Crossroads Newhaven - Duplex Investor Build Model

Investment Property - Buy & Hold

2112 Cinema Xing, Fort Wayne, IN 46803

Multi-Family · 2 Units · 3,012 Sq.Ft.

To be built duplex in Ft Wayne, IN! Tax abatement in place. Construction takes approx 9 months from date of closing.

$ 520,000 Purchase Price · **$ 550,000** ARV

$ 165,062 Cash Needed · **$ 793/mo** Cash Flow · **7.8%** Cap Rate · **5.8%** COC

Prepared by:

the peak group



Property Description

ADDRESS

2112 Cinema Xing
Fort Wayne, IN 46803

DESCRIPTION

Property Type:	Multi-Family
Year Built:	2026
Parking:	Garage

UNIT INFORMATION

Total Units/Spaces:	2
Total Square Footage:	3,012

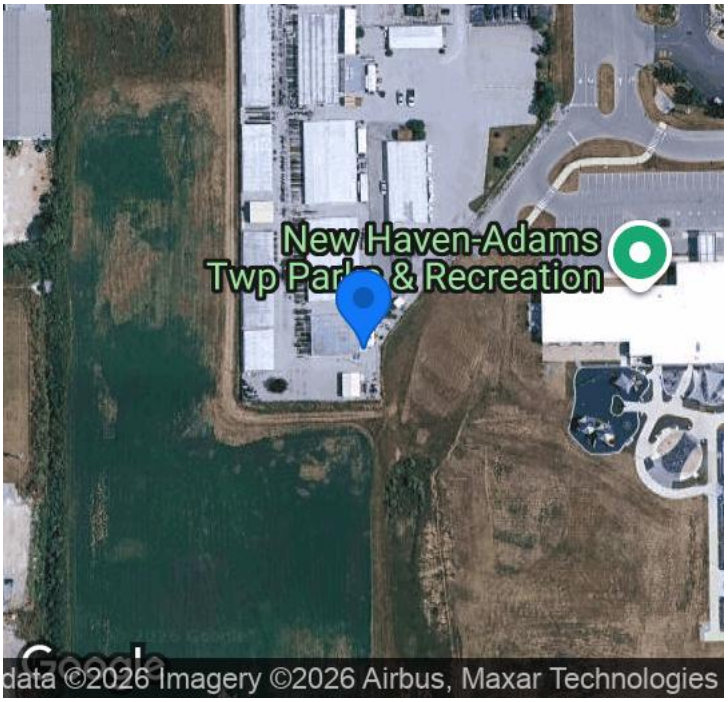
UNITS & RENT ROLL

2 Units - Residential

3 Beds / 2.5 Baths / 1,506 Sq.Ft.

Gross Rent:	$ 2,100 Per Month





Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		$ 520,000
Amount Financed:	-	$ 390,000
Down Payment:	=	$ 130,000
Purchase Costs:	+	$ 35,062
Rehab Costs:	+	$ 0
Total Cash Needed:	=	**$ 165,062**
After Repair Value:		$ 550,000
ARV Per Square Foot:		$ 182.6
Price Per Square Foot:		$ 172.6
Price Per Unit:		$ 260,000

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6.99%
Financing Of:	Price (75%)
Loan Amount:	$ 390,000
LTC / LTV:	75% / 70.9%
Loan Payment:	$ 2,592 Per Month
	$ 31,105 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	7.8% / 7.4%
Cash on Cash Return:	5.8%
Return on Equity:	5.3%
Return on Investment:	-2.1%
Internal Rate of Return:	-2.1%
Rent to Value:	0.8%
Gross Rent Multiplier:	10.32
Equity Multiple:	0.98
Break Even Ratio:	76.1%
Debt Coverage Ratio:	1.31
Debt Yield:	10.4%

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy Rate:	5%
Appreciation:	3% Per Year
Income Increase:	3% Per Year
Expense Increase:	3% Per Year
Selling Costs:	5% of Sales Price
Depreciation Period:	27.5 Years
Land Value:	$ 50,000

PURCHASE COSTS

Home Inspection:	$ 0
Appraisal:	$ 750
Loan Points:	$ 0 (Financed)
Loan Origination Fee:	$ 5,625
Title & Escrow Fees:	$ 2,350
Transfer Taxes:	$ 0
Attorney Fees:	$ 0
Wholesaler Fees:	$ 0

