

203 W Walnut St

Investment Property - Buy & Hold

203 W Walnut St, Farmland, IN 47340
House · 3 Beds · 1.5 Baths · 1,296 Sq.Ft.

Rented for \$1,350!

\$ 159,900 Purchase Price · \$ 159,900 ARV
\$ 42,374 Cash Needed · \$ 281/mo Cash Flow · 7.8% Cap Rate · 8% COC

Prepared by:



Realty Wealth Advisors



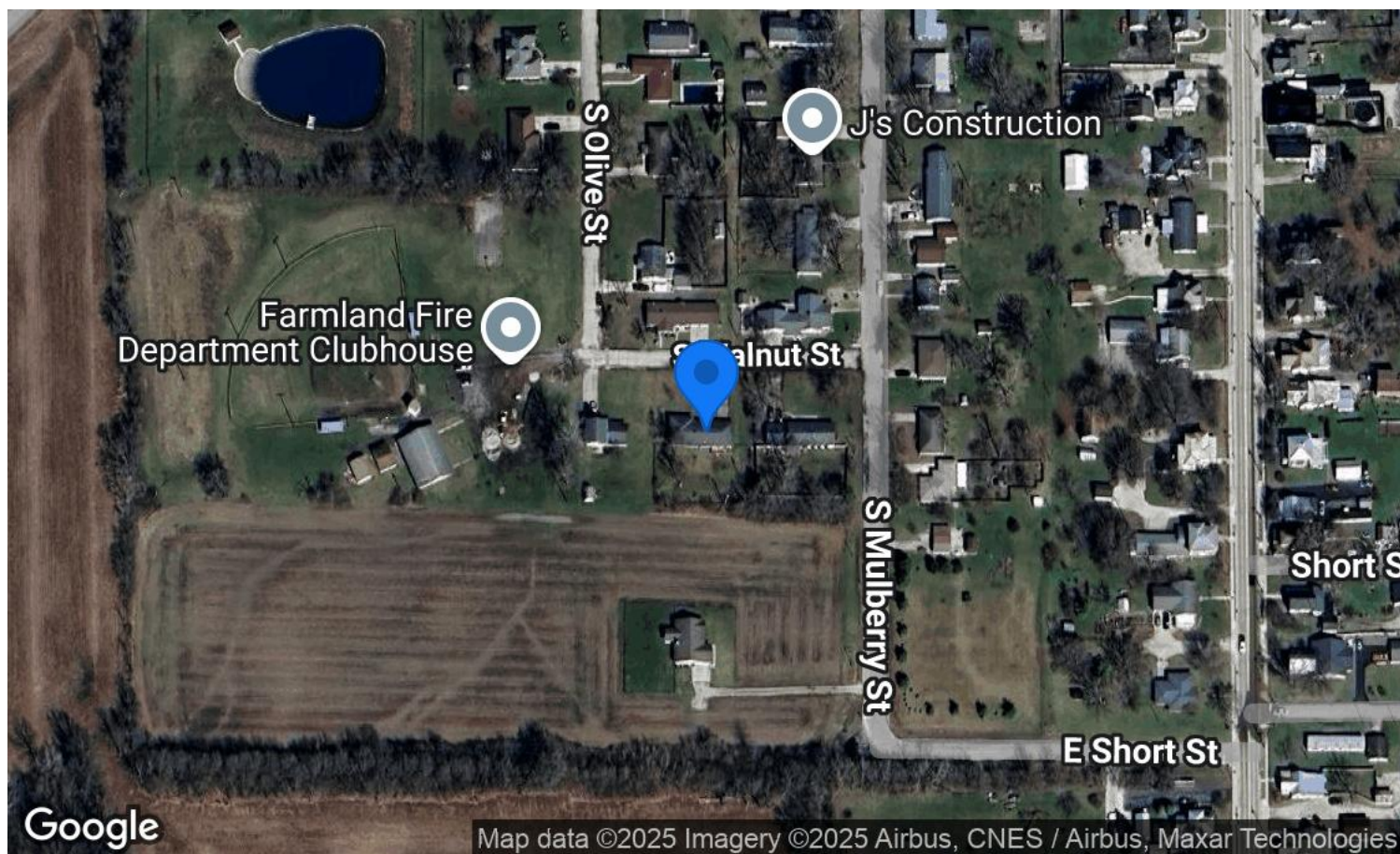
Property Description

ADDRESS

203 W Walnut St
Farmland, IN 47340

DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 1.5 BA
Square Footage:	1,296
Year Built:	1953
Parking:	Attached
Lot Size:	18,327 sq.ft.
Zoning:	Single Family Residential



