

321 Joan Ave
 321 Joan Ave
 Birmingham, AL 35215



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Purchase Info	
Purchase Price	\$88,900
- First Mortgage	-\$71,120
- Second Mortgage	-\$0
= Downpayment	\$17,780
+ Buying Costs	\$5,334
+ Initial Improvements	\$0
= Initial Cash Invested	\$23,114
Square Feet	1,294
Cost per Square Foot	\$69
Monthly Rent per Square Foot	\$0.67

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$71,120	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5.5%	
Payment	\$403.81	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	8.6
Operating Expense Ratio	31.8%
Debt Coverage Ratio	1.39
Cap Rate (Purchase Price)	7.6%
Cash on Cash Return	8.1%

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	\$865	\$10,380
Vacancy Loss	-\$43	-\$519
Operating Income	\$822	\$9,861

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$41	-\$493
Insurance (6%)	-\$46	-\$550
Management Fees (10%)	-\$82	-\$986
Taxes (11%)	-\$93	-\$1,111
Association Fees (0%)	-\$0	-\$0
Operating Expenses (32%)	-\$262	-\$3,140

Net Performance	Monthly	Annual
Net Operating Income	\$560	\$6,721
- Mortgage Payments	-\$404	-\$4,846
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$156	\$1,875