

**425 15th Terrace Cir NW**  
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 Birmingham, AL 35215



**Alliance Wealth Builders**  
 Stephanie Bethea  
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Purchase Info	
Purchase Price	\$121,900
- First Mortgage	-\$97,520
- Second Mortgage	-\$0
<b>= Downpayment</b>	<b>\$24,380</b>
+ Buying Costs	\$7,314
+ Initial Improvements	\$0
<b>= Initial Cash Invested</b>	<b>\$31,694</b>
Square Feet	1,356
Cost per Square Foot	\$90
Monthly Rent per Square Foot	\$0.85

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$97,520	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	5%	
<b>Payment</b>	<b>\$523.51</b>	<b>\$0.00</b>

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	8.8
Operating Expense Ratio	33.9%
Debt Coverage Ratio	1.38
Cap Rate (Purchase Price)	7.1%
<b>Cash on Cash Return</b>	<b>7.5%</b>

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

Income	Monthly	Annual
Gross Rent	\$1,150	\$13,800
Vacancy Loss	-\$58	-\$690
<b>Operating Income</b>	<b>\$1,092</b>	<b>\$13,110</b>

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$55	-\$656
Insurance (6%)	-\$65	-\$775
Management Fees (10%)	-\$109	-\$1,311
Taxes (13%)	-\$142	-\$1,707
<b>Operating Expenses (34%)</b>	<b>-\$371</b>	<b>-\$4,448</b>

Net Performance	Monthly	Annual
<b>Net Operating Income</b>	<b>\$722</b>	<b>\$8,662</b>
- Mortgage Payments	-\$524	-\$6,282
- Year 1 Improvements	-\$0	-\$0
<b>= Cash Flow</b>	<b>\$198</b>	<b>\$2,380</b>