65 Jackson Ln 65 Jackson Ln

Lincoln, AL 35096



Stephanie Bethea

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

Purchase Info

Purchase Price	\$224,900
- First Mortgage	-\$168,675
- Second Mortgage	-\$0
= Downpayment	\$56,225
+ Buying Costs	\$6,747
+ Initial Improvements	\$0
= Initial Cash Invested	\$62,972
Square Feet	3,300
Cost per Square Foot	\$68
Monthly Rent per Square Foot	\$0.60

Income	Monthly	Annual
Gross Rent	\$1,975	\$23,700
Vacancy Loss	-\$99	-\$1,185
Operating Income	\$1,876	\$22,515

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$94	-\$1,126
Insurance (7%)	-\$125	-\$1,500
Management Fees (9%)	-\$169	-\$2,026
Taxes (7%)	-\$134	-\$1,614
Association Fees (0%)	-\$0	-\$0
Operating Expenses (28%)	-\$522	-\$6,266

Net Performance	Monthly	Annual
Net Operating Income	\$1,354	\$16,249
- Mortgage Payments	-\$958	-\$11,493
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$396	\$4,756

Mortgages	First	Second
Loan-To-Cost Ratio	75%	0%
Loan-To-Value Ratio	75%	0%
Loan Amount	\$168,675	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5.5%	
Payment	\$957.72	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	9.5
Operating Expense Ratio	27.8%
Debt Coverage Ratio	1.41
Cap Rate (Purchase Price)	7.2%
Cash on Cash Return	7.6%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	5.0%
Income Inflation Rate	1.0%
Expense Inflation Rate	1.0%
LTV for Refinance	70.0%

Disclaimer: There are no implied or expressed guarantees on the pro-forma. Real Estate investments are subject to risk and loss of capital. The Pro-forma numbers are projections based on historical data, but future performance cannot be guaranteed as markets and economies shift. Rents, property taxes, insurance, loan rates, maintenance and vacancy costs all vary depending on micro and macro-economic factors. Investors should perform their own due diligence to best forecast the potential performance of their rental properties.