

4954 Valleyview Terr
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 Birmingham, AL 35005



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Purchase Info	
Purchase Price	\$83,900
- First Mortgage	-\$67,120
- Second Mortgage	-\$0
= Downpayment	\$16,780
+ Buying Costs	\$5,034
+ Initial Improvements	\$0
= Initial Cash Invested	\$21,814
Square Feet	1,008
Cost per Square Foot	\$83
Monthly Rent per Square Foot	\$0.82

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$67,120	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5.5%	
Payment	\$381.10	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	8.5
Operating Expense Ratio	29.2%
Debt Coverage Ratio	1.46
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	\$825	\$9,900
Vacancy Loss	-\$41	-\$495
Operating Income	\$784	\$9,405

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$39	-\$470
Insurance (5%)	-\$42	-\$500
Management Fees (10%)	-\$78	-\$940
Taxes (9%)	-\$70	-\$839
Association Fees (0%)	-\$0	-\$0
Operating Expenses (29%)	-\$229	-\$2,750

Net Performance	Monthly	Annual
Net Operating Income	\$555	\$6,655
- Mortgage Payments	-\$381	-\$4,573
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$174	\$2,082