

1525 7th St NW
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Birmingham, AL 35215



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

Purchase Info	
Purchase Price	\$109,900
- First Mortgage	-\$87,920
- Second Mortgage	-\$0
= Downpayment	\$21,980
+ Buying Costs	\$6,594
+ Initial Improvements	\$0
= Initial Cash Invested	\$28,574
Square Feet	1,380
Cost per Square Foot	\$80
Monthly Rent per Square Foot	\$0.80

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$87,920	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5.5%	
Payment	\$499.20	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	8.3
Operating Expense Ratio	30.6%
Debt Coverage Ratio	1.45
Cap Rate (Purchase Price)	7.9%
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%

Income	Monthly	Annual
Gross Rent	\$1,100	\$13,200
Vacancy Loss	-\$55	-\$660
Operating Income	\$1,045	\$12,540

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$52	-\$627
Insurance (6%)	-\$62	-\$750
Management Fees (10%)	-\$104	-\$1,254
Taxes (10%)	-\$101	-\$1,209
Association Fees (0%)	-\$0	-\$0
Operating Expenses (31%)	-\$320	-\$3,840

Net Performance	Monthly	Annual
Net Operating Income	\$725	\$8,700
- Mortgage Payments	-\$499	-\$5,990
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$226	\$2,710