

Overview

Call Joe McCall @ 314-596-2452

271 S Harnett

St Louis, Mo 63135

Purchase Info

Square Feet	1,053
Purchase Price	\$39,900
Initial Cash Invested	\$40,698

Income Analysis

	Monthly	Annual
Net Operating Income	\$369	\$4,426
Cash Flow	\$369	\$4,426

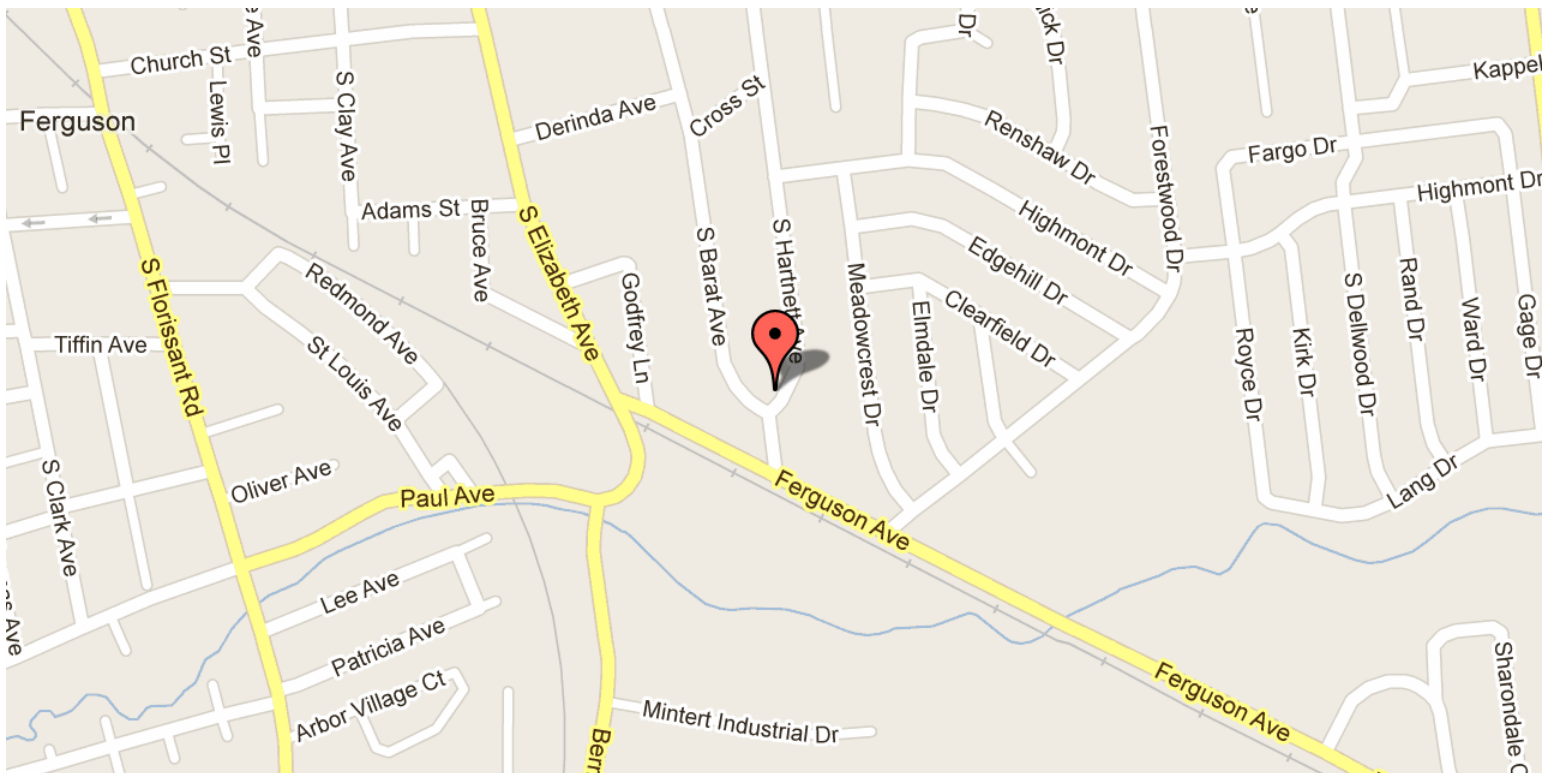
Financial Metrics

Cap Rate (Purchase Price)	11.1%
Cash on Cash Return (Year 1)	10.9%
Internal Rate of Return (Year 10)	12.2%
Sale Price (Year 10)	\$44,074



Fully rehabbed. Tenant and Property Management in place. Rented \$650/mo. Net cash flow \$369/mo. Cash-on-Cash Return 10.9%.

