

Purchase Analysis

7307 Whitney Dr
7307 Whitney Dr
Pinson, AL 35126



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

Purchase Info	
Purchase Price	\$124,900
- First Mortgage	-\$99,920
- Second Mortgage	-\$0
= Downpayment	\$24,980
+ Buying Costs	\$7,494
+ Initial Improvements	\$0
= Initial Cash Invested	\$32,474
Square Feet	1,185
Cost per Square Foot	\$105
Monthly Rent per Square Foot	\$1.01

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$99,920	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5%	
Payment	\$536.39	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	8.7
Operating Expense Ratio	30.1%
Debt Coverage Ratio	1.48
Cap Rate (Purchase Price)	7.6%
Cash on Cash Return	9.5%

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	\$7,494

Income	Monthly	Annual
Gross Rent	\$1,195	\$14,340
Vacancy Loss	-\$60	-\$717
Operating Income	\$1,135	\$13,623

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$57	-\$681
Insurance (5%)	-\$54	-\$650
Management Fees (10%)	-\$114	-\$1,362
Taxes (10%)	-\$117	-\$1,401
Association Fees (0%)	-\$0	-\$0
Operating Expenses (30%)	-\$341	-\$4,094

Net Performance	Monthly	Annual
Net Operating Income	\$794	\$9,529
- Mortgage Payments	-\$536	-\$6,437
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$258	\$3,092