



New Haven Triplex (Tax Abatement)

7100 IN 930
New Haven , IN 46774

Presented by:

Crossroads Multifamily

11521 Fishers Drive
Fishers, IN 46038



All information to be verified by independent study and cannot be guaranteed. Although best efforts are made to be accurate in the assessment of future rents, interest rates, vacancy, expenses, and other details noted in this proforma, all is to be independently verified by the investor.

Overview

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Purchase Info

Square Feet (3 Units)	4,218
Initial Market Value	\$780,000
Purchase Price	\$750,000
Initial Cash Invested	\$239,618

Income Analysis

Monthly

Annual

Net Operating Income	\$4,517	\$54,204
Cash Flow	\$1,145	\$13,735

Financial Metrics

Cap Rate (Purchase Price)	7.2%
Cash on Cash Return (Year 1)	5.7%
Internal Rate of Return (Year 10)	14.0%
Sale Price (Year 10)	\$1,048,255



Purchase Analysis

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Purchase Info	
Initial Market Value	\$780,000
Purchase Price	\$750,000
- First Mortgage	-\$562,500
- Second Mortgage	-\$0
= Downpayment	\$187,500
+ Buying Costs	\$52,118
+ Initial Improvements	\$0
= Initial Cash Invested	\$239,618
Square Feet (3 Units)	4,218
Cost per Square Foot	\$178
Monthly Rent per Square Foot	\$1.39
Cost per Unit	\$250,000
Average Monthly Rent per Unit	\$1,950

Mortgages	First	Second
Loan-To-Cost Ratio	75%	0%
Loan-To-Value Ratio	72.12%	0%
Loan Amount	\$562,500	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	6%	
Payment	\$3,372.47	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	10.7
Operating Expense Ratio	20.4%
Debt Coverage Ratio	1.34
Cap Rate (Purchase Price)	7.2%
Cash on Cash Return	5.7%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	3.0%
Income Inflation Rate	3.0%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	\$54,600

Income	Monthly	Annual
Gross Rent	\$5,850	\$70,200
Vacancy Loss	-\$176	-\$2,106
Operating Income	\$5,674	\$68,094

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (1%)	-\$30	-\$360
Insurance (1%)	-\$37	-\$444
Management Fees (6%)	-\$340	-\$4,086
Taxes (3%)	-\$150	-\$1,800
Association Fees (11%)	-\$600	-\$7,200
Operating Expenses (20%)	-\$1,157	-\$13,890

Net Performance	Monthly	Annual
Net Operating Income	\$4,517	\$54,204
- Mortgage Payments	-\$3,372	-\$40,470
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$1,145	\$13,735

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	\$70,200	\$72,306	\$74,475	\$79,011	\$91,595	\$123,096	\$165,431
Vacancy Loss	-\$2,106	-\$2,169	-\$2,234	-\$2,370	-\$2,748	-\$3,693	-\$4,963
Operating Income	\$68,094	\$70,137	\$72,241	\$76,640	\$88,847	\$119,403	\$160,468

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cleaning & Maintenance	-\$360	-\$371	-\$382	-\$405	-\$470	-\$631	-\$848
Insurance	-\$444	-\$457	-\$471	-\$500	-\$579	-\$779	-\$1,046
Management Fees	-\$4,086	-\$4,208	-\$4,334	-\$4,598	-\$5,331	-\$7,164	-\$9,628
Taxes	-\$1,800	-\$1,854	-\$1,910	-\$2,026	-\$2,349	-\$3,156	-\$4,242
Association Fees	-\$7,200	-\$7,416	-\$7,638	-\$8,104	-\$9,394	-\$12,625	-\$16,967
Operating Expenses	-\$13,890	-\$14,306	-\$14,736	-\$15,633	-\$18,123	-\$24,356	-\$32,732

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	\$54,204	\$55,830	\$57,505	\$61,007	\$70,724	\$95,048	\$127,736
- Mortgage Payments	-\$40,470	-\$40,470	-\$40,470	-\$40,470	-\$40,470	-\$40,470	-\$40,470
- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
= Cash Flow	\$13,735	\$15,361	\$17,036	\$20,538	\$30,255	\$54,578	\$87,266
Cap Rate (Purchase Price)	7.2%	7.4%	7.7%	8.1%	9.4%	12.7%	17.0%
Cap Rate (Market Value)	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
Cash on Cash Return	5.7%	6.4%	7.1%	8.6%	12.6%	22.8%	36.4%
Return on Equity	5.5%	5.5%	5.5%	5.4%	5.2%	4.9%	4.6%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	\$803,400	\$827,502	\$852,327	\$904,234	\$1,048,255	\$1,408,767	\$1,893,265
- Loan Balance	-\$555,592	-\$548,259	-\$540,473	-\$523,431	-\$470,732	-\$303,771	-\$2
= Equity	\$247,808	\$279,243	\$311,854	\$380,803	\$577,522	\$1,104,996	\$1,893,263
Loan-to-Value Ratio	69.2%	66.3%	63.4%	57.9%	44.9%	21.6%	0.0%
Potential Cash-Out Refi	\$6,788	\$30,993	\$56,156	\$109,533	\$263,046	\$682,366	\$1,325,284

