# **Purchase Analysis**

## **4611 Oak Dr** 4611 Oak Dr Pinson, AL 35126



#### Stephanie Bethea

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Purchase Info	
Purchase Price	\$79,900
- First Mortgage	-\$63,920
- Second Mortgage	-\$0
= Downpayment	\$15,980
+ Buying Costs	\$4,794
+ Initial Improvements	\$0
= Initial Cash Invested	\$20,774
Square Feet	926
Cost per Square Foot	\$86
Monthly Rent per Square Foot	\$0.96

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$63,920	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5%	
Payment	\$343.14	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	7.5
Operating Expense Ratio	32.8%
Debt Coverage Ratio	1.65
Cap Rate (Purchase Price)	8.5%
Cash on Cash Return	12.8%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	5.0%
Income Inflation Rate	1.0%
Expense Inflation Rate	1.0%
LTV for Refinance	70.0%
Selling Costs	\$4,794

Income	Monthly	Annual
Gross Rent	\$885	\$10,620
Vacancy Loss	-\$44	-\$531
Operating Income	\$841	\$10,089

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$42	-\$504
Insurance (8%)	-\$67	-\$799
Management Fees (10%)	-\$84	-\$1,009
Taxes (10%)	-\$83	-\$999
Association Fees (0%)	-\$0	-\$0
Operating Expenses (33%)	-\$276	-\$3,311

Net Performance	Monthly	Annual
Net Operating Income	\$565	\$6,778
- Mortgage Payments	-\$343	-\$4,118
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$222	\$2,660