REHAB COSTS

Rehab Costs:	$ 0
Cost Overrun (0%):	$ 0
Total:	**$ 0**
Total Per Square Foot:	$ 0

Projected Interest Reserves:	$ 21,937
Course of Construction Insurance:	$ 1,600
HOA Intial Reinvestment FEe:	$ 800
Construction Inspections:	$ 1,000
Misc Lender Costs:	$ 1,000
Total:	**$ 35,062**

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		$ 4,200	$ 50,400
Vacancy (5%):	-	$ 210	$ 2,520
Other Income:	+	$ 0	$ 0
Operating Income:	=	$ 3,990	$ 47,880
Operating Expenses (15.2%):	-	$ 605	$ 7,260
Net Operating Income:	=	$ 3,385	$ 40,620
Loan Payments:	-	$ 2,592	$ 31,105
Cash Flow:	**=**	**$ 793**	**$ 9,515**
Cash Flow Per Unit:		$ 397	$ 4,758

	Monthly	Yearly
OTHER INCOME		
Total:	**$ 0**	**$ 0**

	Monthly	Yearly
OPERATING EXPENSES		
Property Taxes:	$ 200	$ 2,400
Insurance (HO6 Walls In):	$ 25	$ 300
Maintenance:	$ 20	$ 240
Capital Expenditures:	$ 0	$ 0
HOA Fees:	$ 360	$ 4,320
Utilities:	$ 0	$ 0
Landscaping:	$ 0	$ 0
Accounting & Legal Fees:	$ 0	$ 0
Total:	**$ 605**	**$ 7,260**