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		\$ 159,900
Amount Financed:	-	\$ 119,925
Down Payment:	=	\$ 39,975
Purchase Costs:	+	\$ 2,399
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 42,374
After Repair Value:		\$ 159,900
ARV Per Square Foot:		\$ 123.4
Price Per Square Foot:		\$ 123.4

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	7.8% / 7.8%
Cash on Cash Return:	8%
Return on Equity:	7.1%
Return on Investment:	-3%
Internal Rate of Return:	-3%
Rent to Value:	0.8%
Gross Rent Multiplier:	9.87
Equity Multiple:	0.97
Break Even Ratio:	76.2%
Debt Coverage Ratio:	1.37
Debt Yield:	10.4%

PURCHASE COSTS

Total (1.5% of Price):	\$ 2,399
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FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6.5%
Financing Of:	Price (75%)
Loan Amount:	\$ 119,925
LTC / LTV:	75% / 75%
Loan Payment:	\$ 758 Per Month
	\$ 9,096 Per Year

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	10%
Vacancy Rate:	3%
Appreciation:	4% Per Year
Income Increase:	4% Per Year
Expense Increase:	2% Per Year
Selling Costs:	6% of Sales Price
Depreciation Period:	27.5 Years
Land Value:	\$ 14,800

REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun (10%):	\$ 0
Total:	\$ 0
Total Per Square Foot:	\$ 0

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		\$ 1,350	\$ 16,200
Vacancy (3%):	-	\$ 41	\$ 486
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 1,309	\$ 15,714
Operating Expenses (20.6%):	-	\$ 270	\$ 3,241
Net Operating Income:	=	\$ 1,039	\$ 12,473
Loan Payments:	-	\$ 758	\$ 9,096
Cash Flow:	=	\$ 281	\$ 3,377

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

		Monthly	Yearly
OPERATING EXPENSES			
Property Taxes:		\$ 156	\$ 1,873
Insurance:		\$ 60	\$ 720
Maintenance:		\$ 54	\$ 648
Capital Expenditures:		\$ 0	\$ 0
HOA Fees:		\$ 0	\$ 0
Utilities:		\$ 0	\$ 0
Landscaping:		\$ 0	\$ 0
Accounting & Legal Fees:		\$ 0	\$ 0
Total:		\$ 270	\$ 3,241

