



## **New Haven Duplex (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, property taxes, and other details noted in this proforma, all is to be independently verified by the investor. It is also essential to understand the square footage noted cannot be guaranteed, but in the event of purchase, floor plans will become a part of the contract and discussed with your agent.

# Overview

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### Purchase Info

Square Feet (2 Units)	2,812
Initial Market Value	\$520,000
Purchase Price	\$500,000
Initial Cash Invested	\$164,791

### Income Analysis

	Monthly	Annual
Net Operating Income	\$3,049	\$36,586
Cash Flow	\$801	\$9,606

### Financial Metrics

Cap Rate (Purchase Price)	7.3%
Cash on Cash Return (Year 1)	5.8%
Internal Rate of Return (Year 10)	13.4%
Sale Price (Year 10)	\$698,837



# Purchase Analysis

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Purchase Info	
Initial Market Value	\$520,000
Purchase Price	\$500,000
- First Mortgage	-\$375,000
- Second Mortgage	-\$0
<b>= Downpayment</b>	<b>\$125,000</b>
+ Buying Costs	\$39,791
+ Initial Improvements	\$0
<b>= Initial Cash Invested</b>	<b>\$164,791</b>
Square Feet (2 Units)	2,812
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	\$375,000	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	6%	
<b>Payment</b>	<b>\$2,248.31</b>	<b>\$0.00</b>

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	10.7
Operating Expense Ratio	19.4%
Debt Coverage Ratio	1.36
Cap Rate (Purchase Price)	7.3%
<b>Cash on Cash Return</b>	<b>5.8%</b>

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	3.0%
Income Inflation Rate	2.5%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	\$36,400

Income	Monthly	Annual
Gross Rent	\$3,900	\$46,800
Vacancy Loss	-\$117	-\$1,404
<b>Operating Income</b>	<b>\$3,783</b>	<b>\$45,396</b>

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (1%)	-\$20	-\$240
Insurance (1%)	-\$25	-\$300
Management Fees (5%)	-\$189	-\$2,270
Taxes (3%)	-\$100	-\$1,200
Association Fees (11%)	-\$400	-\$4,800
<b>Operating Expenses (19%)</b>	<b>-\$734</b>	<b>-\$8,810</b>

Net Performance	Monthly	Annual
<b>Net Operating Income</b>	<b>\$3,049</b>	<b>\$36,586</b>
- Mortgage Payments	-\$2,248	-\$26,980
- Year 1 Improvements	-\$0	-\$0
<b>= Cash Flow</b>	<b>\$801</b>	<b>\$9,606</b>

# 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	\$46,800	\$47,970	\$49,169	\$51,658	\$58,447	\$74,817	\$95,772
Vacancy Loss	-\$1,404	-\$1,439	-\$1,475	-\$1,550	-\$1,753	-\$2,245	-\$2,873
<b>Operating Income</b>	<b>\$45,396</b>	<b>\$46,531</b>	<b>\$47,694</b>	<b>\$50,109</b>	<b>\$56,693</b>	<b>\$72,572</b>	<b>\$92,899</b>

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cleaning & Maintenance	-\$240	-\$247	-\$255	-\$270	-\$313	-\$421	-\$566
Insurance	-\$300	-\$309	-\$318	-\$338	-\$391	-\$526	-\$707
Management Fees	-\$2,270	-\$2,327	-\$2,385	-\$2,505	-\$2,835	-\$3,629	-\$4,645
Taxes	-\$1,200	-\$1,236	-\$1,273	-\$1,351	-\$1,566	-\$2,104	-\$2,828
Association Fees	-\$4,800	-\$4,944	-\$5,092	-\$5,402	-\$6,263	-\$8,417	-\$11,312
<b>Operating Expenses</b>	<b>-\$8,810</b>	<b>-\$9,063</b>	<b>-\$9,323</b>	<b>-\$9,866</b>	<b>-\$11,368</b>	<b>-\$15,097</b>	<b>-\$20,057</b>