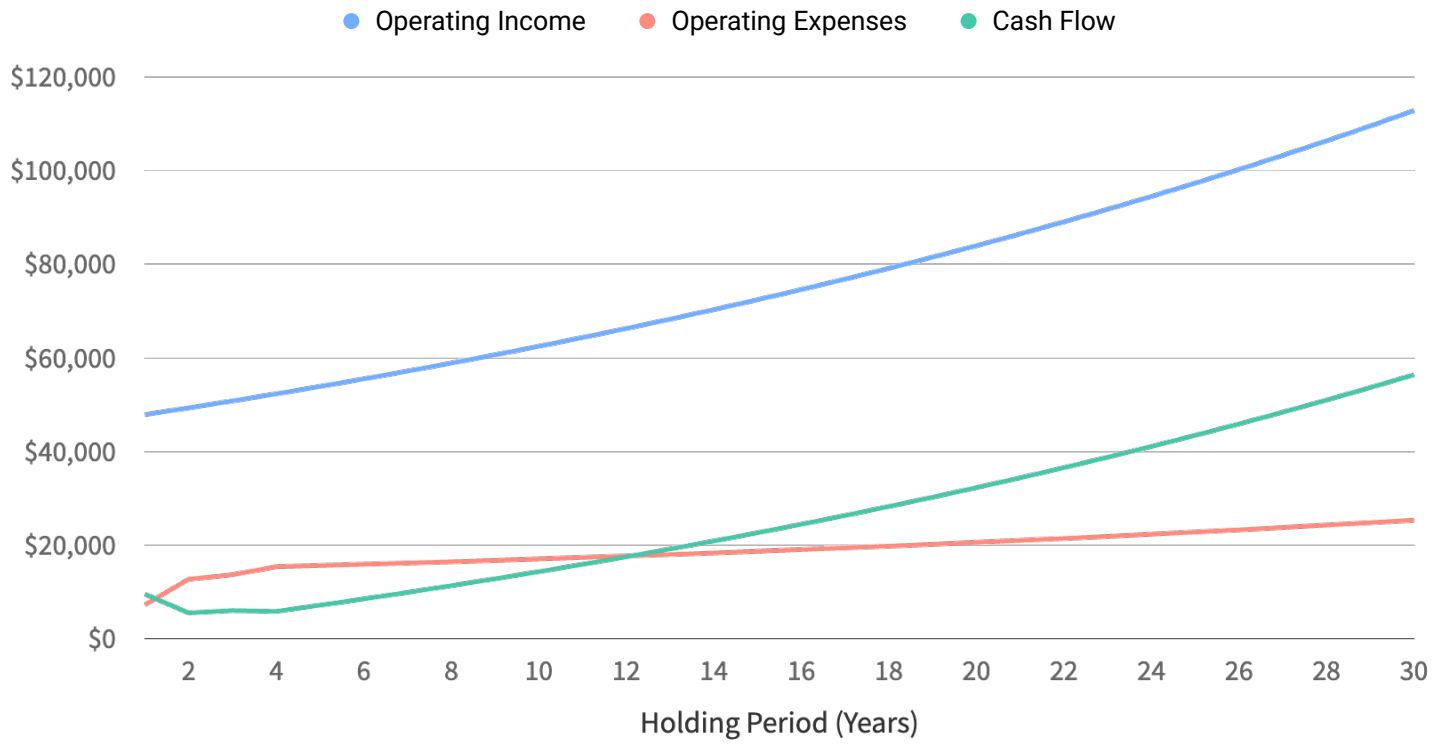
Buy & Hold Projections

APPRECIATION	INCOME INCREASE	EXPENSE INCREASES	SELLING COSTS
3% Per Year	3% Per Year	3% Per Year	5% of Price

