest	-\$170,800	-\$170,800	-\$170,800	-\$170,800	-\$170,800	-\$170,800	-\$170,800	-\$170,800	-\$170,800	-\$170,800
= Net Profit	-\$6,370	\$52,086	\$114,554	\$181,231	\$252,326	\$328,056	\$408,652	\$494,357	\$585,426	\$682,130
Internal Rate of Return	-3.7%	14.8%	20.0%	21.8%	22.4%	22.4%	22.2%	21.9%	21.6%	21.3%
Return on Investment	-3.7%	30.5%	67.1%	106.1%	147.7%	192.1%	239.3%	289.4%	342.8%	399.4%

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