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
<b>Net Operating Income</b>	<b>\$36,586</b>	<b>\$37,468</b>	<b>\$38,371</b>	<b>\$40,242</b>	<b>\$45,325</b>	<b>\$57,476</b>	<b>\$72,842</b>
- Mortgage Payments	-\$26,980	-\$26,980	-\$26,980	-\$26,980	-\$26,980	-\$26,980	-\$26,980
- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
<b>= Cash Flow</b>	<b>\$9,606</b>	<b>\$10,488</b>	<b>\$11,391</b>	<b>\$13,263</b>	<b>\$18,346</b>	<b>\$30,496</b>	<b>\$45,862</b>
Cap Rate (Purchase Price)	7.3%	7.5%	7.7%	8.0%	9.1%	11.5%	14.6%
Cap Rate (Market Value)	6.8%	6.8%	6.8%	6.7%	6.5%	6.1%	5.8%
<b>Cash on Cash Return</b>	<b>5.8%</b>	<b>6.4%</b>	<b>6.9%</b>	<b>8.0%</b>	<b>11.1%</b>	<b>18.5%</b>	<b>27.8%</b>
Return on Equity	5.8%	5.6%	5.5%	5.2%	4.8%	4.1%	3.6%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	\$535,600	\$551,668	\$568,218	\$602,823	\$698,837	\$939,178	\$1,262,176
- Loan Balance	-\$370,395	-\$365,506	-\$360,315	-\$348,954	-\$313,822	-\$202,515	-\$4
<b>= Equity</b>	<b>\$165,205</b>	<b>\$186,162</b>	<b>\$207,903</b>	<b>\$253,868</b>	<b>\$385,014</b>	<b>\$736,662</b>	<b>\$1,262,172</b>
Loan-to-Value Ratio	69.2%	66.3%	63.4%	57.9%	44.9%	21.6%	0.0%
Potential Cash-Out Refi	\$4,525	\$20,662	\$37,437	\$73,022	\$175,363	\$454,909	\$883,519

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	\$165,205	\$186,162	\$207,903	\$253,868	\$385,014	\$736,662	\$1,262,172
- Selling Costs	-\$37,492	-\$38,617	-\$39,775	-\$42,198	-\$48,919	-\$65,742	-\$88,352
<b>= Proceeds After Sale</b>	<b>\$127,713</b>	<b>\$147,545</b>	<b>\$168,127</b>	<b>\$211,671</b>	<b>\$336,096</b>	<b>\$670,920</b>	<b>\$1,173,820</b>
+ Cumulative Cash Flow	\$9,606	\$20,095	\$31,486	\$57,065	\$138,388	\$386,317	\$772,822
- Initial Cash Invested	-\$164,791	-\$164,791	-\$164,791	-\$164,791	-\$164,791	-\$164,791	-\$164,791
<b>= Net Profit</b>	<b>-\$27,472</b>	<b>\$2,849</b>	<b>\$34,823</b>	<b>\$103,945</b>	<b>\$309,693</b>	<b>\$892,446</b>	<b>\$1,781,851</b>
<b>Internal Rate of Return</b>	<b>-16.7%</b>	<b>0.9%</b>	<b>7.0%</b>	<b>11.3%</b>	<b>13.4%</b>	<b>13.1%</b>	<b>12.5%</b>
Return on Investment	-17%	2%	21%	63%	188%	542%	1,081%

# Graphs

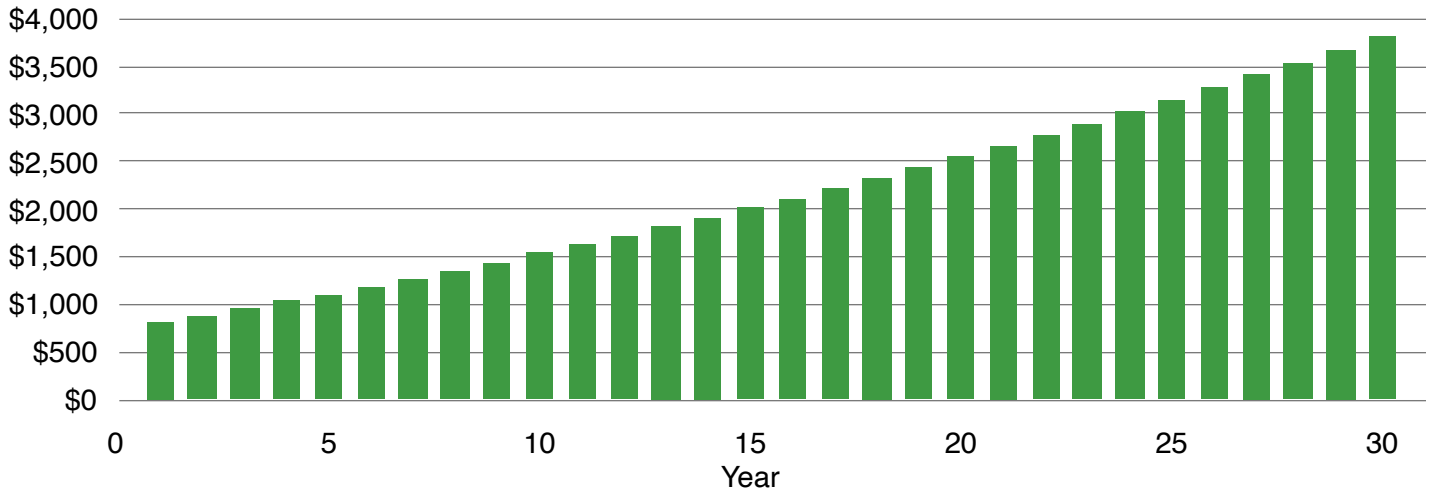
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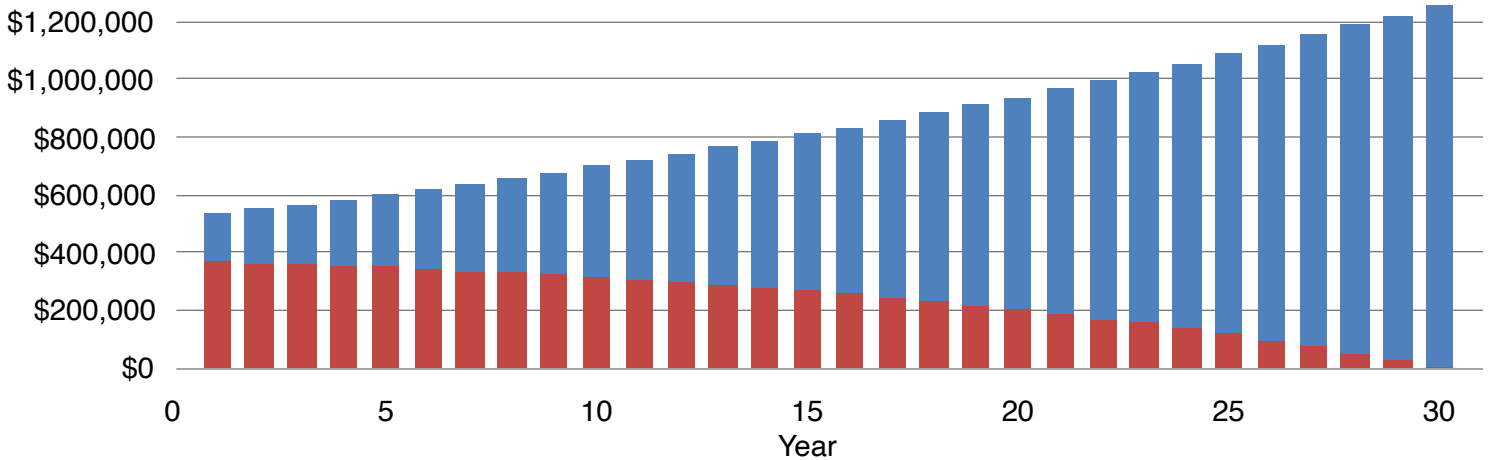