# **Buy and Hold Projection**

### **4611 Oak Dr** 4611 Oak Dr Pinson, AL 35126



Stephanie Bethea 205-243-8034 sbethea@awbcorp.com alliancewealthbuilders.com

Gross Rent         \$10,620         \$10,726         \$10,833         \$11,051         \$11,615         \$12,830         \$14, Vacancy Loss         -\$531         \$536         \$542         \$553         \$581         \$642         \$5           Operating Income         \$10,089         \$10,190         \$10,282         \$10,499         \$11,034         \$12,188         \$13,04           Expenses         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 10           Lical Bard Maintenance         -\$504         \$509         \$515         \$525         \$552         \$552         \$609         \$360         \$51,099         \$81,009         \$81,019         \$81,039         \$81,03         \$81,14         \$965         \$1,14         \$1,219								
Vacancy Loss   5531   5536   \$542   \$553   \$581   \$642   \$550   \$500   \$10,089   \$10,190   \$10,292   \$10,499   \$11,034   \$12,189   \$13,45   \$13,4	Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Departing Income   \$10,089   \$10,190   \$10,292   \$10,499   \$11,034   \$12,189   \$13,45   \$13	Gross Rent	\$10,620	\$10,726	\$10,833	\$11,051	\$11,615	\$12,830	\$14,172
Expenses Year 1 Year 2 Year 3 Year 5 Year 10 Year 20 Year 30 Year 5 Ye	Vacancy Loss	-\$531	-\$536	-\$542	-\$553	-\$581	-\$642	-\$709
Cleaning & Maintenance         -\$504         -\$509         -\$515         -\$525         -\$552         -\$609         -\$8           Insurance         -\$799         -\$807         -\$815         -\$831         -\$874         -\$965         -\$1,0           Management Fees         -\$1,009         -\$1,019         -\$1,029         -\$1,039         -\$1,032         -\$1,219         -\$1,2           Taxes         -\$999         -\$1,009         -\$1,019         -\$1,039         -\$1,022         -\$1,207         -\$1,3           Association Fees         -\$0         -\$0         -\$0         -\$0         -\$0         -\$0           Association Fees         -\$3,311         -\$3,344         -\$3,378         -\$3,446         -\$3,621         -\$4,000         -\$4,4           Income Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year           Net Operating Income         \$6,778         \$6,846         \$6,914         \$7,053         \$7,413         \$8,188         \$9,4           Mortgage Payments         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$4,118         -\$	Operating Income	\$10,089	\$10,190	\$10,292	\$10,499	\$11,034	\$12,189	\$13,464
Insurance	Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Management Fees         \$1,009         \$1,019         \$1,029         \$1,030         \$1,103         \$1,219         \$1,317           Taxes         \$999         \$1,009         \$1,019         \$1,039         \$1,092         \$1,207         \$1,3           Association Fees         \$0         \$0         \$0         \$0         \$0         \$0         \$0           Operating Expenses         \$3,311         \$3,344         \$3,378         \$3,446         \$3,621         \$4,000         \$4,4           Income Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 10         Year 20         Year 10         Year 20         Year 3         Year 5         Year 10         Year 20         Year 30         Year 5         Year 10         Year 20         Year 30	Cleaning & Maintenance	-\$504	-\$509	-\$515	-\$525	-\$552	-\$609	-\$673
Taxes	Insurance	-\$799	-\$807	-\$815	-\$831	-\$874	-\$965	-\$1,066
Association Fees \$\\$0\$ \$	Management Fees	-\$1,009	-\$1,019	-\$1,029	-\$1,050	-\$1,103	-\$1,219	-\$1,346
Departing Expenses   -\$3,311   -\$3,344   -\$3,378   -\$3,446   -\$3,621   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4,655   -\$4,000   -\$4	Taxes	-\$999	-\$1,009	-\$1,019	-\$1,039	-\$1,092	-\$1,207	-\$1,333
Income Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 10           Net Operating Income         \$6,778         \$6,846         \$6,914         \$7,053         \$7,413         \$8,188         \$9,0           - Mortgage Payments         -\$4,118         -\$4,211	Association Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Net Operating Income         \$6,778         \$6,846         \$6,914         \$7,053         \$7,413         \$8,188         \$9,0           - Mortgage Payments         -\$4,118         -\$4,211         \$4,21         \$4,21         \$4,21	Operating Expenses	-\$3,311	-\$3,344	-\$3,378	-\$3,446	-\$3,621	-\$4,000	-\$4,419
- Mortgage Payments	Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
- Improvements	<b>Net Operating Income</b>	\$6,778	\$6,846	\$6,914	\$7,053	\$7,413	\$8,188	\$9,045
= Cash Flow         \$2,660         \$2,728         \$2,796         \$2,935         \$3,295         \$4,071         \$4,671           Cap Rate (Purchase Price)         8.5%         8.6%         8.7%         8.8%         9.3%         10.2%         11.           Cap Rate (Market Value)         8.2%         8.1%         7.9%         7.6%         6.9%         5.7%         4.           Cash on Cash Return         12.8%         13.1%         13.5%         14.1%         15.9%         19.6%         23.           Return on Equity         13.8%         12.0%         10.6%         8.7%         5.9%         3.6%         2.           Loan Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year           Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,5           - Loan Balance         -\$62,977         -\$61,986         -\$60,943         -\$58,697         -\$51,993         -\$32,350           = Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,5           Loan-to-Value Ratio         76,5%         73.1%         69.	- Mortgage Payments	-\$4,118	-\$4,118	-\$4,118	-\$4,118	-\$4,118	-\$4,118	-\$4,115