Buy & Hold Projections

	APPRECIATION 4% Per Year		INCOME INCREASE 4% Per Year		EXPENSE INCREASES 2% Per Year		SELLING COSTS 6% of Price	
	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30	
RENTAL INCOME								
Gross Rent:	\$ 16,200	\$ 16,848	\$ 17,522	\$ 18,952	\$ 23,058	\$ 34,131	\$ 50,522	
Vacancy:	- \$ 486	- \$ 505	- \$ 526	- \$ 569	- \$ 692	- \$ 1,024	- \$ 1,516	
Vacancy Rate:	3%	3%	3%	3%	3%	3%	3%	
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Operating Income:	= \$ 15,714	= \$ 16,343	= \$ 16,996	= \$ 18,383	= \$ 22,366	= \$ 33,107	= \$ 49,006	
Income Increase:	4%	4%	4%	4%	4%	4%	4%	
OPERATING EXPENSES								
Property Taxes:	\$ 1,873	\$ 1,910	\$ 1,949	\$ 2,027	\$ 2,238	\$ 2,729	\$ 3,326	
Insurance:	+ \$ 720	+ \$ 734	+ \$ 749	+ \$ 779	+ \$ 860	+ \$ 1,049	+ \$ 1,279	
Property Management:	N/A	+ \$ 1,634	+ \$ 1,700	+ \$ 1,838	+ \$ 2,237	+ \$ 3,311	+ \$ 4,901	
Maintenance:	+ \$ 648	+ \$ 674	+ \$ 701	+ \$ 758	+ \$ 922	+ \$ 1,365	+ \$ 2,021	
Capital Expenditures:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
HOA Fees:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Utilities:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Landscaping:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Accounting & Legal Fees:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Operating Expenses:	= \$ 3,241	= \$ 4,952	= \$ 5,099	= \$ 5,402	= \$ 6,257	= \$ 8,454	= \$ 11,527	
Expense Increase:	2%	2%	2%	2%	2%	2%	2%	
CASH FLOW								
Operating Income:	\$ 15,714	\$ 16,343	\$ 16,996	\$ 18,383	\$ 22,366	\$ 33,107	\$ 49,006	
Operating Expenses:	- \$ 3,241	- \$ 4,952	- \$ 5,099	- \$ 5,402	- \$ 6,257	- \$ 8,454	- \$ 11,527	
Expense Ratio:	20.6%	30.3%	30%	29.4%	28%	25.5%	23.5%	
Net Operating Income:	= \$ 12,473	= \$ 11,391	= \$ 11,897	= \$ 12,981	= \$ 16,109	= \$ 24,653	= \$ 37,479	
Loan Payments:	- \$ 9,096	- \$ 9,096	- \$ 9,096	- \$ 9,096	- \$ 9,096	- \$ 9,096	- \$ 9,096	
Cash Flow:	= \$ 3,377	= \$ 2,295	= \$ 2,801	= \$ 3,885	= \$ 7,013	= \$ 15,557	= \$ 28,383	
TAX BENEFITS & DEDUCTIONS								
Operating Expenses:	\$ 3,241	\$ 4,952	\$ 5,099	\$ 5,402	\$ 6,257	\$ 8,454	\$ 11,527	
Loan Interest:	+ \$ 7,756	+ \$ 7,666	+ \$ 7,570	+ \$ 7,359	+ \$ 6,694	+ \$ 4,503	+ \$ 312	
Depreciation:	+ \$ 5,364	+ \$ 5,364	+ \$ 5,364	+ \$ 5,364	+ \$ 5,364	+ \$ 5,364	+ \$ 0	
Total Deductions:	= \$ 16,360	= \$ 17,981	= \$ 18,033	= \$ 18,124	= \$ 18,314	= \$ 18,320	= \$ 11,839	
EQUITY ACCUMULATION								

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Property Value:	\$ 166,296	\$ 172,948	\$ 179,866	\$ 194,543	\$ 236,691	\$ 350,361	\$ 518,619
Appreciation:	4%	4%	4%	4%	4%	4%	4%
Loan Balance:	- \$ 118,585	- \$ 117,154	- \$ 115,628	- \$ 112,263	- \$ 101,668	- \$ 66,757	- \$ 0
LTV Ratio:	71.3%	67.7%	64.3%	57.7%	43%	19.1%	-
Total Equity:	= \$ 47,711	= \$ 55,794	= \$ 64,238	= \$ 82,280	= \$ 135,023	= \$ 283,604	= \$ 518,619

SALE ANALYSIS

Equity:	\$ 47,711	\$ 55,794	\$ 64,238	\$ 82,280	\$ 135,023	\$ 283,604	\$ 518,619
Selling Costs (6%):	- \$ 9,978	- \$ 10,377	- \$ 10,792	- \$ 11,673	- \$ 14,201	- \$ 21,022	- \$ 31,117
Sale Proceeds:	= \$ 37,734	= \$ 45,417	= \$ 53,446	= \$ 70,607	= \$ 120,822	= \$ 262,583	= \$ 487,502
Cumulative Cash Flow:	+ \$ 3,377	+ \$ 5,672	+ \$ 8,473	+ \$ 15,689	+ \$ 44,237	+ \$ 158,494	+ \$ 380,344
Total Cash Invested:	- \$ 42,374	- \$ 42,374	- \$ 42,374	- \$ 42,374	- \$ 42,374	- \$ 42,374	- \$ 42,374
Total Profit:	= -\$ 1,263	= \$ 8,715	= \$ 19,545	= \$ 43,922	= \$ 122,685	= \$ 378,703	= \$ 825,472

