

| DFY Property Example | | Purchase Price: \$232,000 | |
|----------------------|-----------|---------------------------|------------|
| Bedrooms | Bathrooms | Square Feet | Year Built |
| 3 | 2 | 1448 | 2017 |



| Assumptions | |
|---------------------------------|----------------|
| Down Payment | 25% |
| Closing Costs | 4% |
| Pre-Paid Items | 6 Months T & I |
| Interest Rate | 3.625% |
| Property Management Fee | 8% |
| Vacancy/Repairs | 8% |
| Projected Appreciation (Yr 1-2) | 5% |
| Projected Appreciation (Yr 3-5) | 7% |
| Projected Appreciation (Yr 6+) | 3.5% |
| Annual Rent Increase | 3% |
| Closing Costs On Future Sale | 7.5% |
| Property Mngmnt Reserve | \$5000 |

| Cost/Expense | |
|--------------------------|--------------|
| Down Payment | \$ 58,000.00 |
| Estimated Closing Costs | \$ 9,280.00 |
| Estimated Rehab Expenses | \$ 0.00 |
| DFY T.E.A.M.S. Fee | \$ 4,995.00 |
| Total Out of Pocket | \$ 72,275.00 |
| Estimated Pre-Paid Items | \$ 1,644.96 |
| Total Cash To Close | \$ 73,919.96 |

| Financing | |
|------------------------------|-------------|
| Projected Monthly Rent | \$ 1,750.00 |
| Principal & Interest Payment | \$ 793.53 |
| Monthly Taxes | \$ 203.33 |
| Monthly Insurance | \$ 70.83 |
| PITI Monthly Payment | \$ 1,067.69 |
| Monthly Avg. HOA Expense | \$ 20.83 |
| Total Monthly Expense | \$ 1,088.52 |

| 5 Year Income Returns | |
|--------------------------|-------------|
| Avg. Monthly Cash Flow | \$483.38 |
| Cash on Cash Return | 8.43% |
| Combined C.o.C Return | 13.17% |
| 5 Year Annualized Return | 20.72% |
| Profit On Sale Year 5 | \$74,862.55 |

| 10 Year Income Returns | |
|---------------------------|--------------|
| Avg. Monthly Cash Flow | \$552.45 |
| Cash on Cash Return | 11.99% |
| Combined C.o.C Return | 17.24% |
| 10 Year Annualized Return | 23.27% |
| Profit On Sale Year 10 | \$168,179.18 |

| Annual Expense Breakdown | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| | YEAR 1 | YEAR 3 | YEAR 5 | YEAR 7 | YEAR 10 |
| Gross Rent | \$ 21,000.00 | \$ 22,278.90 | \$ 23,635.69 | \$ 25,075.10 | \$ 27,400.24 |
| Taxes | \$ 2,439.96 | \$ 2,741.30 | \$ 3,138.51 | \$ 3,362.05 | \$ 3,727.56 |
| Insurance | \$ 849.96 | \$ 849.96 | \$ 849.96 | \$ 849.96 | \$ 849.96 |
| HOA | \$ 249.96 | \$ 249.96 | \$ 249.96 | \$ 249.96 | \$ 249.96 |
| Property Management | \$ 1,980.00 | \$ 1,782.31 | \$ 1,890.85 | \$ 2,006.01 | \$ 2,192.02 |
| Vacancy/Repairs | \$ 0.00 | \$ 1,782.31 | \$ 1,890.85 | \$ 2,006.01 | \$ 2,192.02 |
| Net Operating Income | \$ 15,480.12 | \$ 14,873.06 | \$ 15,615.55 | \$ 16,601.11 | \$ 18,188.72 |
| Debt Service | \$ 9,522.35 | \$ 9,522.35 | \$ 9,522.35 | \$ 9,522.35 | \$ 9,522.35 |

| Annual Income Breakdown | | | | | |
|----------------------------|----------------|--------------|---------------|---------------|---------------|
| Net Monthly Cash Flow | \$ 496.48 | \$ 445.89 | \$ 507.77 | \$ 589.90 | \$ 722.20 |
| Cap Rate | 6.67% | | | | |
| Cash on Cash Return | 8.24% | 7.40% | 8.43% | 9.79% | 11.99% |
| Principal Reduction | 1.51% | 1.66% | 1.83% | 2.02% | 2.34% |
| Depreciation | 2.91% | 2.91% | 2.91% | 2.91% | 2.91% |
| Combined Cash on Cash | 12.66% | 11.97% | 13.17% | 14.72% | 17.24% |
| Appreciation | \$ 11,600.00 | \$ 41,684.60 | \$ 81,341.50 | \$ 103,659.25 | \$ 140,151.41 |
| Profit on Sale | \$ (12,361.22) | \$ 26,071.02 | \$ 74,862.55 | \$ 109,490.27 | \$ 168,179.18 |
| Total ROI | -17.10% | 36.07% | 103.58% | 151.49% | 232.69% |
| Total Capital to Re-Invest | \$ 45,638.78 | \$ 84,071.02 | \$ 132,862.55 | \$ 167,490.27 | \$ 226,179.18 |