

Buy & Hold Analysis					
Property Address	7 Unit Everett Value Add Case Study				
Total Sqft	5280	Lot Size	6,098	Building Rating	1
Total Livable	5130	Zoning		Average Rent	\$1,250
# of Units	7	Asking Price	\$1,060,000	Terms Available	No
Year Built	1968	Offer Price	\$950,000	Vacancy Rate	4%
Income					
Current	Monthly	Annual	Performa	Monthly	Annual
Rent Income	\$6,515	\$78,180	Performa Rents	\$8,225	\$98,700
Utility Recovery		\$0	Utility Recovery	\$280	\$3,360
Coin Laundry		\$0	Coin Laundry	\$100	\$1,200
Parking		\$0	Parking	\$0	\$0
Pet/Storage		\$0	Pet/Storage	\$0	\$0
Current Income	\$6,515	\$78,180	Performa Income	\$8,605	\$103,260
UNIT #	Bed/Bath	Sqft	Current Rent	Market Rent	% Increase
1	1/1	665	\$850	\$1,050	24%
2	2/1	765	\$950	\$1,175	24%
3	2/1	765	\$950	\$1,175	24%
4	2/1	765	\$895	\$1,175	31%
5	2/1	765	\$1,000	\$1,250	25%
6	2/1	765	\$895	\$1,200	34%
7	2/1	765	\$975	\$1,200	23%
Financials					
Loan Costs			Expenses	Monthly	Annual
Purchase Price		\$950,000	Property Taxes	\$589	\$7,067
Down Payment	25%	\$237,500	HOA/Condo Fee	\$0	\$0
Mortgage Amount		\$712,500	Insurance Costs	\$200	\$2,400
Loan Term (years, months)	30	360	Electricity	\$160	\$1,920
Debt Service (Annual)	4.20%	\$41,811	Water/Sewer	\$300	\$3,600
Closing Costs	1.00%	\$9,500	Trash	\$100	\$1,200
Misc		\$0	Gas	\$0	\$0
Initial Repairs	Per Unit	Total	Maintenance	\$583	\$7,000
Repair Costs	\$8,500	\$59,500	Property Mgmt	\$602	\$7,228
Lease Up Costs		\$0	Reserves	\$0	\$0
Repair Total	\$8,500	\$59,500	Expense Total	\$2,535	\$30,415
Current ROI Summary					
Gross Scheduled Income		\$78,180	Down Payment		\$237,500
Less Vacancy	4%	-\$3,127	Settlement Fees		\$9,500
Gross Operating Income		\$75,053	Repairs/Lease Up		\$59,500
Less Operating Expenses		-\$30,415	Total Cash Outlay		\$306,500
Net Operating Income		\$44,638			
Less Debt Service		-\$41,811	Debt Coverage		1.07
Annual Cash Flow		\$2,827	Break Even Ratio		155.71%
Monthly Cash Flow		\$236	Gross Rent Multiplier		12.15
Cash on Cash Return	0.92%		Cap Rate		4.70%
Proforma ROI Summary					
Scheduled Income		\$103,260	Down Payment		\$237,500
Less Vacancy	4%	-\$4,130	Settlement Fees		\$9,500
Operating Income		\$99,130	Repairs/Lease Up		\$59,500
Less Operating Expenses		-\$30,415	Total Cash Outlay		\$306,500
Net Operating Income		\$68,714			
Less Debt Service		-\$41,811	Debt Coverage		1.64
Annual Cash Flow		\$26,903	Break Even Ratio		1.42
Monthly Cash Flow		\$2,242	Gross Rent Multiplier		9.20
Cash on Cash Return	8.78%		Cap Rate		7.23%

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# of Units	7	Asking Price	\$1,060,000	Terms Available	No
Year Built	1968	Offer Price	\$950,000	Vacancy Rate	4%
Income					
Current	Monthly	Annual	Performa	Monthly	Annual
Rent Income	\$8,055	\$96,660	Performa Rents	\$8,325	\$99,900
Utility Recovery		\$0	Utility Recovery	\$330	\$3,960
Coin Laundry		\$0	Coin Laundry	\$25	\$300
Parking		\$0	Parking	\$0	\$0
Pet/Storage		\$0	Pet/Storage/Other	\$30	\$360
Current Income	\$8,055	\$96,660	Performa Income	\$8,710	\$104,520
UNIT #	Bed/Bath	Sqft	Current Rent	Market Rent	% Increase
1	1/1	665	\$1,050	\$1,100	5%
2	2/1	765	\$1,150	\$1,175	2%
3	2/1	765	\$1,150	\$1,175	2%
4	2/1	765	\$1,095	\$1,175	7%
5	2/1	765	\$1,265	\$1,250	-1%
6	2/1	765	\$1,250	\$1,250	0%
7	2/1	765	\$1,095	\$1,200	10%
Financials					
Loan Costs			Expenses	Monthly	Annual
Purchase Price		\$950,000	Property Taxes	\$841	\$10,095
Down Payment	25%	\$237,500	HOA/Condo Fee	\$0	\$0
Mortgage Amount		\$712,500	Insurance Costs	\$276	\$3,312
Loan Term (years, months)	30	360	Electricity	\$76	\$912
Debt Service (Annual)	4.20%	\$41,811	Water/Sewer	\$461	\$5,532
Closing Costs	1.00%	\$9,500	Trash	\$0	\$0
Misc		\$0	Gas	\$0	\$0
Initial Repairs	Per Unit	Total	Maintenance	\$339	\$4,066
Repair Costs	\$0	\$0	Property Mgmt	\$595	\$7,146
Lease Up Costs	\$0	\$0	Reserves	\$0	\$0
Repair Total	\$0	\$0	Expense Total	\$2,589	\$31,063
Current ROI Summary					
Gross Scheduled Income		\$96,660	Down Payment		\$237,500
Less Vacancy	4%	-\$3,866	Settlement Fees		\$9,500
Gross Operating Income		\$92,794	Repairs/Lease Up		\$0
Less Operating Expenses		-\$31,063	Total Cash Outlay		\$247,000
Net Operating Income		\$61,731			
Less Debt Service		-\$41,811	Debt Coverage		1.48
Annual Cash Flow		\$19,920	Break Even Ratio		145.06%
Monthly Cash Flow		\$1,660	Gross Rent Multiplier		9.83
Cash on Cash Return	8.06%		Cap Rate		6.50%
Proforma ROI Summary					
Scheduled Income		\$104,520	Down Payment		\$237,500
Less Vacancy	4%	-\$4,181	Settlement Fees		\$9,500
Operating Income		\$100,339	Repairs/Lease Up		\$0
Less Operating Expenses		-\$31,063	Total Cash Outlay		\$247,000
Net Operating Income		\$69,277			
Less Debt Service		-\$41,811	Debt Coverage		1.66
Annual Cash Flow		\$27,466	Break Even Ratio		1.42
Monthly Cash Flow		\$2,289	Gross Rent Multiplier		9.09
Cash on Cash Return	11.12%		Cap Rate		7.29%