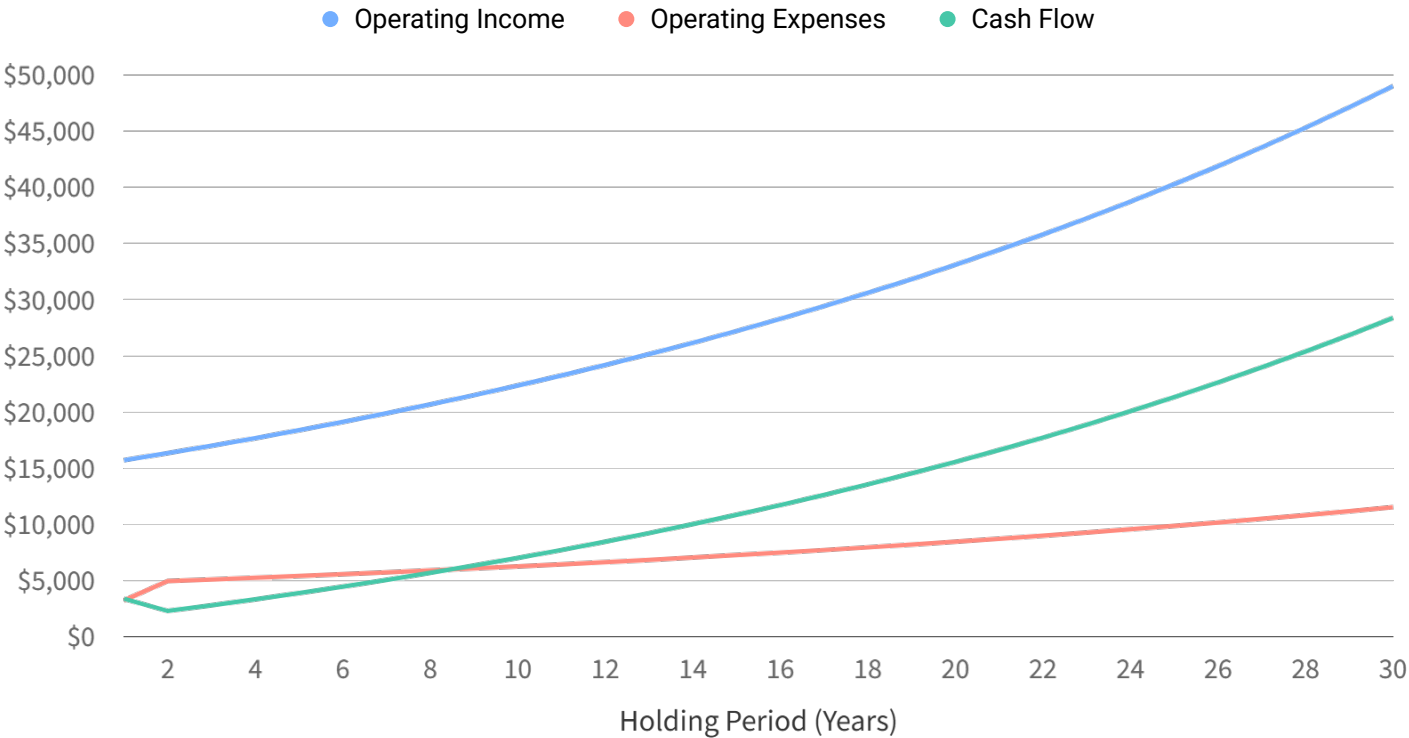
INVESTMENT RETURNS

Cap Rate (Purchase Price):	7.8%	7.1%	7.4%	8.1%	10.1%	15.4%	23.4%
Cap Rate (Market Value):	7.5%	6.6%	6.6%	6.7%	6.8%	7%	7.2%
Cash on Cash Return:	8%	5.4%	6.6%	9.2%	16.6%	36.7%	67%
Return on Equity:	7.1%	4.1%	4.4%	4.7%	5.2%	5.5%	5.5%
Return on Investment:	-3%	20.6%	46.1%	103.7%	289.5%	893.7%	1,948.1%
Internal Rate of Return:	-3%	10.2%	14.3%	16.8%	17.2%	16.3%	15.7%