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	\$247,808	\$279,243	\$311,854	\$380,803	\$577,522	\$1,104,996	\$1,893,263
- Selling Costs	-\$56,238	-\$57,925	-\$59,663	-\$63,296	-\$73,378	-\$98,614	-\$132,529
= Proceeds After Sale	\$191,570	\$221,318	\$252,191	\$317,507	\$504,144	\$1,006,382	\$1,760,735
+ Cumulative Cash Flow	\$13,735	\$29,096	\$46,131	\$85,430	\$216,696	\$647,099	\$1,364,706
- Initial Cash Invested	-\$239,618	-\$239,618	-\$239,618	-\$239,618	-\$239,618	-\$239,618	-\$239,618
= Net Profit	-\$34,314	\$10,796	\$58,705	\$163,319	\$481,222	\$1,413,863	\$2,885,822
Internal Rate of Return	-14.3%	2.3%	8.0%	12.1%	14.0%	13.7%	13.3%
Return on Investment	-14%	5%	24%	68%	201%	590%	1,204%

Graphs

New Haven Triplex (Tax Abatement)

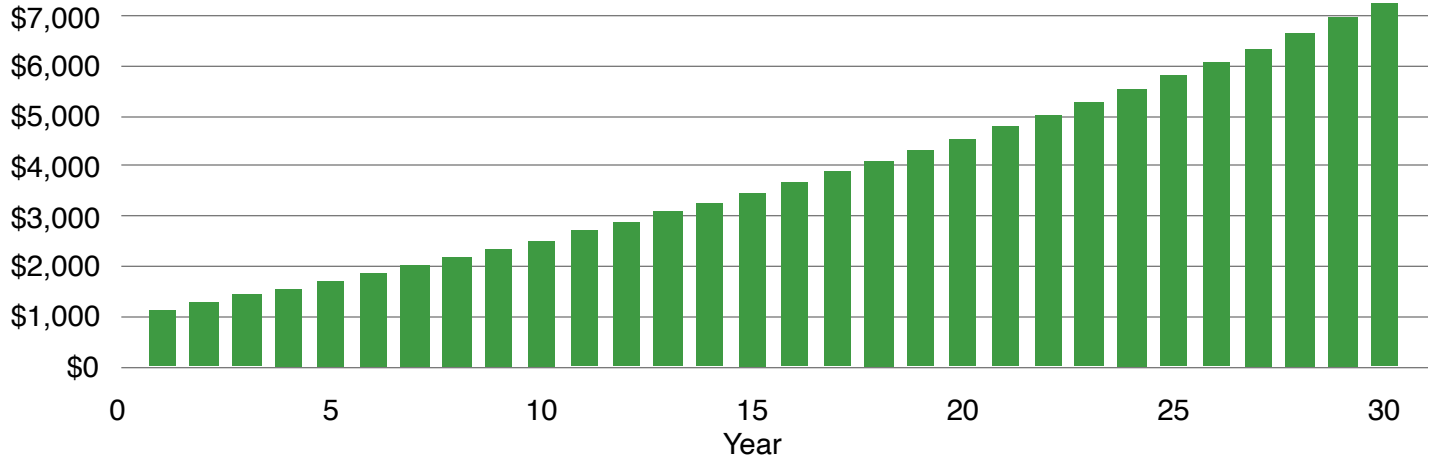
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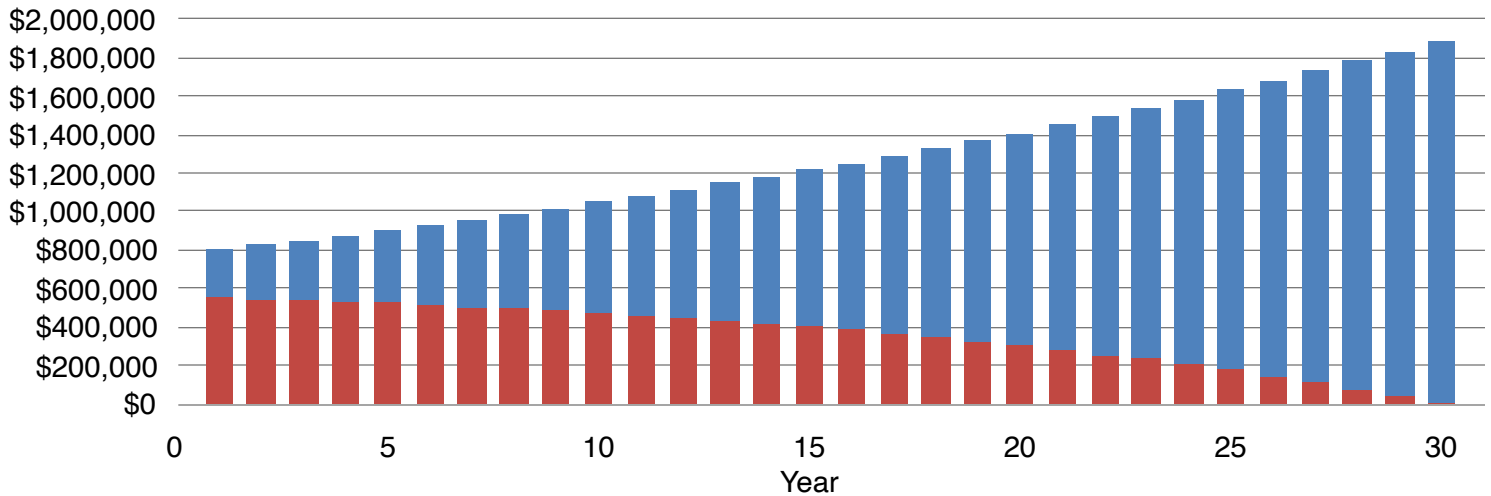


