

1103 Potter Ave
 1103 Potter Ave
 Bessemer, AL 35020



Alliance Wealth Builders
 Stephanie Bethea
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Purchase Info	
Purchase Price	\$139,900
+ Buying Costs	\$8,394
+ Initial Improvements	\$0
= Initial Cash Invested	\$148,294
Square Feet	1,412
Cost per Square Foot	\$99
Monthly Rent per Square Foot	\$0.83

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	9.9
Operating Expense Ratio	30.7%
Cap Rate (Purchase Price)	6.6%
Cash on Cash Return	6.3%

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	\$1,175	\$14,100
Vacancy Loss	-\$59	-\$705
Operating Income	\$1,116	\$13,395

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (5%)	-\$56	-\$670
Insurance (7%)	-\$75	-\$900
Management Fees (10%)	-\$112	-\$1,340
Taxes (9%)	-\$100	-\$1,200
Operating Expenses (31%)	-\$342	-\$4,109

Net Performance	Monthly	Annual
Net Operating Income	\$774	\$9,286
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$774	\$9,286

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.