

893-891 N Court St.

Investment Property - Buy & Hold

Property in rockport, IN 47635
Multi-Family · 2 Units · 2,768 Sq.Ft.

2 story, 3 bedroom, 2.5 bath, attached garage built in 2024.
Estimated completion date is October 1st, 2024.

\$ 449,900 Purchase Price · \$ 449,900 ARV
\$ 119,224 Cash Needed · \$ 568/mo Cash Flow · 6.9% Cap Rate · 5.7% COC

Prepared by:



Realty Wealth Advisors



Property Description

ADDRESS

rockport, IN 47635

DESCRIPTION

Property Type:Multi-Family

Year Built:2024

Parking:Garage

UNIT INFORMATION

Total Units/Spaces:2

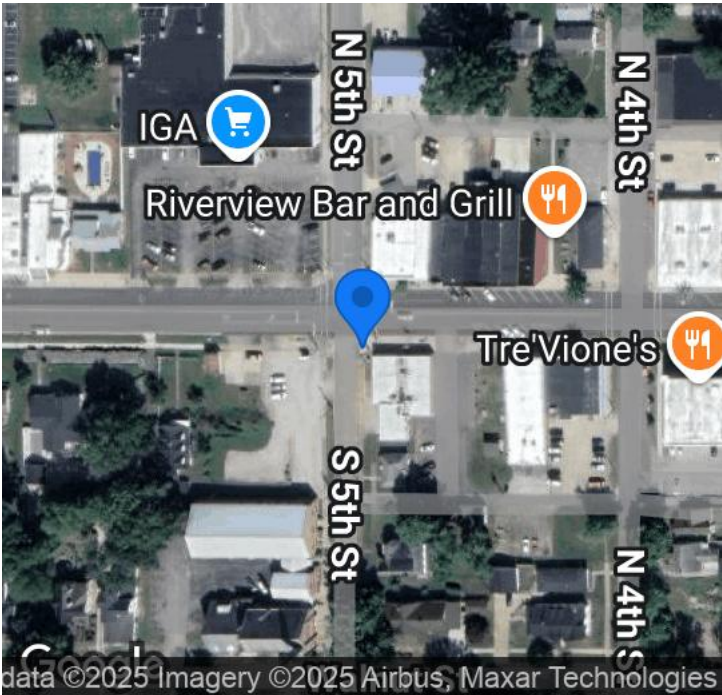
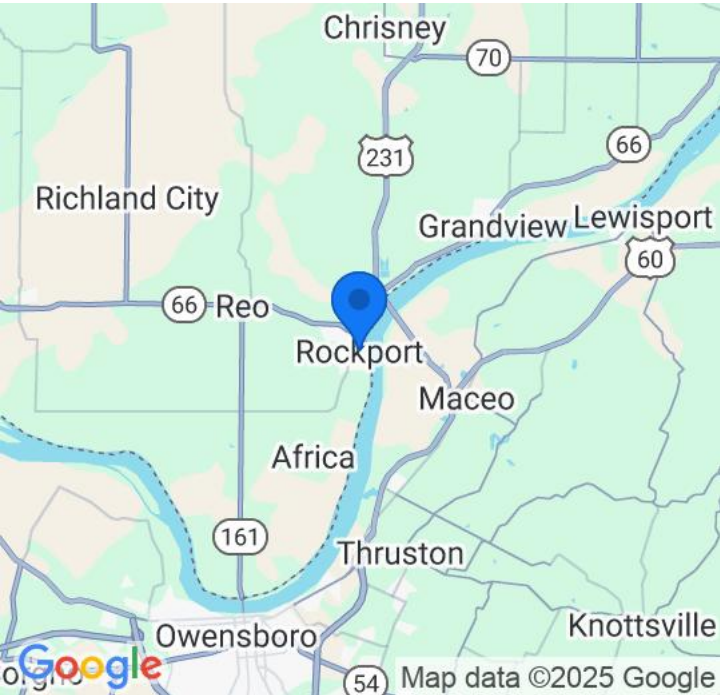
Total Square Footage:2,768

