

## 1 Year Performance Projection

New Construction Greater Birmingham Area  
Pell City, AL 35128  
3 Bed - 2 1/2 Bath - New Construction



Square Feet	1,666
Initial Market Value	\$290,900
Purchase Price	\$290,900
Downpayment	\$72,725
Loan Origination Fees	\$0
Depreciable Closing Costs	\$7,272
Other Closing Costs and Fixup	\$800
<b>Initial Cash Invested</b>	<b>\$80,798</b>
Cost per Square Foot	\$175
Monthly Rent per Square Foot	\$1.20

Income	Monthly	Annual
Gross Rent	\$2,000	\$24,000
Vacancy Losses	-\$160	-\$1,920
<b>Operating Income</b>	<b>\$1,840</b>	<b>\$22,080</b>

Expenses	Monthly	Annual
Property Taxes	-\$145	-\$1,745
Insurance	-\$73	-\$873
Management Fees	-\$60	-\$720
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$17	-\$204
Maintenance	-\$40	-\$480
Other	-\$0	-\$0
<b>Operating Expenses</b>	<b>-\$335</b>	<b>-\$4,022</b>

Net Performance	Monthly	Annual
<b>Net Operating Income</b>	<b>\$1,505</b>	<b>\$18,058</b>
- Mortgage Payments	-\$1,488	-\$17,860
<b>= Cash Flow</b>	<b>\$16</b>	<b>\$198</b>
+ Principal Reduction	\$176	\$2,112
+ First-Year Appreciation	\$1,454	\$17,454
<b>= Gross Equity Income</b>	<b>\$1,647</b>	<b>\$19,763</b>
+ Tax Savings	\$183	\$2,201
<b>= GEI w/Tax Savings</b>	<b>\$1,830</b>	<b>\$21,965</b>

Mortgage Info	First	Second
Loan-to-Value Ratio	75%	0%
Loan Amount	\$218,175	\$0
Monthly Payment	\$1,488.34	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	7.250%	0.000%
Monthly PMI	\$0	

Financial Indicators		
Debt Coverage Ratio		1.01
Annual Gross Rent Multiplier		12
Monthly Gross Rent Multiplier		145
Capitalization Rate		6.2%
Cash on Cash Return		0%
<b>Total Return on Investment</b>		<b>24%</b>
<b>+ Tax Benefits: Deductions, Depreciation, 1031 Exchange</b>		

Assumptions		
Real Estate Appreciation Rate		6%
Vacancy Rate		8%
Management Fee		\$60
Maintenance Percentage		2%

Comments	
Beautiful 3 bedroom 2 1/2 bath in a popular area outsid	
*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.	