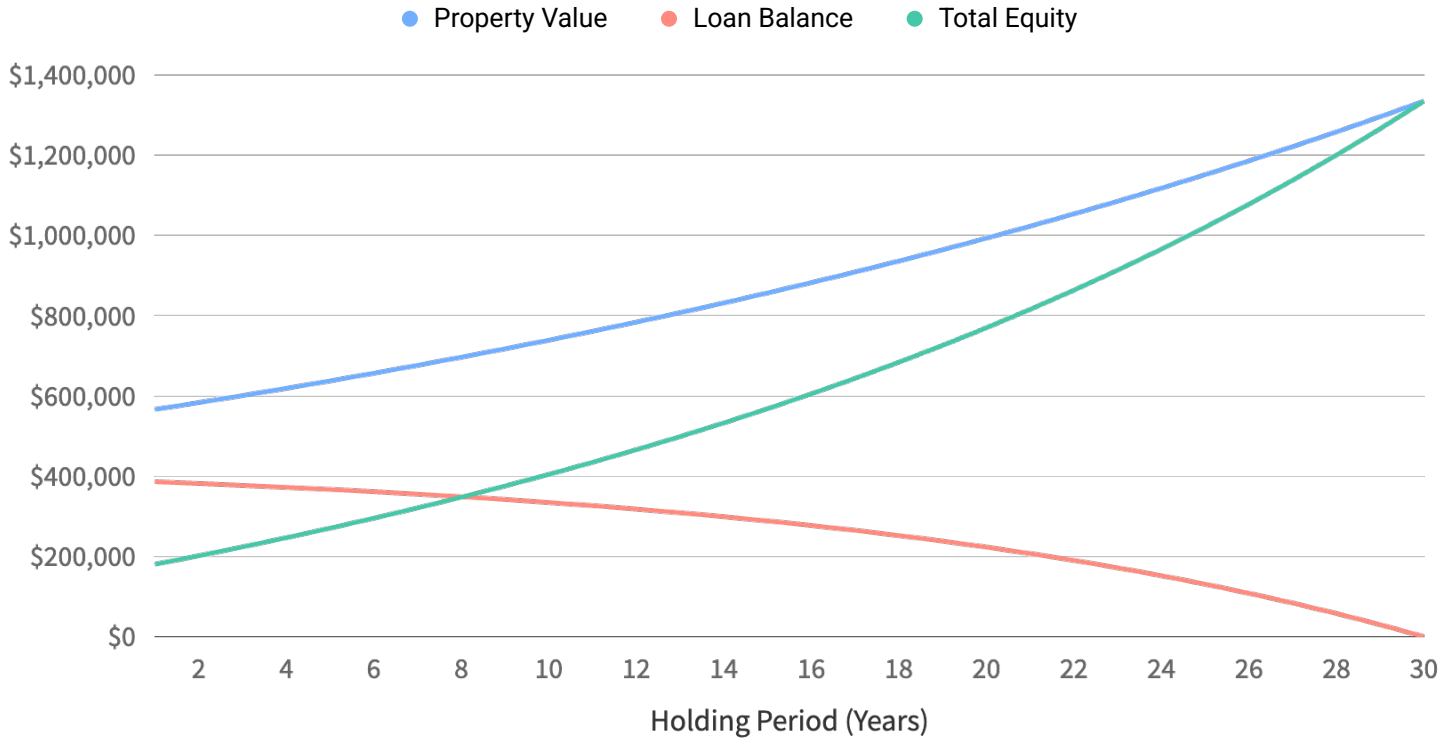
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
RENTAL INCOME						
Gross Rent:	$ 50,400	$ 53,469	$ 56,726	$ 65,761	$ 88,377	$ 118,771
Vacancy:	- $ 2,520	- $ 2,673	- $ 2,836	- $ 3,288	- $ 4,419	- $ 5,939
Vacancy Rate:	5%	5%	5%	5%	5%	5%
Other Income:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Operating Income:	**= $ 47,880**	**= $ 50,796**	**= $ 53,890**	**= $ 62,473**	**= $ 83,958**	**= $ 112,832**
Income Increase:	3%	3%	3%	3%	3%	3%
OPERATING EXPENSES						
Property Taxes:	$ 2,400	N/A	N/A	N/A	N/A	N/A
Insurance (HO6 Walls In):	+ $ 300	+ $ 318	+ $ 338	+ $ 391	+ $ 526	+ $ 707
Property Management:	N/A	+ $ 3,208	+ $ 3,404	+ $ 3,946	+ $ 5,303	+ $ 7,126
Maintenance:	+ $ 240	+ $ 255	+ $ 270	+ $ 313	+ $ 421	+ $ 566
Capital Expenditures:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
HOA Fees:	+ $ 4,320	+ $ 4,583	+ $ 4,862	+ $ 5,637	+ $ 7,575	+ $ 10,180
Utilities:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Landscaping:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Accounting & Legal Fees:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Property Taxes Year 2:	N/A	N/A	N/A	N/A	N/A	N/A
Property Taxes Year 3:	N/A	+ $ 5,304	N/A	N/A	N/A	N/A
Property Taxes Year 4:	N/A	N/A	N/A	N/A	N/A	N/A
Property Taxes Fully Assessed:	N/A	N/A	+ $ 6,756	+ $ 6,756	+ $ 6,756	+ $ 6,756
Operating Expenses:	**= $ 7,260**	**= $ 13,668**	**= $ 15,630**	**= $ 17,043**	**= $ 20,581**	**= $ 25,335**
Expense Increase:	3%	3%	3%	3%	3%	3%
CASH FLOW						
Operating Income:	$ 47,880	$ 50,796	$ 53,890	$ 62,473	$ 83,958	$ 112,832
Operating Expenses:	- $ 7,260	- $ 13,668	- $ 15,630	- $ 17,043	- $ 20,581	- $ 25,335
Expense Ratio:	15.2%	26.9%	29%	27.3%	24.5%	22.5%
Net Operating Income:	= $ 40,620	= $ 37,128	= $ 38,260	= $ 45,430	= $ 63,377	= $ 87,497
Loan Payments:	- $ 31,105	- $ 31,105	- $ 31,105	- $ 31,105	- $ 31,105	- $ 31,105
Cash Flow:	**= $ 9,515**	**= $ 6,023**	**= $ 7,155**	**= $ 14,325**	**= $ 32,272**	**= $ 56,392**
Cash Flow Per Unit:	$ 4,758	$ 3,012	$ 3,578	$ 7,163	$ 16,136	$ 28,196
TAX BENEFITS & DEDUCTIONS						

