

10 Year Performance Projection

Cash Flow Property
 Memphis, TN 38116
 4bd | 2ba | Built: 1966

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Rent	\$16,740	\$17,242	\$17,759	\$18,292	\$18,841	\$19,406	\$19,988	\$20,588	\$21,206	\$21,842
Vacancy Losses	-\$1,339	-\$1,379	-\$1,421	-\$1,463	-\$1,507	-\$1,552	-\$1,599	-\$1,647	-\$1,696	-\$1,747
Operating Income	\$15,401	\$15,863	\$16,339	\$16,829	\$17,334	\$17,854	\$18,389	\$18,941	\$19,509	\$20,095

Estimated Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property Taxes	-\$1,484	-\$1,529	-\$1,574	-\$1,622	-\$1,670	-\$1,720	-\$1,772	-\$1,825	-\$1,880	-\$1,936
Insurance	-\$824	-\$849	-\$875	-\$901	-\$928	-\$956	-\$984	-\$1,014	-\$1,044	-\$1,076
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	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Maintenance	-\$1,339	-\$1,379	-\$1,421	-\$1,463	-\$1,507	-\$1,552	-\$1,599	-\$1,647	-\$1,696	-\$1,747
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Operating Expenses	-\$3,648	-\$3,757	-\$3,870	-\$3,986	-\$4,106	-\$4,229	-\$4,356	-\$4,486	-\$4,621	-\$4,760

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	\$11,753	\$12,106	\$12,469	\$12,843	\$13,228	\$13,625	\$14,034	\$14,455	\$14,888	\$15,335
- Mortgage Payments	-\$8,898	-\$8,898	-\$8,898	-\$8,898	-\$8,898	-\$8,898	-\$8,898	-\$8,898	-\$8,898	-\$8,898
= Cash Flow	\$2,855	\$3,208	\$3,571	\$3,945	\$4,330	\$4,727	\$5,136	\$5,557	\$5,990	\$6,437
+ Principal Reduction	\$1,519	\$1,612	\$1,712	\$1,817	\$1,929	\$2,048	\$2,175	\$2,309	\$2,451	\$2,603
+ Appreciation	\$9,894	\$10,488	\$11,117	\$11,784	\$12,491	\$13,240	\$14,035	\$14,877	\$15,770	\$16,716
= Gross Equity Income	\$14,268	\$15,308	\$16,400	\$17,546	\$18,751	\$20,016	\$21,345	\$22,743	\$24,211	\$25,755
Capitalization Rate	6.7%	6.5%	6.3%	6.2%	6.0%	5.8%	5.7%	5.5%	5.3%	5.2%
Cash on Cash Return	6.2%	6.9%	7.7%	8.5%	9.4%	10.2%	11.1%	12.0%	13.0%	13.9%
Return on Equity	27.1%	23.6%	21.1%	19.2%	17.8%	16.6%	15.6%	14.7%	14.0%	13.4%

Loan Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Market Value	\$174,794	\$185,282	\$196,399	\$208,182	\$220,673	\$233,914	\$247,949	\$262,826	\$278,595	\$295,311
- Loan Balance	-\$122,156	-\$120,544	-\$118,832	-\$117,015	-\$115,085	-\$113,037	-\$110,862	-\$108,553	-\$106,102	-\$103,499
= Equity	\$52,638	\$64,738	\$77,566	\$91,168	\$105,588	\$120,877	\$137,087	\$154,273	\$172,494	\$191,812
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	\$35,158	\$46,210	\$57,927	\$70,349	\$83,521	\$97,486	\$112,292	\$127,990	\$144,634	\$162,281

Sale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Equity	\$52,638	\$64,738	\$77,566	\$91,168	\$105,588	\$120,877	\$137,087	\$154,273	\$172,494	\$191,812
- Closing Costs	-\$12,236	-\$12,970	-\$13,748	-\$14,573	-\$15,447	-\$16,374	-\$17,356	-\$18,398	-\$19,502	-\$20,672
= Proceeds After Sale	\$40,402	\$51,768	\$63,819	\$76,595	\$90,141	\$104,503	\$119,730	\$135,875	\$152,992	\$171,140
+ Cumulative Cash Flow	\$2,855	\$6,063	\$9,634	\$13,579	\$17,909	\$22,636	\$27,772	\$33,329	\$39,319	\$45,756
- Approximate Cash Invest	-\$46,172	-\$46,172	-\$46,172	-\$46,172	-\$46,172	-\$46,172	-\$46,172	-\$46,172	-\$46,172	-\$46,172
= Net Profit	-\$2,915	\$11,659	\$27,280	\$44,002	\$61,878	\$80,967	\$101,330	\$123,031	\$146,139	\$170,724
Internal Rate of Return	-6.3%	12.3%	17.6%	19.5%	20.2%	20.4%	20.2%	20.0%	19.7%	19.4%
Return on Investment	-6.3%	25.3%	59.1%	95.3%	134.0%	175.4%	219.5%	266.5%	316.5%	369.8%

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