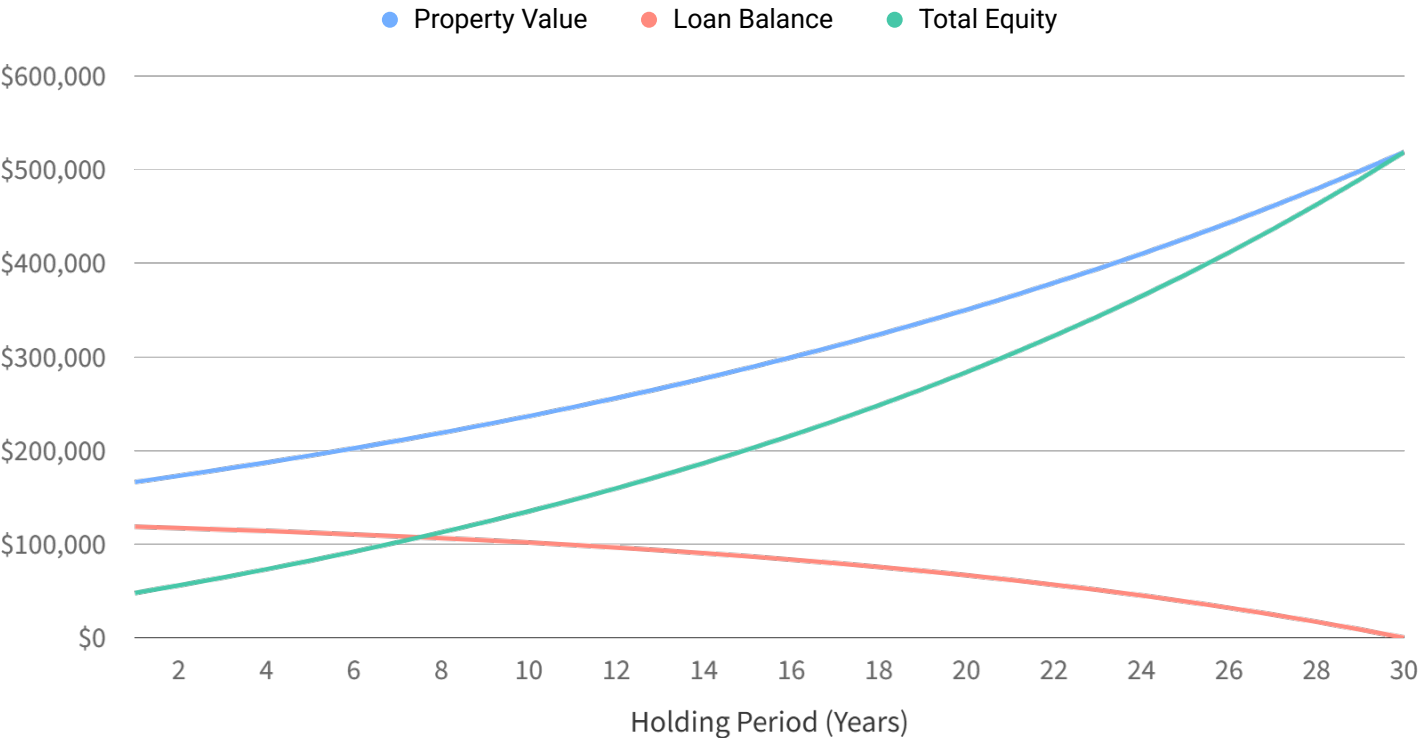
FINANCIAL RATIOS

Rent to Value:	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Gross Rent Multiplier:	10.27	10.27	10.27	10.27	10.27	10.27	10.27
Equity Multiple:	0.97	1.21	1.46	2.04	3.9	9.94	20.48
Break Even Ratio:	76.2%	83.4%	81%	76.5%	66.6%	51.4%	40.8%
Debt Coverage Ratio:	1.37	1.25	1.31	1.43	1.77	2.71	4.12
Debt Yield:	10.5%	9.7%	10.3%	11.6%	15.8%	36.9%	-

Cash Flow Over Time



Equity Over Time



Recent Comparable Sales

Average Sale Price

\$ 158,900 (\$ 121/sq.ft.)

\$ 144,900 - \$ 174,900

\$ 103/sq.ft. - \$ 156/sq.ft.

Estimated Property ARV Based on
Average Price/Sq.Ft.

