

8513 Valley Hill Dr
8513 Valley Hill Dr
Birmingham, AL 35206



Alliance Wealth Builders

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Purchase Info	
Purchase Price	\$156,900
- First Mortgage	-\$125,520
- Second Mortgage	-\$0
= Downpayment	\$31,380
+ Buying Costs	\$9,414
+ Initial Improvements	\$0
= Initial Cash Invested	\$40,794
Square Feet	1,366
Cost per Square Foot	\$115
Monthly Rent per Square Foot	\$0.93

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$125,520	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	4%	
Payment	\$599.25	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	10.3
Operating Expense Ratio	34.7%
Debt Coverage Ratio	1.32
Cap Rate (Purchase Price)	6.1%
Cash on Cash Return	5.6%

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	\$1,275	\$15,300
Vacancy Loss	-\$64	-\$765
Operating Income	\$1,211	\$14,535

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$61	-\$727
Insurance (6%)	-\$75	-\$900
Management Fees (10%)	-\$121	-\$1,454
Taxes (13%)	-\$163	-\$1,961
Operating Expenses (35%)	-\$420	-\$5,042

Net Performance	Monthly	Annual
Net Operating Income	\$791	\$9,494
- Mortgage Payments	-\$599	-\$7,191
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$192	\$2,303