

Real Estate Investment ROI Model – Report

This analysis compares two properties' 10-year ROI using financial modeling in Excel.



[illegible]

Financial Overview: Property A

Key Financials

- Initial Price: ₹50,00,000
- Appreciation: 5% annually
- Rent Growth: 3% annually
- Operating Costs: 20% of rent
- Loan Payment: ₹2,50,000/year

Performance Highlights

- Value \approx ₹77.78 Lakhs after 10 years
- Rent rises to \approx ₹3.91 Lakhs/year
- Net Cash Flow peaks \approx ₹70,000/year
- Equity reaches \approx ₹47.78 Lakhs

Financial Overview: Property B

Key Financials

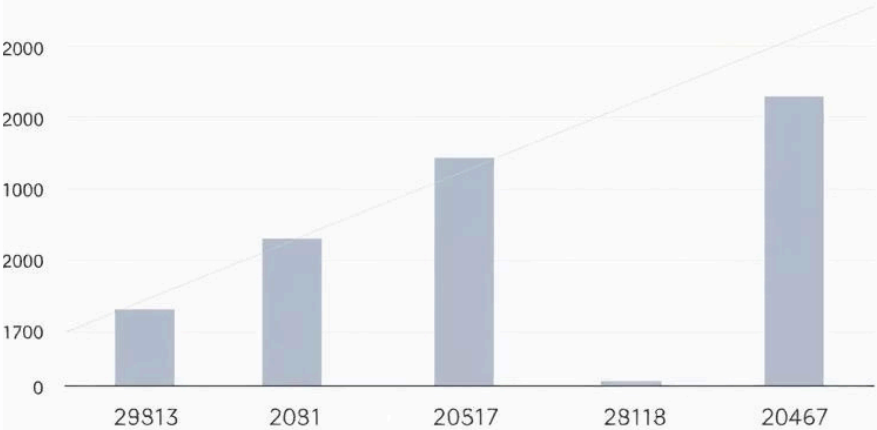
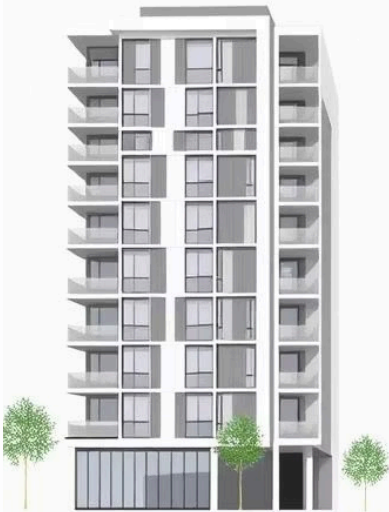
- Initial Price: ₹40,00,000
- Appreciation: 4% annually
- Rent Growth: 2.5% annually
- Operating Costs: 18% of rent
- Loan Payment: ₹2,20,000/year

Performance Highlights

- Value \approx ₹59.21 Lakhs after 10 years
- Rent rises to \approx ₹3.29 Lakhs/year
- Net Cash Flow \sim ₹20,000/year stable
- Equity reaches \approx ₹29.21 Lakhs

Comparative Analysis: Property A vs. Property B

Metric	Property A	Property B	Winner
Final Property Value (10 yrs)	₹77.78 Lakhs	₹59.21 Lakhs	A
Final Net Cash Flow	₹70,000 approx.	₹20,000 approx.	A
Final Equity	₹47.78 Lakhs	₹29.21 Lakhs	A
Risk Level	Slightly Higher	Slightly Lower	Depends on investor



Final Results & Recommendation



Property A

Preferred for long-term growth and higher overall returns.



Property B

Better for risk-averse investors with lower initial costs.

