

10 Year Performance Projection

High Cash Flow Property
Mesa, AZ 85203
9 bedrooms 4 bathrooms 1969 year built 2026 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	\$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	-\$33,803	-\$33,803	-\$33,803	-\$33,803	-\$33,803	-\$33,803	-\$33,803	-\$33,803	-\$33,803	-\$33,803
= Cash Flow	\$14,086	\$15,523	\$17,003	\$18,527	\$20,097	\$21,714	\$23,379	\$25,095	\$26,862	\$28,682
+ Principal Reduction	\$5,361	\$5,706	\$6,073	\$6,463	\$6,879	\$7,322	\$7,793	\$8,294	\$8,827	\$9,395
+ Appreciation	\$36,600	\$38,796	\$41,124	\$43,591	\$46,207	\$48,979	\$51,918	\$55,033	\$58,335	\$61,835
= Gross Equity Income	\$56,047	\$60,025	\$64,199	\$68,582	\$73,183	\$78,015	\$83,090	\$88,422	\$94,024	\$99,912
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	7.8%	8.6%	9.4%	10.3%	11.2%	12.1%	13.0%	13.9%	14.9%	15.9%
Return on Equity	28.8%	25.1%	22.4%	20.4%	18.8%	17.5%	16.4%	15.5%	14.8%	14.1%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$646,600	\$685,396	\$726,520	\$770,111	\$816,318	\$865,297	\$917,214	\$972,247	\$1,030,582	\$1,092,417
- Loan Balance	-\$452,139	-\$446,433	-\$440,360	-\$433,897	-\$427,018	-\$419,696	-\$411,903	-\$403,609	-\$394,782	-\$385,387
= Equity	\$194,461	\$238,963	\$286,159	\$336,214	\$389,300	\$445,601	\$505,311	\$568,638	\$635,800	\$707,030
Loan-to-Value Ratio	69.9%	65.1%	60.6%	56.3%	52.3%	48.5%	44.9%	41.5%	38.3%	35.3%
Potential Cash-Out Refi	\$129,801	\$170,423	\$213,507	\$259,203	\$307,668	\$359,071	\$413,590	\$471,413	\$532,742	\$597,789

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$194,461	\$238,963	\$286,159	\$336,214	\$389,300	\$445,601	\$505,311	\$568,638	\$635,800	\$707,030
- 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	\$149,199	\$190,985	\$235,303	\$282,306	\$332,158	\$385,030	\$441,106	\$500,581	\$563,659	\$630,561
+ Cumulative Cash Flow	\$14,086	\$29,609	\$46,612	\$65,139	\$85,236	\$106,950	\$130,330	\$155,425	\$182,286	\$210,968
- Approximate Cash Invest	-\$179,950	-\$179,950	-\$179,950	-\$179,950	-\$179,950	-\$179,950	-\$179,950	-\$179,950	-\$179,950	-\$179,950
= Net Profit	-\$16,665	\$40,645	\$101,965	\$167,496	\$237,444	\$312,030	\$391,486	\$476,055	\$565,996	\$661,579
Internal Rate of Return	-9.3%	11.1%	17.2%	19.5%	20.4%	20.7%	20.7%	20.6%	20.3%	20.1%
Return on Investment	-9.3%	22.6%	56.7%	93.1%	132.0%	173.4%	217.6%	264.5%	314.5%	367.6%

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