New Haven Triplex (Tax Abatement)

7100 IN 930
New Haven, IN 46774

Presented by:

Crossroads Multifamily
11521 Fishers Drive
Fishers, IN 46038

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Purchase Info	
Square Feet (3 Units)	4,218
Initial Market Value	$788,000
Purchase Price	$750,000
Initial Cash Invested	$224,612

Income Analysis	Monthly	Annual
Net Operating Income	$4,837	$58,048
Cash Flow	$1,282	$15,384

Financial Metrics	
Cap Rate (Purchase Price)	7.7%
Cash on Cash Return (Year 1)	6.8%
Internal Rate of Return (Year 10)	15.6%
Sale Price (Year 10)	$1,059,006

Purchase Analysis

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Purchase Info	
Initial Market Value	$788,000
Purchase Price	$750,000
- First Mortgage	-$562,500
- Second Mortgage	-$0
= Downpayment	**$187,500**
+ Buying Costs	$37,112
+ Initial Improvements	$0
= Initial Cash Invested	**$224,612**
Square Feet (3 Units)	4,218
Cost per Square Foot	$178
Monthly Rent per Square Foot	$1.49
Cost per Unit	$250,000
Average Monthly Rent per Unit	$2,100

Mortgages	First	Second
Loan-To-Cost Ratio	75%	0%
Loan-To-Value Ratio	71.38%	0%
Loan Amount	$562,500	$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	6.5%	
Payment	**$3,555.38**	**$0.00**

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	9.9
Operating Expense Ratio	20.8%
Debt Coverage Ratio	1.36
Cap Rate (Purchase Price)	7.7%
Cash on Cash Return	**6.8%**

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	$55,160

Income	Monthly	Annual
Gross Rent	$6,300	$75,600
Vacancy Loss	-$189	-$2,268
Operating Income	**$6,111**	**$73,332**

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (0%)	-$30	-$360
Insurance (1%)	-$37	-$444
Management Fees (6%)	-$367	-$4,400
Taxes (5%)	-$300	-$3,600
Association Fees (9%)	-$540	-$6,480
Operating Expenses (21%)	**-$1,274**	**-$15,284**

Net Performance	Monthly	Annual
Net Operating Income	**$4,837**	**$58,048**
- Mortgage Payments	-$3,555	-$42,665
- Year 1 Improvements	-$0	-$0
= Cash Flow	**$1,282**	**$15,384**

Buy and Hold Projection

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Income	Year 1	Year 2	Year 3	Year 5	Year 7	Year 10	Year 30
Gross Rent	$75,600	$77,868	$80,204	$85,088	$90,270	$98,641	$178,156
Vacancy Loss	-$2,268	-$2,336	-$2,406	-$2,553	-$2,708	-$2,959	-$5,345
Operating Income	**$73,332**	**$75,532**	**$77,798**	**$82,536**	**$87,562**	**$95,682**	**$172,812**

Expenses	Year 1	Year 2	Year 3	Year 5	Year 7	Year 10	Year 30
Cleaning & Maintenance	-$360	-$371	-$382	-$405	-$430	-$470	-$848
Insurance	-$444	-$457	-$471	-$500	-$530	-$579	-$1,046
Management Fees	-$4,400	-$4,532	-$4,668	-$4,952	-$5,254	-$5,741	-$10,369
Taxes	-$3,600	-$3,708	-$3,819	-$4,052	-$4,299	-$4,697	-$8,484
Association Fees	-$6,480	-$6,674	-$6,875	-$7,293	-$7,737	-$8,455	-$15,271
Operating Expenses	**-$15,284**	**-$15,742**	**-$16,215**	**-$17,202**	**-$18,250**	**-$19,942**	**-$36,018**