Note: These are projections only and they are accurate to the best of our knowledge. While investing in real estate can be lucrative, there is always risk involved in owning rental property. Talk to an attorney and / or accountant for legal and professional advice before purchasing any real estate.



Purchase Analysis

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Purchase Info	
Purchase Price	\$39,900
+ Buying Costs	\$798
+ Initial Improvements	\$0
= Initial Cash Invested	\$40,698
Square Feet	1,053
Cost per Square Foot	\$38
Monthly Rent per Square Foot	\$0.62

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	5.1
Operating Expense Ratio	38.3%
Cap Rate (Purchase Price)	11.1%
Cash on Cash Return	10.9%

Assumptions	
Appreciation Rate	1.0%
Vacancy Rate	8.0%
Income Inflation Rate	3.0%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	\$2,793

Income	Monthly	Annual
Gross Rent	\$650	\$7,800
Vacancy Loss	(\$52)	(\$624)
Operating Income	\$598	\$7,176

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (3%)	(\$18)	(\$215)
Insurance (7%)	(\$42)	(\$500)
Management Fees (10%)	(\$60)	(\$718)
Repairs (10%)	(\$60)	(\$718)
Taxes (8%)	(\$50)	(\$600)
Operating Expenses (38%)	(\$229)	(\$2,750)

Net Performance	Monthly	Annual
Net Operating Income	\$369	\$4,426
- Year 1 Improvements	(\$0)	(\$0)
= Cash Flow	\$369	\$4,426

Buy and Hold Projection

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Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Gross Rent	\$7,800	\$8,034	\$8,275	\$8,779	\$10,177	\$13,677	\$18,381
Vacancy Loss	(\$624)	(\$643)	(\$662)	(\$702)	(\$814)	(\$1,094)	(\$1,470)
Operating Income	\$7,176	\$7,391	\$7,613	\$8,077	\$9,363	\$12,583	\$16,911

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cleaning & Maintenance	(\$215)	(\$222)	(\$228)	(\$242)	(\$281)	(\$377)	(\$507)
Insurance	(\$500)	(\$515)	(\$530)	(\$563)	(\$652)	(\$877)	(\$1,178)
Management Fees	(\$718)	(\$739)	(\$761)	(\$808)	(\$936)	(\$1,258)	(\$1,691)
Repairs	(\$718)	(\$739)	(\$761)	(\$808)	(\$936)	(\$1,258)	(\$1,691)
Taxes	(\$600)	(\$618)	(\$637)	(\$675)	(\$783)	(\$1,052)	(\$1,414)
Operating Expenses	(\$2,750)	(\$2,833)	(\$2,918)	(\$3,096)	(\$3,589)	(\$4,823)	(\$6,482)

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	\$4,426	\$4,558	\$4,695	\$4,981	\$5,774	\$7,760	\$10,429
- Improvements	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
= Cash Flow	\$4,426	\$4,558	\$4,695	\$4,981	\$5,774	\$7,760	\$10,429
Cap Rate (Purchase Price)	11.1%	11.4%	11.8%	12.5%	14.5%	19.4%	26.1%
Cap Rate (Market Value)	11.0%	11.2%	11.4%	11.9%	13.1%	15.9%	19.4%
Cash on Cash Return	10.9%	11.2%	11.5%	12.2%	14.2%	19.1%	25.6%
Return on Equity	11.0%	11.2%	11.4%	11.9%	13.1%	15.9%	19.4%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	\$40,299	\$40,702	\$41,109	\$41,935	\$44,074	\$48,686	\$53,779
- Loan Balance	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
= Equity	\$40,299	\$40,702	\$41,109	\$41,935	\$44,074	\$48,686	\$53,779
Potential Cash-Out Refi	\$28,209	\$28,491	\$28,776	\$29,355	\$30,852	\$34,080	\$37,645

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	\$40,299	\$40,702	\$41,109	\$41,935	\$44,074	\$48,686	\$53,779
- Selling Costs	(\$2,821)	(\$2,849)	(\$2,878)	(\$2,935)	(\$3,085)	(\$3,408)	(\$3,765)
= Proceeds After Sale	\$37,478	\$37,853	\$38,231	\$39,000	\$40,989	\$45,278	\$50,015
+ Cumulative Cash Flow	\$4,426	\$8,984	\$13,679	\$23,496	\$50,734	\$118,915	\$210,546
- Initial Cash Invested	(\$40,698)	(\$40,698)	(\$40,698)	(\$40,698)	(\$40,698)	(\$40,698)	(\$40,698)
= Net Profit	\$1,206	\$6,139	\$11,212	\$21,798	\$51,025	\$123,495	\$219,863
Internal Rate of Return	3.0%	7.7%	9.3%	10.8%	12.2%	13.2%	13.6%
Return on Investment	3%	15%	28%	54%	125%	303%	540%