UNITS & RENT ROLL

2 Units - Residential

3 Beds / 2.5 Baths / 1,384 Sq.Ft.

Gross Rent:\$ 1,600 Per Month



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		\$ 449,900
Amount Financed:	-	\$ 337,425
Down Payment:	=	\$ 112,475
Purchase Costs:	+	\$ 6,749
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 119,224
After Repair Value:		\$ 449,900
ARV Per Square Foot:		\$ 162.5
Price Per Square Foot:		\$ 162.5
Price Per Unit:		\$ 224,950

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	6.9% / 6.9%
Cash on Cash Return:	5.7%
Return on Equity:	5.2%
Return on Investment:	-8.5%
Internal Rate of Return:	-8.5%
Rent to Value:	0.7%
Gross Rent Multiplier:	11.72
Equity Multiple:	0.92
Break Even Ratio:	79.3%
Debt Coverage Ratio:	1.28
Debt Yield:	9.2%

PURCHASE COSTS

Total (1.5% of Price):	\$ 6,749
-------------------------------	-----------------

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6%
Financing Of:	Price (75%)
Loan Amount:	\$ 337,425
LTC / LTV:	75% / 75%
Loan Payment:	\$ 2,023 Per Month \$ 24,276 Per Year

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy Rate:	3%
Appreciation:	3% Per Year
Income Increase:	3% Per Year
Expense Increase:	2% Per Year
Selling Costs:	6% of Sales Price
Depreciation Period:	27.5 Years
Land Value:	\$ 20,000

REHAB COSTS

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

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		\$ 3,200	\$ 38,400
Vacancy (3%):	-	\$ 96	\$ 1,152
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 3,104	\$ 37,248
Operating Expenses (16.5%):	-	\$ 513	\$ 6,156
Net Operating Income:	=	\$ 2,591	\$ 31,092
Loan Payments:	-	\$ 2,023	\$ 24,276
Cash Flow:	=	\$ 568	\$ 6,816
Cash Flow Per Unit:		\$ 284	\$ 3,408

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

		Monthly	Yearly
OPERATING EXPENSES			
Property Taxes:		\$ 179	\$ 2,148
Insurance:		\$ 110	\$ 1,320
Maintenance:		\$ 64	\$ 768
Capital Expenditures:		\$ 0	\$ 0
HOA Fees:		\$ 160	\$ 1,920
Utilities:		\$ 0	\$ 0
Landscaping:		\$ 0	\$ 0
Accounting & Legal Fees:		\$ 0	\$ 0
Total:		\$ 513	\$ 6,156

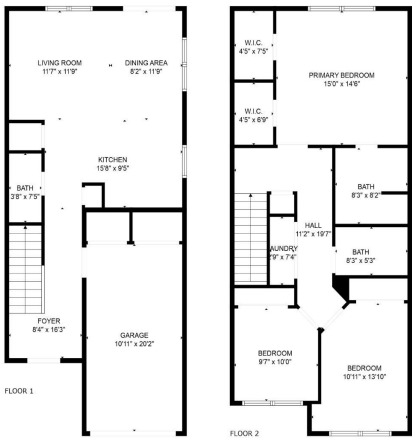
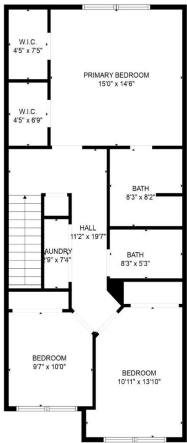
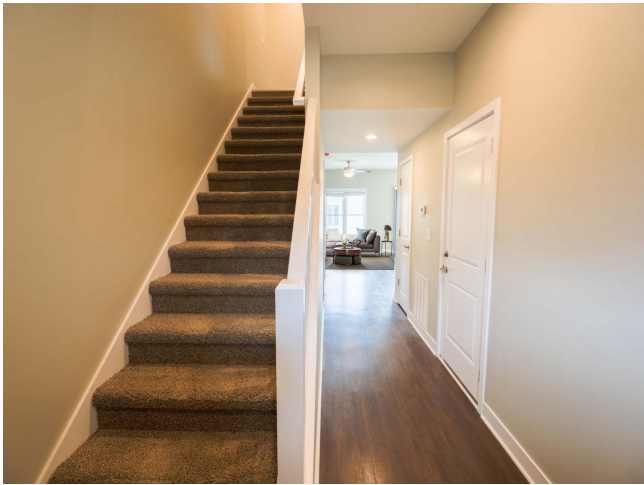
Buy & Hold Projections