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 7	Year 10	Year 30
Net Operating Income	**$58,048**	**$59,790**	**$61,583**	**$65,334**	**$69,312**	**$75,740**	**$136,794**
- Mortgage Payments	-$42,665	-$42,665	-$42,665	-$42,665	-$42,665	-$42,665	-$42,665
- Improvements	-$0	-$0	-$0	-$0	-$0	-$0	-$0
= Cash Flow	**$15,384**	**$17,125**	**$18,919**	**$22,669**	**$26,648**	**$33,075**	**$94,130**
Cap Rate (Purchase Price)	7.7%	8.0%	8.2%	8.7%	9.2%	10.1%	18.2%
Cap Rate (Market Value)	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Cash on Cash Return	**6.8%**	**7.6%**	**8.4%**	**10.1%**	**11.9%**	**14.7%**	**41.9%**
Return on Equity	6.0%	6.0%	5.9%	5.9%	5.8%	5.7%	4.9%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 7	Year 10	Year 30
Market Value	$811,640	$835,989	$861,069	$913,508	$969,141	$1,059,006	$1,912,683
- Loan Balance	-$556,213	-$549,505	-$542,347	-$526,562	-$508,592	-$476,866	-$3
= Equity	**$255,427**	**$286,485**	**$318,722**	**$386,946**	**$460,549**	**$582,140**	**$1,912,680**
Loan-to-Value Ratio	68.5%	65.7%	63.0%	57.6%	52.5%	45.0%	0.0%
Potential Cash-Out Refi	$11,935	$35,688	$60,401	$112,894	$169,807	$264,438	$1,338,875

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 7	Year 10	Year 30
Equity	$255,427	$286,485	$318,722	$386,946	$460,549	$582,140	$1,912,680
- Selling Costs	-$56,815	-$58,519	-$60,275	-$63,946	-$67,840	-$74,130	-$133,888
= Proceeds After Sale	**$198,612**	**$227,965**	**$258,447**	**$323,000**	**$392,709**	**$508,010**	**$1,778,792**
+ Cumulative Cash Flow	$15,384	$32,508	$51,427	$94,862	$146,139	$238,811	$1,481,725
- Initial Cash Invested	-$224,612	-$224,612	-$224,612	-$224,612	-$224,612	-$224,612	-$224,612
= Net Profit	**-$10,616**	**$35,862**	**$85,262**	**$193,251**	**$314,236**	**$522,208**	**$3,035,905**
Internal Rate of Return	**-4.7%**	**7.9%**	**12.0%**	**14.8%**	**15.5%**	**15.6%**	**14.5%**
Return on Investment	-5%	16%	38%	86%	140%	232%	1,352%

