

10 Year Performance Projection

New Construction in Huntsville Metro

Madison, AL 35757

4bd | 2ba | Built: 2025

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	\$26,400	\$27,456	\$28,554	\$29,696	\$30,884	\$32,120	\$33,404	\$34,741	\$36,130	\$37,575
Vacancy Losses	-\$2,112	-\$2,196	-\$2,284	-\$2,376	-\$2,471	-\$2,570	-\$2,672	-\$2,779	-\$2,890	-\$3,006
Operating Income	\$24,288	\$25,260	\$26,270	\$27,321	\$28,414	\$29,550	\$30,732	\$31,961	\$33,240	\$34,569

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$2,508	-\$2,584	-\$2,661	-\$2,741	-\$2,823	-\$2,908	-\$2,995	-\$3,085	-\$3,178	-\$3,273
Insurance	-\$1,621	-\$1,669	-\$1,719	-\$1,771	-\$1,824	-\$1,879	-\$1,935	-\$1,993	-\$2,053	-\$2,115
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	-\$648	-\$667	-\$687	-\$708	-\$729	-\$751	-\$774	-\$797	-\$821	-\$845
Maintenance	-\$528	-\$544	-\$560	-\$577	-\$594	-\$612	-\$630	-\$649	-\$669	-\$689
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$5,305	-\$5,464	-\$5,628	-\$5,797	-\$5,971	-\$6,150	-\$6,335	-\$6,525	-\$6,720	-\$6,922

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	\$18,983	\$19,795	\$20,642	\$21,524	\$22,443	\$23,400	\$24,397	\$25,437	\$26,519	\$27,647
- Mortgage Payments	-\$17,598	-\$17,598	-\$17,598	-\$17,598	-\$17,598	-\$17,598	-\$17,598	-\$14,091	-\$14,091	-\$14,091
= Cash Flow	\$1,385	\$2,198	\$3,044	\$3,926	\$4,845	\$5,802	\$6,800	\$11,345	\$12,428	\$13,556
+ Principal Reduction	\$4,669	\$4,884	\$5,108	\$5,343	\$5,588	\$5,845	\$6,113	\$11,626	\$11,743	\$11,861
+ Appreciation	\$23,154	\$24,543	\$26,016	\$27,577	\$29,231	\$30,985	\$32,844	\$34,815	\$36,904	\$39,118
= Gross Equity Income	\$29,208	\$31,624	\$34,168	\$36,845	\$39,664	\$42,632	\$45,757	\$57,786	\$61,075	\$64,535
Capitalization Rate	4.6%	4.6%	4.5%	4.4%	4.3%	4.3%	4.2%	4.1%	4.1%	4.0%
Cash on Cash Return	1.2%	1.9%	2.6%	3.4%	4.2%	5.0%	5.9%	9.8%	10.7%	11.7%
Return on Equity	23.5%	20.6%	18.5%	16.9%	15.7%	14.7%	13.9%	15.4%	14.4%	13.6%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$409,054	\$433,597	\$459,613	\$487,190	\$516,421	\$547,407	\$580,251	\$615,066	\$651,970	\$691,088
- Loan Balance	-\$284,756	-\$279,872	-\$274,765	-\$269,422	-\$263,834	-\$257,989	-\$251,876	-\$240,250	-\$228,508	-\$216,647
= Equity	\$124,298	\$153,725	\$184,849	\$217,768	\$252,587	\$289,417	\$328,375	\$374,816	\$423,462	\$474,441
Loan-to-Value Ratio	69.6%	64.5%	59.8%	55.3%	51.1%	47.1%	43.4%	39.1%	35.0%	31.3%
Potential Cash-Out Refi	\$42,487	\$67,005	\$92,926	\$120,330	\$149,303	\$179,936	\$212,325	\$251,803	\$293,068	\$336,224

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$124,298	\$153,725	\$184,849	\$217,768	\$252,587	\$289,417	\$328,375	\$374,816	\$423,462	\$474,441
- Closing Costs	-\$28,634	-\$30,352	-\$32,173	-\$34,103	-\$36,149	-\$38,318	-\$40,618	-\$43,055	-\$45,638	-\$48,376
= Proceeds After Sale	\$95,664	\$123,373	\$152,676	\$183,665	\$216,438	\$251,099	\$287,757	\$331,761	\$377,824	\$426,065
+ Cumulative Cash Flow	\$1,385	\$3,583	\$6,627	\$10,553	\$15,398	\$21,200	\$28,000	\$39,345	\$51,773	\$65,329
- Approximate Cash Invest	-\$116,017	-\$116,017	-\$116,017	-\$116,017	-\$116,017	-\$116,017	-\$116,017	-\$116,017	-\$116,017	-\$116,017
= Net Profit	-\$18,967	\$10,939	\$43,286	\$78,201	\$115,819	\$156,282	\$199,740	\$255,090	\$313,581	\$375,377
Internal Rate of Return	-16.3%	4.6%	11.3%	14.0%	15.2%	15.8%	16.0%	16.4%	16.5%	16.5%
Return on Investment	-16.3%	9.4%	37.3%	67.4%	99.8%	134.7%	172.2%	219.9%	270.3%	323.6%

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