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
Operating Expenses:	$ 7,260	$ 13,668	$ 15,630	$ 17,043	$ 20,581	$ 25,335
Loan Interest:	+ $ 27,135	+ $ 26,542	+ $ 25,859	+ $ 23,672	+ $ 16,183	+ $ 1,146
Depreciation:	+ $ 18,366	+ $ 18,366	+ $ 18,366	+ $ 18,366	+ $ 18,366	+ $ 0
Total Deductions:	**= $ 52,761**	**= $ 58,576**	**= $ 59,855**	**= $ 59,081**	**= $ 55,130**	**= $ 26,481**
EQUITY ACCUMULATION						
Property Value: Appreciation:	$ 566,500 3%	$ 601,000 3%	$ 637,601 3%	$ 739,154 3%	$ 993,361 3%	$ 1,334,994 3%
Loan Balance: LTV Ratio:	- $ 386,031 68.1%	- $ 377,212 62.8%	- $ 367,074 57.6%	- $ 334,590 45.3%	- $ 223,344 22.5%	- $ 0 -
Total Equity:	**= $ 180,469**	**= $ 223,788**	**= $ 270,527**	**= $ 404,564**	**= $ 770,017**	**= $ 1,334,994**
SALE ANALYSIS						
Equity:	$ 180,469	$ 223,788	$ 270,527	$ 404,564	$ 770,017	$ 1,334,994
Selling Costs (5%):	- $ 28,325	- $ 30,050	- $ 31,880	- $ 36,958	- $ 49,668	- $ 66,750
Sale Proceeds:	= $ 152,144	= $ 193,738	= $ 238,647	= $ 367,607	= $ 720,349	= $ 1,268,244
Cumulative Cash Flow:	+ $ 9,515	+ $ 21,039	+ $ 34,037	+ $ 90,898	+ $ 328,486	+ $ 777,994
Total Cash Invested:	- $ 165,062	- $ 165,062	- $ 165,062	- $ 165,062	- $ 165,062	- $ 165,062
Total Profit:	**= -$ 3,403**	**= $ 49,715**	**= $ 107,622**	**= $ 293,443**	**= $ 883,773**	**= $ 1,881,176**
INVESTMENT RETURNS						
Cap Rate (Purchase Price):	7.8%	7.1%	7.4%	8.7%	12.2%	16.8%
Cap Rate (Market Value):	7.2%	6.2%	6%	6.1%	6.4%	6.6%
Cash on Cash Return:	5.8%	3.6%	4.3%	8.7%	19.6%	34.2%
Return on Equity:	5.3%	2.7%	2.6%	3.5%	4.2%	4.2%
Return on Investment:	-2.1%	30.1%	65.2%	177.8%	535.4%	1,139.7%
Internal Rate of Return:	-2.1%	9.6%	11.3%	12.1%	11.9%	11.6%
FINANCIAL RATIOS						
Rent to Value:	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Gross Rent Multiplier:	11.24	11.24	11.24	11.24	11.24	11.24
Equity Multiple:	0.98	1.3	1.65	2.78	6.35	12.4
Break Even Ratio:	76.1%	83.7%	82.4%	73.2%	58.5%	47.5%
Debt Coverage Ratio:	1.31	1.19	1.23	1.46	2.04	2.81
Debt Yield:	10.5%	9.8%	10.4%	13.6%	28.4%	-

Cash Flow Over Time



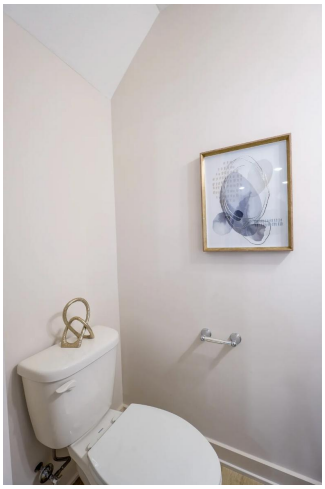
Equity Over Time



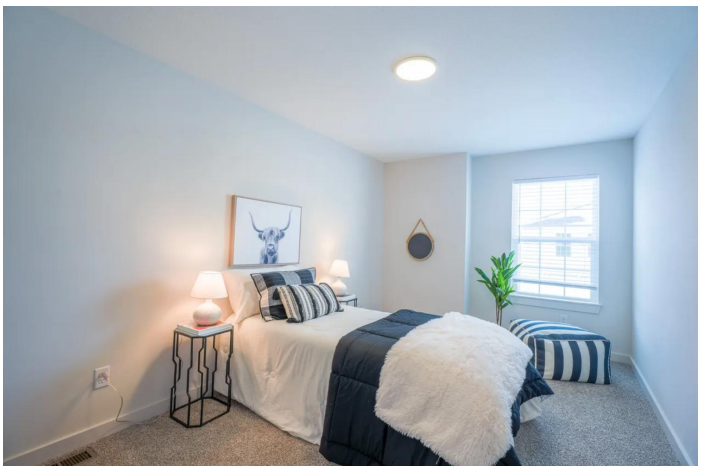
Property Photos































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