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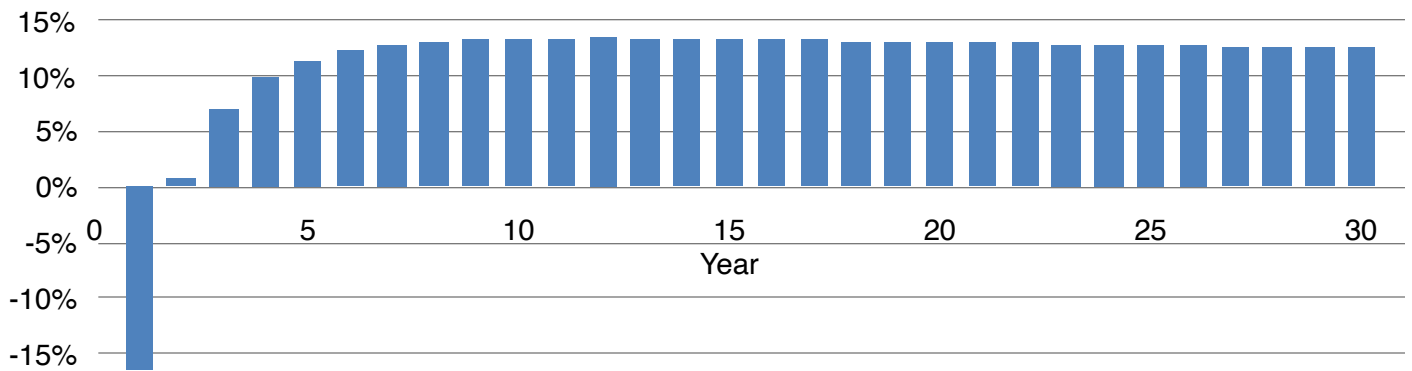
### Monthly Cash Flow



■ 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 - 3 Bed	1,406	1	\$1,950 Per Month
Unit #2 - 3 Bed	1,406	1	\$1,950 Per Month
<b>Totals for Year 1</b>			
<b>Total Number of Units</b>			<b>2</b>
<b>Total Area (Sum of Units)</b>			<b>2,812 Square Feet</b>
<b>Total Rent (Sum of Units)</b>			<b>\$3,900 Per Month, \$46,800 Per Year</b>

## Itemized Closing Costs

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#### Buying Costs

Loan Origination Fee	\$4,150
Interest Reserves	\$19,000
Loan Processing and Underwriting	\$600
Inspections	\$1,000
Title Costs	\$1,241
Course of Construction Insurance	\$1,000
Initial HOA Setup	\$800
Estimated Stabilization Reserves	\$6,000
Interest Rate Buy Down	\$6,000
<b>Total</b>	<b>\$39,791</b>