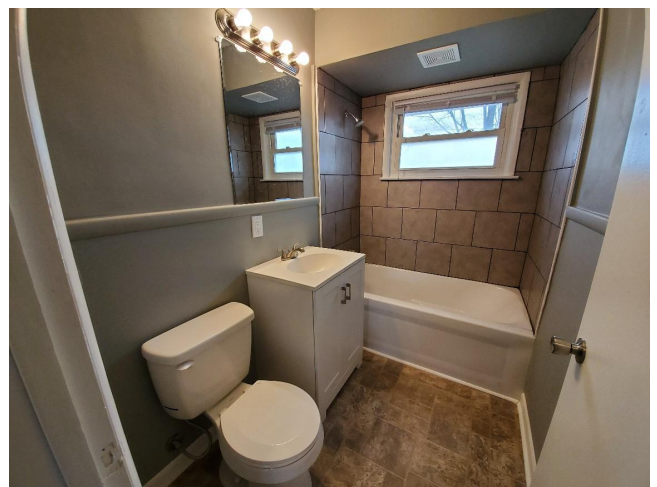
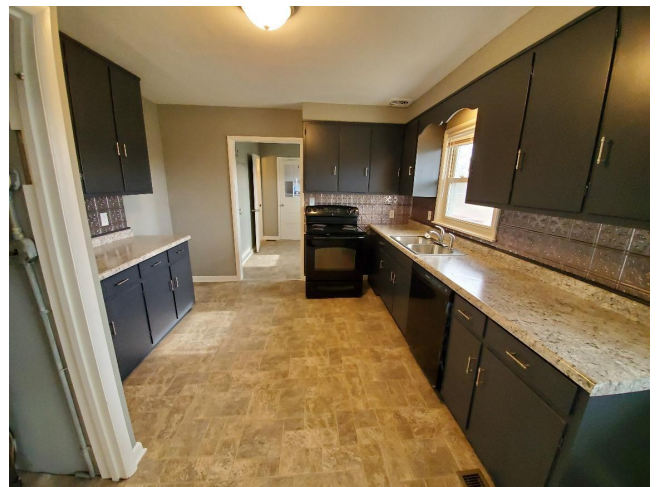
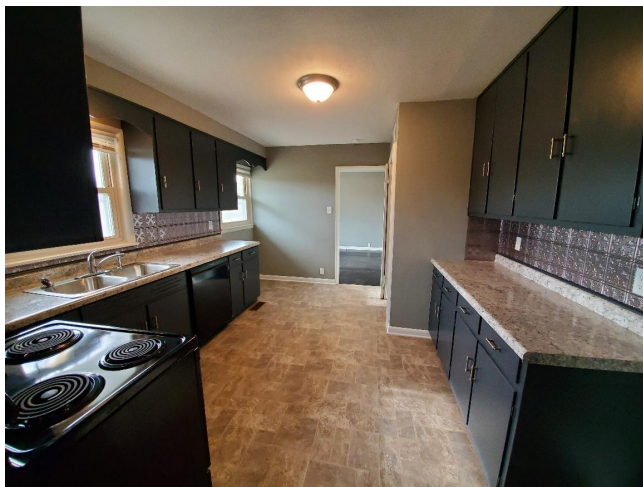
\$ 157,000



	Property	Distance	Similarity	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
●	203 W Walnut St Farmland, IN 47340	0 mi	100%	House Built 1953	3	1.5	1,296	-	-
A	304 W Pursley St Farmland, IN 47340	0.54 mi	96.0%	House Built 1974	3	1	1,312	\$ 144,900 \$ 110.44/sq.ft.	02/07/2025 179 Days Ago
B	220 N Angling Rd Farmland, IN 47340	0.23 mi	93.2%	House Built 1960	3	1	960	\$ 149,900 \$ 156.15/sq.ft.	08/05/2025 Today
C	241 N Franklin St Parker City, IN 47368	3.99 mi	89.3%	House Built 1971	3	1	1,252	\$ 159,900 \$ 127.72/sq.ft.	07/28/2025 8 Days Ago
D	224 N Fourth St Parker City, IN 47368	4.27 mi	88.1%	House Built 1961	3	1	1,196	\$ 149,900 \$ 125.33/sq.ft.	04/27/2025 100 Days Ago
E	214 N Third St Parker City, IN 47368	4.21 mi	88.1%	House Built 1953	3	2	1,428	\$ 174,900 \$ 122.48/sq.ft.	05/13/2025 84 Days Ago
F	609 W Oak St Parker City, IN 47368	4.28 mi	86.9%	House Built 1950	3	2	1,550	\$ 159,900 \$ 103.16/sq.ft.	05/06/2025 91 Days Ago
G	205 N First St Parker City, IN 47368	4.05 mi	86.5%	House Built 1932	3	1	1,680	\$ 173,000 \$ 102.98/sq.ft.	06/11/2025 55 Days Ago

Property Photos







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DATA SOURCES

Comparable sales data is collected from county records and other public sources.