

1906 Brewster Rd
 1906 Brewster Rd
 Birmingham, AL 35235



Alliance Wealth Builders

Stephanie Bethea
 sbethea@awbcorp.com

Purchase Info	
Purchase Price	\$154,900
- First Mortgage	-\$127,638
- Second Mortgage	-\$0
= Downpayment	\$27,262
+ Buying Costs	\$9,294
+ Initial Improvements	\$0
= Initial Cash Invested	\$36,556
Square Feet	1,741
Cost per Square Foot	\$89
Monthly Rent per Square Foot	\$0.78

Mortgages	First	Second
Loan-To-Cost Ratio	82.4%	0%
Loan-To-Value Ratio	82.4%	0%
Loan Amount	\$127,638	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	4%	
Payment	\$609.36	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	9.6
Operating Expense Ratio	35.0%
Debt Coverage Ratio	1.37
Cap Rate (Purchase Price)	6.5%
Cash on Cash Return	7.4%

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	\$1,350	\$16,200
Vacancy Loss	-\$68	-\$810
Operating Income	\$1,282	\$15,390

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$64	-\$770
Insurance	-\$83	-\$1,000
Management Fees (10%)	-\$128	-\$1,539
Taxes	-\$148	-\$1,781
Possible Fire Dues	-\$25	-\$300
Operating Expenses (35%)	-\$449	-\$5,390

Net Performance	Monthly	Annual
Net Operating Income	\$833	\$10,000
- Mortgage Payments	-\$609	-\$7,312
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$224	\$2,688

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.