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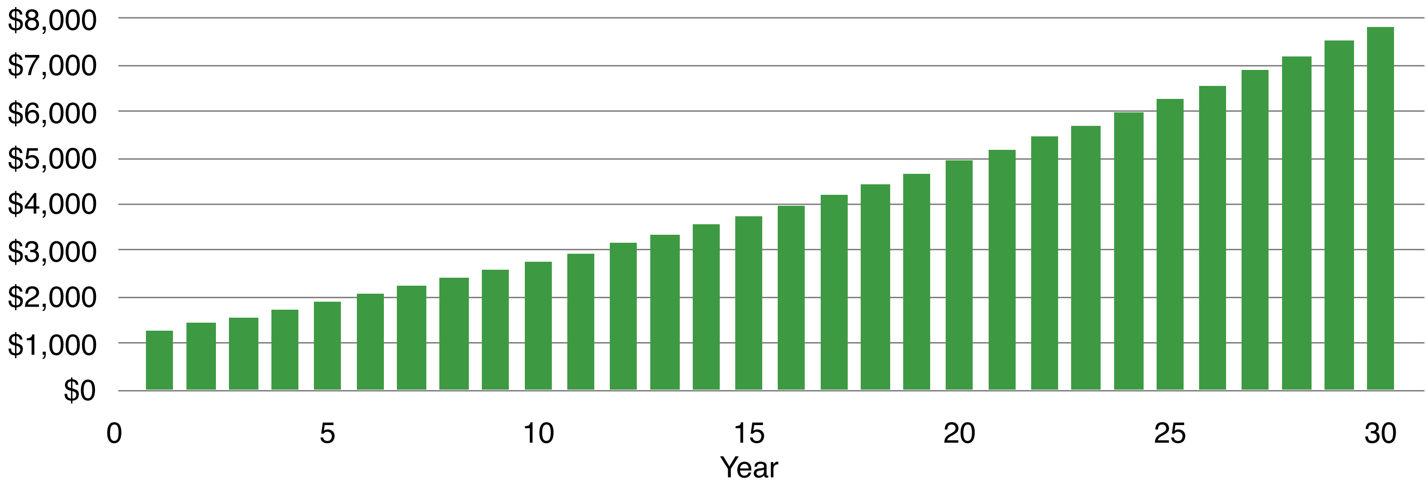
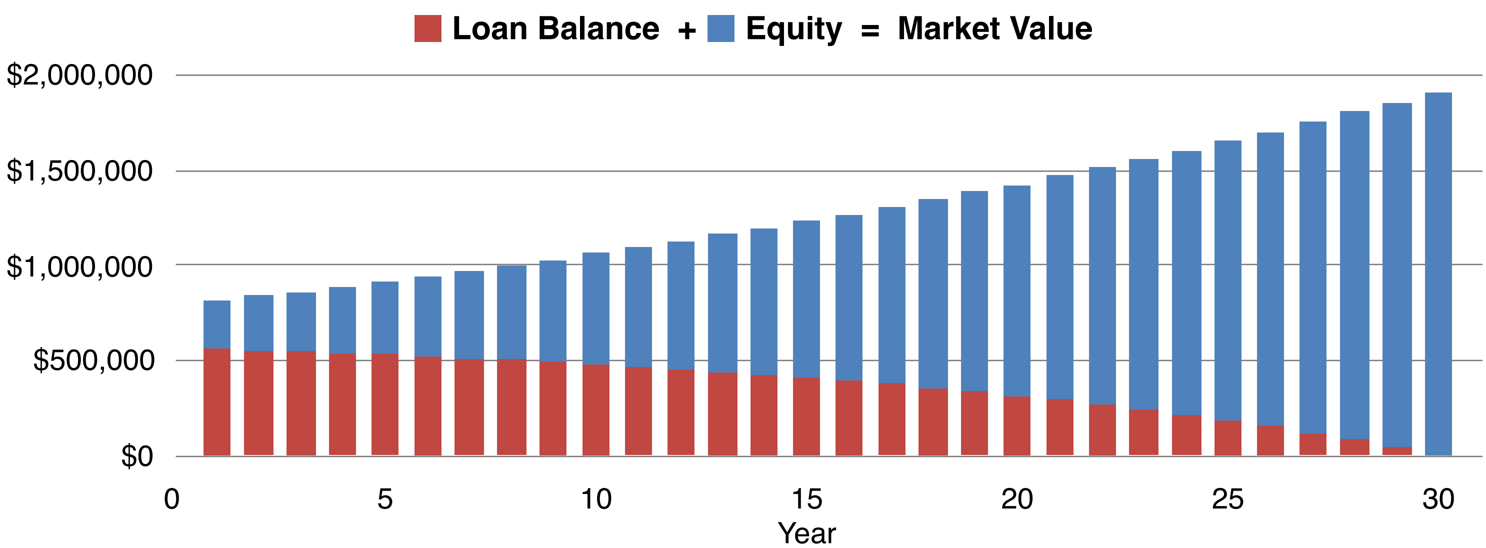
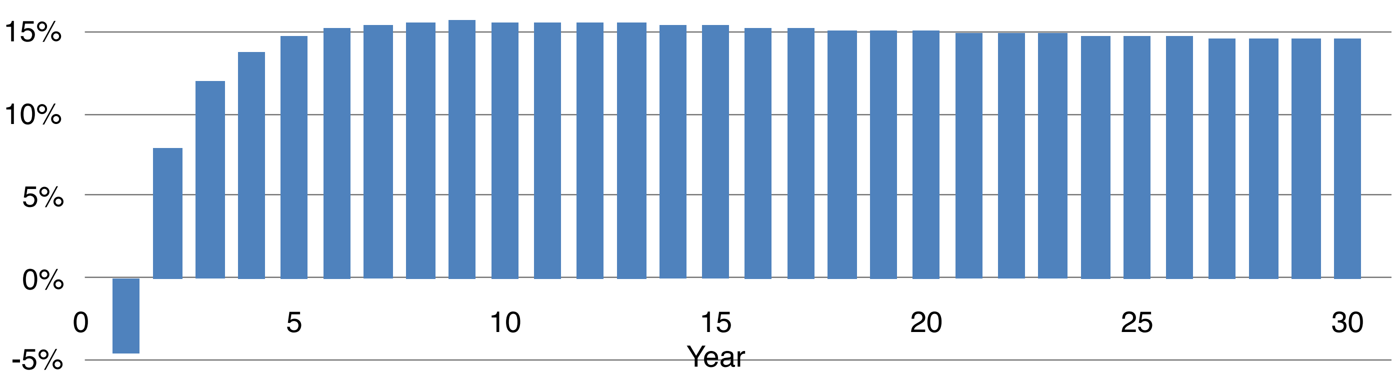
Monthly Cash Flow





