

2225 1st St NW
 2225 1st St NW
 Birmingham, AL 35215



Alliance Wealth Builders
 Stephanie Bethea
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Purchase Info	
Purchase Price	\$124,900
- First Mortgage	-\$99,920
- Second Mortgage	-\$0
= Downpayment	\$24,980
+ Buying Costs	\$7,494
+ Initial Improvements	\$0
= Initial Cash Invested	\$32,474
Square Feet	1,190
Cost per Square Foot	\$105
Monthly Rent per Square Foot	\$0.83

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$99,920	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	4%	
Payment	\$477.03	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	10.6
Operating Expense Ratio	34.7%
Debt Coverage Ratio	1.28
Cap Rate (Purchase Price)	5.9%
Cash on Cash Return	5.0%

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	\$985	\$11,820
Vacancy Loss	-\$49	-\$591
Operating Income	\$936	\$11,229

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$47	-\$561
Insurance (6%)	-\$54	-\$650
Management Fees (10%)	-\$94	-\$1,123
Taxes (14%)	-\$130	-\$1,561
Operating Expenses (35%)	-\$325	-\$3,896

Net Performance	Monthly	Annual
Net Operating Income	\$611	\$7,333
- Mortgage Payments	-\$477	-\$5,724
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$134	\$1,609