	APPRECIATION 3% Per Year	INCOME INCREASE 3% Per Year	EXPENSE INCREASES 2% Per Year	SELLING COSTS 6% of Price		
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
RENTAL INCOME						
Gross Rent:	\$ 38,400	\$ 40,739	\$ 43,220	\$ 50,103	\$ 67,335	\$ 90,492
Vacancy:	- \$ 1,152	- \$ 1,222	- \$ 1,297	- \$ 1,503	- \$ 2,020	- \$ 2,715
Vacancy Rate:	3%	3%	3%	3%	3%	3%
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Income:	= \$ 37,248	= \$ 39,517	= \$ 41,923	= \$ 48,600	= \$ 65,315	= \$ 87,777
Income Increase:	3%	3%	3%	3%	3%	3%
OPERATING EXPENSES						
Property Taxes:	\$ 2,148	\$ 2,235	\$ 2,325	\$ 2,567	\$ 3,129	\$ 3,815
Insurance:	+ \$ 1,320	+ \$ 1,373	+ \$ 1,429	+ \$ 1,578	+ \$ 1,923	+ \$ 2,344
Property Management:	N/A	+ \$ 3,952	+ \$ 4,192	+ \$ 4,860	+ \$ 6,531	+ \$ 8,778
Maintenance:	+ \$ 768	+ \$ 815	+ \$ 864	+ \$ 1,002	+ \$ 1,347	+ \$ 1,810
Capital Expenditures:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
HOA Fees:	+ \$ 1,920	+ \$ 1,998	+ \$ 2,078	+ \$ 2,295	+ \$ 2,797	+ \$ 3,410
Utilities:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Landscaping:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Accounting & Legal Fees:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Expenses:	= \$ 6,156	= \$ 10,373	= \$ 10,888	= \$ 12,302	= \$ 15,727	= \$ 20,157
Expense Increase:	2%	2%	2%	2%	2%	2%
CASH FLOW						
Operating Income:	\$ 37,248	\$ 39,517	\$ 41,923	\$ 48,600	\$ 65,315	\$ 87,777
Operating Expenses:	- \$ 6,156	- \$ 10,373	- \$ 10,888	- \$ 12,302	- \$ 15,727	- \$ 20,157
Expense Ratio:	16.5%	26.2%	26%	25.3%	24.1%	23%
Net Operating Income:	= \$ 31,092	= \$ 29,144	= \$ 31,035	= \$ 36,298	= \$ 49,588	= \$ 67,620
Loan Payments:	- \$ 24,276	- \$ 24,276	- \$ 24,276	- \$ 24,276	- \$ 24,276	- \$ 24,276
Cash Flow:	= \$ 6,816	= \$ 4,868	= \$ 6,759	= \$ 12,022	= \$ 25,312	= \$ 43,344
Cash Flow Per Unit:	\$ 3,408	\$ 2,434	\$ 3,380	\$ 6,011	\$ 12,656	\$ 21,672
TAX BENEFITS & DEDUCTIONS						
Operating Expenses:	\$ 6,156	\$ 10,373	\$ 10,888	\$ 12,302	\$ 15,727	\$ 20,157
Loan Interest:	+ \$ 20,133	+ \$ 19,606	+ \$ 19,012	+ \$ 17,175	+ \$ 11,357	+ \$ 771
Depreciation:	+ \$ 15,878	+ \$ 15,878	+ \$ 15,878	+ \$ 15,878	+ \$ 15,878	+ \$ 0
Total Deductions:	= \$ 42,167	= \$ 45,857	= \$ 45,778	= \$ 45,356	= \$ 42,962	= \$ 20,928