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	$2,100 Per Month
Unit #2	1,406	1	$2,100 Per Month
Unit #3	1,406	1	$2,100 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)	**$6,300 Per Month, $75,600 Per Year**

Itemized Closing Costs

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Buying Costs	
Loan Origination Fee	$5,625
Title Insurance	$0
Interest Reserves	$22,500
Loan Processing & Underwriting	$900
Title Costs	$2,487
Course of Construction Insurance	$2,400
HOA Initial Reinvestment Fee	$1,200
Inspections	$1,000
Other Lender Fees	$1,000
Total	**$37,112**

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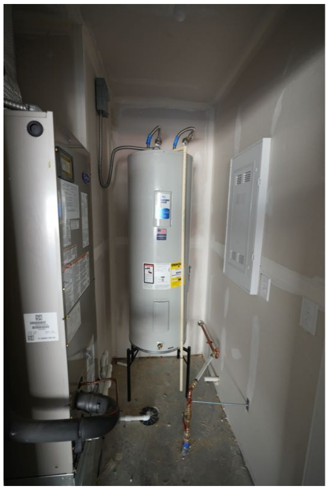

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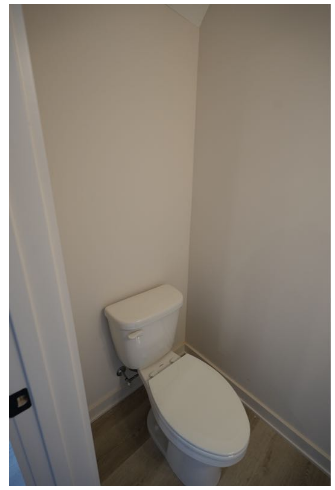

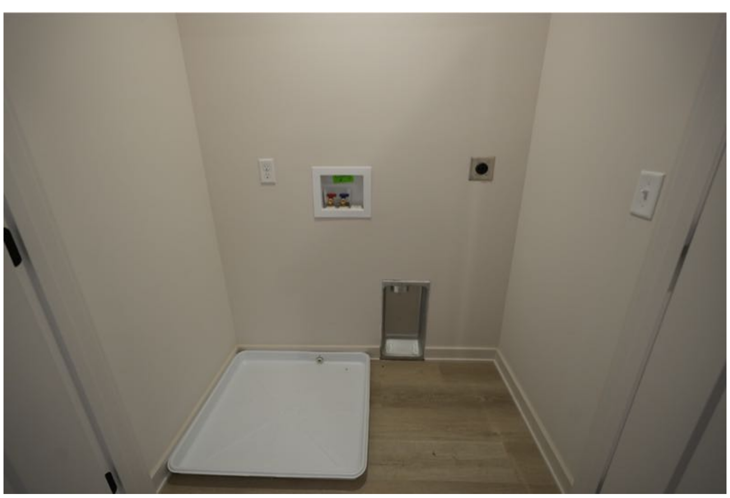

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