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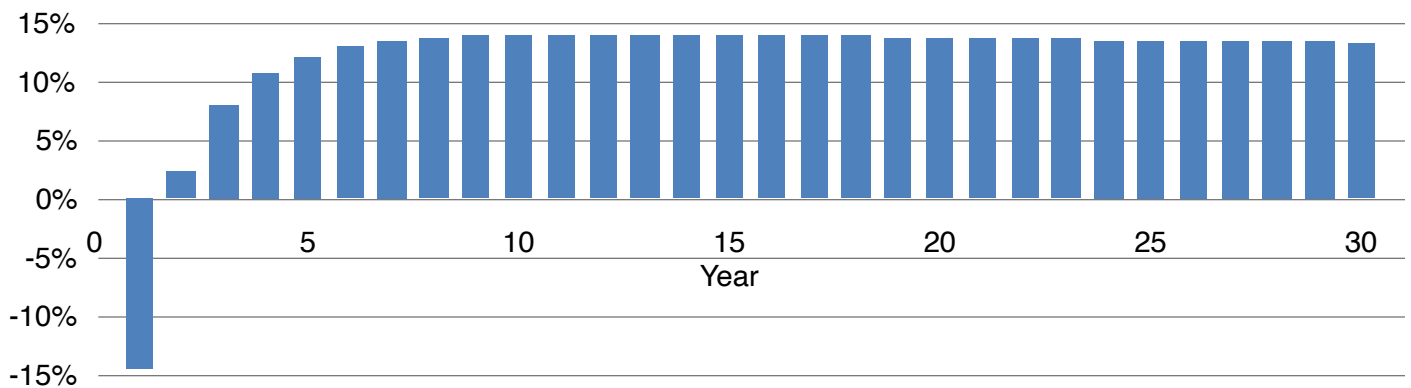
Monthly Cash Flow



■ Loan Balance + ■ Equity = Market Value



Internal Rate of Return (IRR)



Rent Roll

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Unit Description	Square Feet	Units of This Type	Rent (Per Unit)
Unit #1	1,406	1	\$1,950 Per Month
Unit #2	1,406	1	\$1,950 Per Month
Unit #3	1,406	1	\$1,950 Per Month
Totals for Year 1			
Total Number of Units			3
Total Area (Sum of Units)			4,218 Square Feet
Total Rent (Sum of Units)			\$5,850 Per Month, \$70,200 Per Year

Itemized Closing Costs

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Buying Costs		
Appraisal		\$850
Loan Origination Fee		\$8,437
Interest Reserves		\$32,906
Inspections		\$1,000
Title Costs		\$3,525
Course of Construction Insurance		\$2,400
HOA Setup Fee		\$1,200
Other Lender Fees (Processing, Underwriting)		\$1,800
Total		\$52,118