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
EQUITY ACCUMULATION						
Property Value:	\$ 463,397	\$ 491,618	\$ 521,557	\$ 604,628	\$ 812,569	\$ 1,092,025
Appreciation:	3%	3%	3%	3%	3%	3%
Loan Balance:	- \$ 333,281	- \$ 324,212	- \$ 313,989	- \$ 282,377	- \$ 182,222	- \$ 0
LTV Ratio:	71.9%	65.9%	60.2%	46.7%	22.4%	-
Total Equity:	= \$ 130,116	= \$ 167,406	= \$ 207,568	= \$ 322,251	= \$ 630,347	= \$ 1,092,025
SALE ANALYSIS						
Equity:	\$ 130,116	\$ 167,406	\$ 207,568	\$ 322,251	\$ 630,347	\$ 1,092,025
Selling Costs (6%):	- \$ 27,804	- \$ 29,497	- \$ 31,293	- \$ 36,278	- \$ 48,754	- \$ 65,522
Sale Proceeds:	= \$ 102,312	= \$ 137,909	= \$ 176,275	= \$ 285,974	= \$ 581,593	= \$ 1,026,504
Cumulative Cash Flow:	+ \$ 6,816	+ \$ 15,650	+ \$ 28,208	+ \$ 77,469	+ \$ 267,436	+ \$ 615,202
Total Cash Invested:	- \$ 119,224	- \$ 119,224	- \$ 119,224	- \$ 119,224	- \$ 119,224	- \$ 119,224
Total Profit:	= -\$ 10,096	= \$ 34,335	= \$ 85,259	= \$ 244,219	= \$ 729,805	= \$ 1,522,482
INVESTMENT RETURNS						
Cap Rate (Purchase Price):	6.9%	6.5%	6.9%	8.1%	11%	15%
Cap Rate (Market Value):	6.7%	5.9%	6%	6%	6.1%	6.2%
Cash on Cash Return:	5.7%	4.1%	5.7%	10.1%	21.2%	36.4%
Return on Equity:	5.2%	2.9%	3.3%	3.7%	4%	4%
Return on Investment:	-8.5%	28.8%	71.5%	204.8%	612.1%	1,277%
Internal Rate of Return:	-8.5%	9.2%	12.2%	13.3%	12.8%	12.3%
FINANCIAL RATIOS						
Rent to Value:	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Gross Rent Multiplier:	12.07	12.07	12.07	12.07	12.07	12.07
Equity Multiple:	0.92	1.29	1.72	3.05	7.12	13.77
Break Even Ratio:	79.3%	85.1%	81.4%	73%	59.4%	49.1%
Debt Coverage Ratio:	1.28	1.2	1.28	1.5	2.04	2.79
Debt Yield:	9.3%	9%	9.9%	12.9%	27.2%	-

Property Photos







Disclaimer

This Report is provided solely for general business information purposes. No advisory, fiduciary or other relationship is created by any acceptance or use of this Report.

The inclusion of this Report with any other materials does not constitute an endorsement by the Report Author of any third party or any third party's products or services. The projected valuation, financial and investment return information, conclusions and other information contained in this Report are based upon tested methodologies for accuracy. However, such information and conclusions are not definitive forecasts, appraisals or opinions of valuations. All such information and conclusions are stated in terms of probability of likelihood based on market factors and information submitted to the Report Author, and such information and conclusions are not guaranteed by the Report Author and should not be construed as a certified appraisal or valuation, or investment advice.

The Report Author uses or has used public and/or confidential data and assumptions provided to the Report Author by third parties, and the Report Author has not independently verified the data and assumptions used in these analyses or data sets. Attributes for properties may be inaccurate because county assessor and property data records do not always include recent additions and/or modifications to property structures. Changes in the underlying data or operating assumptions, or any loss of access to any one or more sources will clearly impact the analyses, information and conclusions set forth in this Report.