Cap Rate (Purchase Price)         8.5%         8.6%         8.7%         8.8%         9.3%         10.2%         11.           Cap Rate (Market Value)         8.2%         8.1%         7.9%         7.6%         6.9%         5.7%         4.           Cash on Cash Return         12.8%         13.1%         13.5%         14.1%         15.9%         19.6%         23.           Return on Equity         13.8%         12.0%         10.6%         8.7%         5.9%         3.6%         2.           Loan Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year           Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,930           - Loan Balance         \$62,977         \$61,986         \$60,943         \$58,697         \$51,993         \$32,350           = Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,4           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         \$5,369         \$2,649 <t< td=""><td>- Improvements</td><td>-\$0</td><td>-\$0</td><td>-\$0</td><td>-\$0</td><td>-\$0</td><td>-\$0</td><td>-\$0</td></t<>	- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Cap Rate (Market Value)         8.2%         8.1%         7.9%         7.6%         6.9%         5.7%         4.           Cash on Cash Return         12.8%         13.1%         13.5%         14.1%         15.9%         19.6%         23.           Return on Equity         13.8%         12.0%         10.6%         8.7%         5.9%         3.6%         2.           Loan Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year           Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,30           - Loan Balance         -\$62,977         -\$61,986         -\$60,943         -\$58,697         -\$51,993         -\$32,350           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,9           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,7           Salic Analysis         Year 1         Year 2	= Cash Flow	\$2,660	\$2,728	\$2,796	\$2,935	\$3,295	\$4,071	\$4,930
Cash on Cash Return         12.8%         13.1%         13.5%         14.1%         15.9%         19.6%         23.           Return on Equity         13.8%         12.0%         10.6%         8.7%         5.9%         3.6%         2.           Loan Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 30           Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,930           - Loan Balance         -\$62,977         -\$61,986         -\$60,943         -\$58,697         -\$51,993         -\$32,350           = Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,933           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,73           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Equity         \$19,320         \$22,780<	Cap Rate (Purchase Price)	8.5%	8.6%	8.7%	8.8%	9.3%	10.2%	11.3%
Return on Equity         13.8%         12.0%         10.6%         8.7%         5.9%         3.6%         2.5           Loan Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 3           Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,900           - Loan Balance         -\$62,977         -\$61,986         -\$60,943         -\$58,697         -\$51,993         -\$32,350           = Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,93           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,73           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,930           - Selling Costs         -\$4,938	Cap Rate (Market Value)	8.2%	8.1%	7.9%	7.6%	6.9%	5.7%	4.7%
Loan Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,8           - Loan Balance         -\$62,977         -\$61,986         -\$60,943         -\$58,697         -\$51,993         -\$32,350           = Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,3           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,7           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,3           - Selling Costs         -\$4,938         -\$5,086         -\$5,239         -\$5,558         -\$6,443         -\$8,658         -\$11,6           = Proceeds After Sale         \$1	Cash on Cash Return	12.8%	13.1%	13.5%	14.1%	15.9%	19.6%	23.7%
Market Value         \$82,297         \$84,766         \$87,309         \$92,626         \$107,379         \$144,308         \$193,5           - Loan Balance         -\$62,977         -\$61,986         -\$60,943         -\$58,697         -\$51,993         -\$32,350           = Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,9           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,7           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,9           - Selling Costs         -\$4,938         -\$5,086         -\$5,239         -\$5,558         -\$6,443         -\$8,658         -\$11,6           = Proceeds After Sale         \$14,382         \$17,694         \$21,127         \$28,372         \$48,943         \$103,300         \$182,5           + Cumulative Cash Flow	Return on Equity	13.8%	12.0%	10.6%	8.7%	5.9%	3.6%	2.5%
- Loan Balance -\$62,977 -\$61,986 -\$60,943 -\$58,697 -\$51,993 -\$32,350 = Equity \$19,320 \$22,780 \$26,365 \$33,929 \$55,386 \$111,958 \$193,50 \$10,000 \$111,958 \$193,50 \$10,000 \$111,958 \$193,50 \$10,000 \$111,958 \$193,50 \$10,000 \$111,958 \$193,50 \$10,000 \$111,958 \$193,50 \$10,000 \$111,958 \$193,50 \$111,958 \$11,958 \$111,958 \$111,958 \$111,958 \$111,958 \$111,958 \$111,958 \$111,9	Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
= Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,93           Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,7           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,97           - Selling Costs         -\$4,938         -\$5,086         -\$5,239         -\$5,558         -\$6,443         -\$8,658         -\$11,6           = Proceeds After Sale         \$14,382         \$17,694         \$21,127         \$28,372         \$48,943         \$103,300         \$182,5           + Cumulative Cash Flow         \$2,660         \$5,388         \$8,185         \$13,986         \$29,735         \$66,889         \$112,2           - Initial Cash Invested         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774<	Market Value	\$82,297	\$84,766	\$87,309	\$92,626	\$107,379	\$144,308	\$193,938
Loan-to-Value Ratio         76.5%         73.1%         69.8%         63.4%         48.4%         22.4%         0.           Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,7           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,97           - Selling Costs         -\$4,938         -\$5,086         -\$5,239         -\$5,558         -\$6,443         -\$8,658         -\$11,69           = Proceeds After Sale         \$14,382         \$17,694         \$21,127         \$28,372         \$48,943         \$103,300         \$182,50           + Cumulative Cash Flow         \$2,660         \$5,388         \$8,185         \$13,986         \$29,735         \$66,889         \$112,20           - Initial Cash Invested         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         \$273,70           = Net Profit         -\$3,731         \$2,309         \$8,538         \$21,583	- Loan Balance	-\$62,977	-\$61,986	-\$60,943	-\$58,697	-\$51,993	-\$32,350	-\$0
Potential Cash-Out Refi         -\$5,369         -\$2,649         \$173         \$6,141         \$23,172         \$68,666         \$135,369           Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,930           - Selling Costs         -\$4,938         -\$5,086         -\$5,239         -\$5,558         -\$6,443         -\$8,658         -\$11,60           = Proceeds After Sale         \$14,382         \$17,694         \$21,127         \$28,372         \$48,943         \$103,300         \$182,300           + Cumulative Cash Flow         \$2,660         \$5,388         \$8,185         \$13,986         \$29,735         \$66,889         \$112,200           - Initial Cash Invested         -\$20,774	= Equity	\$19,320	\$22,780	\$26,365	\$33,929	\$55,386	\$111,958	\$193,938
Sale Analysis         Year 1         Year 2         Year 3         Year 5         Year 10         Year 20         Year 20           Equity         \$19,320         \$22,780         \$26,365         \$33,929         \$55,386         \$111,958         \$193,920           - Selling Costs         -\$4,938         -\$5,086         -\$5,239         -\$5,558         -\$6,443         -\$8,658         -\$11,692           = Proceeds After Sale         \$14,382         \$17,694         \$21,127         \$28,372         \$48,943         \$103,300         \$182,302           + Cumulative Cash Flow         \$2,660         \$5,388         \$8,185         \$13,986         \$29,735         \$66,889         \$112,622           - Initial Cash Invested         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         -\$20,774         \$273,731           Internal Rate of Return         -18.0%         5.8%         13.6%         18.4%         19.3%         17.4%         16.8	Loan-to-Value Ratio	76.5%	73.1%	69.8%	63.4%	48.4%	22.4%	0.0%
Equity \$19,320 \$22,780 \$26,365 \$33,929 \$55,386 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$193,900 \$111,958 \$	Potential Cash-Out Refi	-\$5,369	-\$2,649	\$173	\$6,141	\$23,172	\$68,666	\$135,757
- Selling Costs -\$4,938 -\$5,086 -\$5,239 -\$5,558 -\$6,443 -\$8,658 -\$11,65   = Proceeds After Sale	Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
= Proceeds After Sale       \$14,382       \$17,694       \$21,127       \$28,372       \$48,943       \$103,300       \$182,333         + Cumulative Cash Flow       \$2,660       \$5,388       \$8,185       \$13,986       \$29,735       \$66,889       \$112,233         - Initial Cash Invested       -\$20,774       -\$20,	Equity	\$19,320	\$22,780	\$26,365	\$33,929	\$55,386	\$111,958	\$193,938
+ Cumulative Cash Flow \$2,660 \$5,388 \$8,185 \$13,986 \$29,735 \$66,889 \$112,25 - Initial Cash Invested -\$20,774 -\$20,774 -\$20,774 -\$20,774 -\$20,774 -\$20,774 -\$20,774 -\$20,774    = Net Profit -\$3,731 \$2,309 \$8,538 \$21,583 \$57,904 \$149,415 \$273,75 Internal Rate of Return -18.0% 5.8% 13.6% 18.4% 19.3% 17.4% 16.	- Selling Costs	-\$4,938	-\$5,086	-\$5,239	-\$5,558	-\$6,443	-\$8,658	-\$11,636
- Initial Cash Invested -\$20,774 -\$20,7	= Proceeds After Sale	\$14,382	\$17,694	\$21,127	\$28,372	\$48,943	\$103,300	\$182,302
= Net Profit -\\$3,731 \\$2,309 \\$8,538 \\$21,583 \\$57,904 \\$149,415 \\$273,731 \\ Internal Rate of Return -18.0% \5.8% \13.6% \18.4% \19.3% \17.4% \16.	+ Cumulative Cash Flow	\$2,660	\$5,388	\$8,185	\$13,986	\$29,735	\$66,889	\$112,241
Internal Rate of Return -18.0% 5.8% 13.6% 18.4% 19.3% 17.4% 16.	- Initial Cash Invested	-\$20,774	-\$20,774	-\$20,774	-\$20,774	-\$20,774	-\$20,774	-\$20,774
	= Net Profit	-\$3,731	\$2,309	\$8,538	\$21,583	\$57,904	\$149,415	\$273,769
Return on Investment -18% 11% 41% 104% 279% 719% 1,31	Internal Rate of Return	-18.0%	5.8%	13.6%	18.4%	19.3%	17.4%	16.2%
	Return on Investment	-18%	11%	41%	104%	279%	719%	1,318%