

1 Year Performance Projection

New Construction in Birmingham Metro
McCalla, AL 35022
4 Beds - 2 Baths - 2 Car Garage



Square Feet	1,497
Initial Market Value	\$297,400
Purchase Price	\$297,400
Downpayment	\$89,220
Loan Origination Fees	\$2,082
Depreciable Closing Costs	\$2,974
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$94,276
Cost per Square Foot	\$199
Monthly Rent per Square Foot	\$1.22

Income	Monthly	Annual
Gross Rent	\$1,825	\$21,900
Vacancy Losses	-\$146	-\$1,752
Operating Income	\$1,679	\$20,148

Expenses	Monthly	Annual
Property Taxes	-\$198	-\$2,379
Insurance	-\$112	-\$1,338
Management Fees	-\$108	-\$1,296
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$42	-\$504
Maintenance	-\$36	-\$438
Other	-\$0	-\$0
Operating Expenses	-\$496	-\$5,956

Net Performance	Monthly	Annual
Net Operating Income	\$1,183	\$14,192
- Mortgage Payments	-\$1,316	-\$15,790
= Cash Flow	-\$133	-\$1,598
+ Principal Reduction	\$194	\$2,327
+ First-Year Appreciation	\$1,487	\$17,844
= Gross Equity Income	\$1,548	\$18,573
+ Tax Savings	\$230	\$2,754
= GEI w/Tax Savings	\$1,777	\$21,328

Mortgage Info	First	Second
Loan-to-Value Ratio	70%	0%
Loan Amount	\$208,180	\$0
Monthly Payment	\$1,315.84	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	6.500%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	0.90
Annual Gross Rent Multiplier	14
Monthly Gross Rent Multiplier	163
Capitalization Rate	4.8%
Cash on Cash Return	-2%
Total Return on Investment	20%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	8%
Management Fee	\$108
Maintenance Percentage	2%

Comments
Photos may be representative. Furniture not included.

*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.