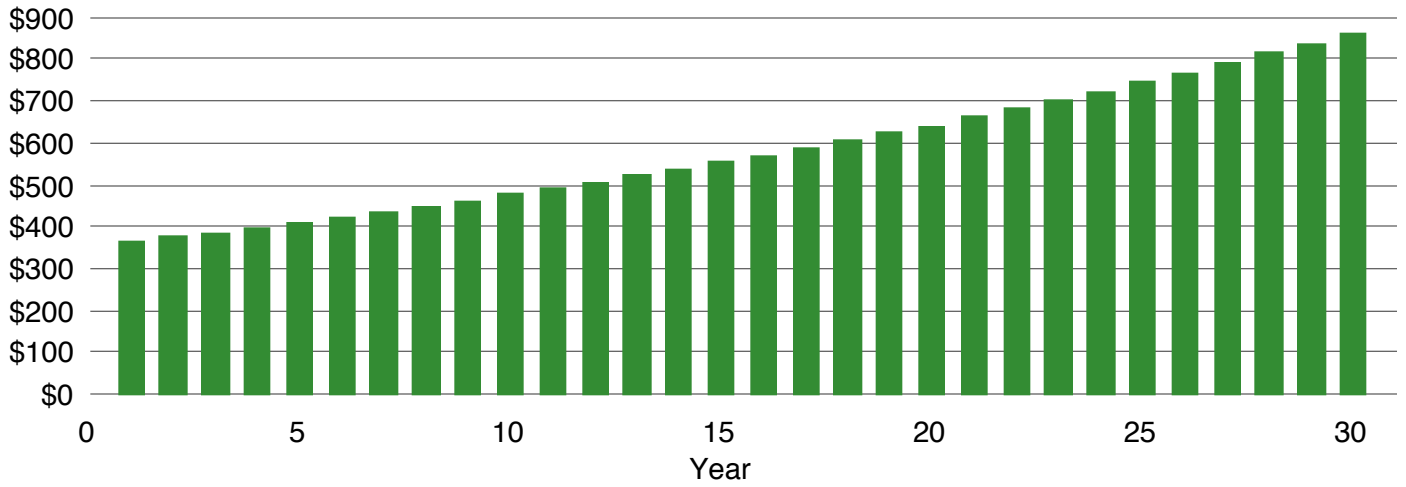
Graphs

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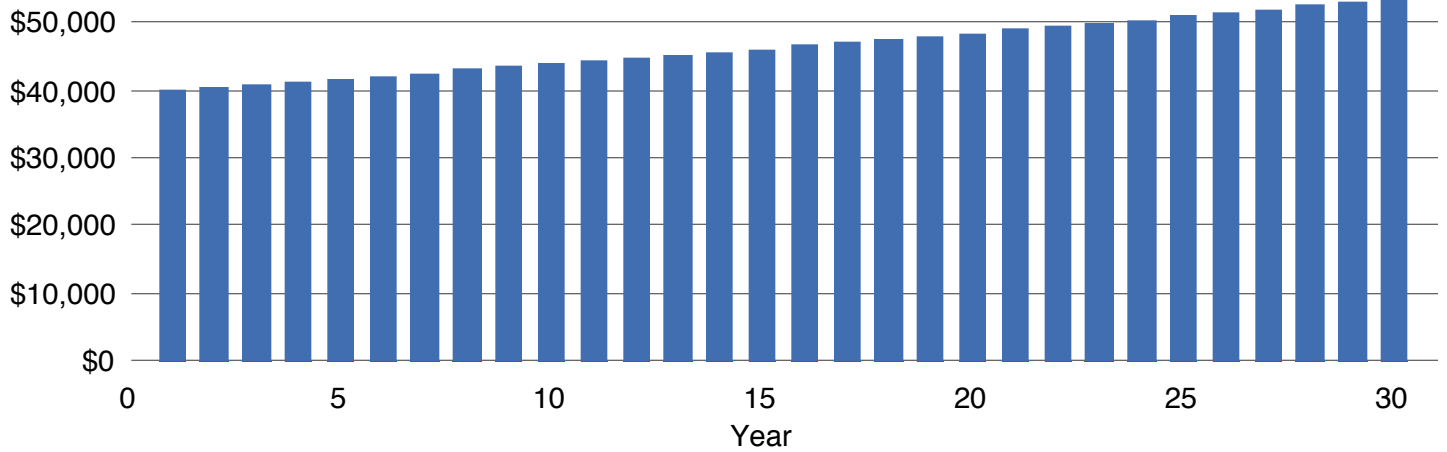
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Monthly Cash Flow



Market Value



Internal Rate of Return (IRR)

