

406 W. 6th St. Anderson IN 46016

Investment Property - Buy & Hold

406 W 6th St., Anderson, IN 46016

House · 3 Beds · 1.5 Baths · 1,148 Sq.Ft.

Rehab is complete and ready to be rented!

\$ 134,900 Purchase Price · \$ 144,900 ARV

\$ 35,074 Cash Needed · \$ 417/mo Cash Flow · 9.1% Cap Rate · 14.3% COC

Prepared by:



The Homeboys



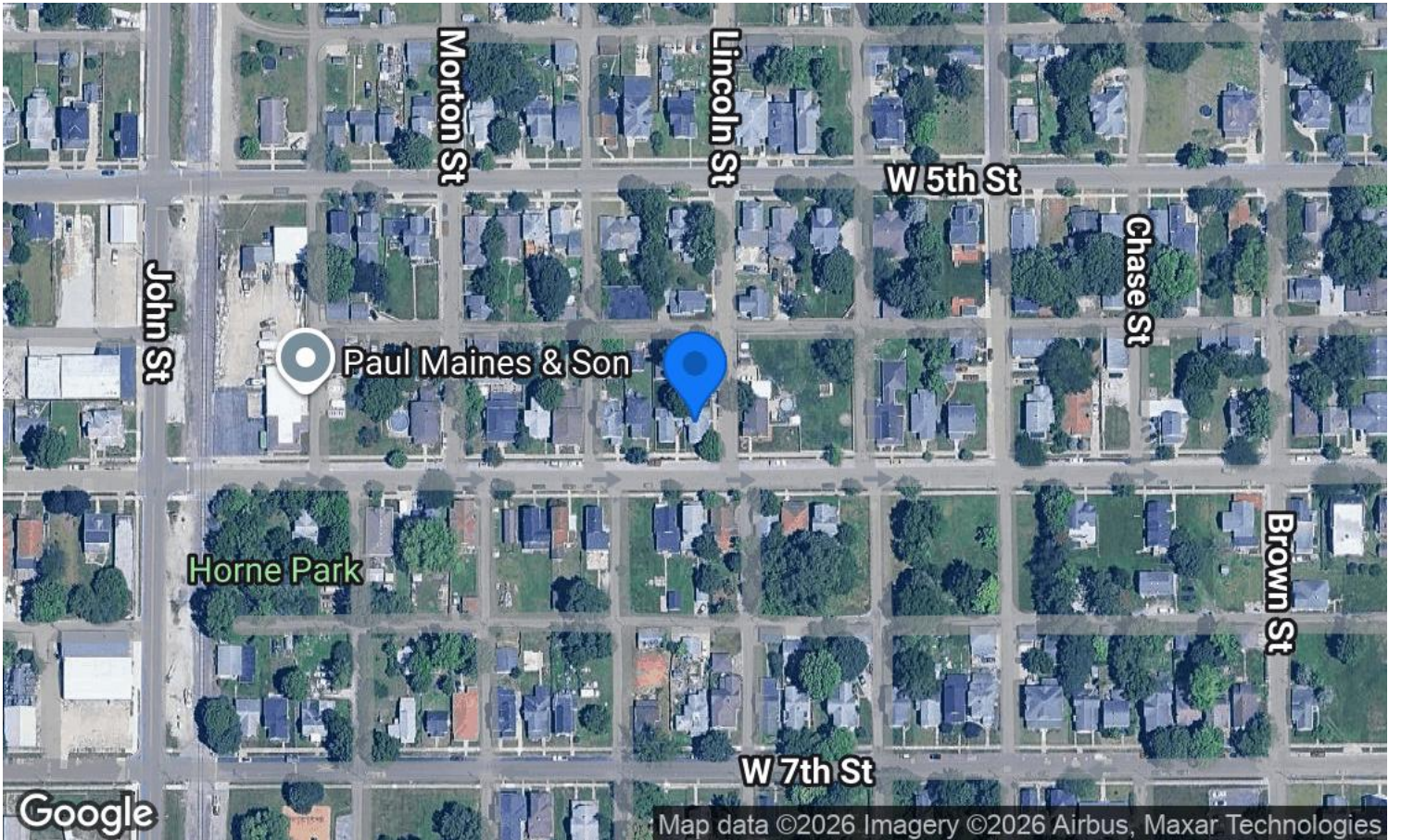
Property Description

ADDRESS

406 W 6th St.
Anderson, IN 46016

DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 1.5 BA
Square Footage:	1,148
Year Built:	1920
Parking:	On-Street
Lot Size:	5,662 sq.ft.



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		\$ 134,900
Amount Financed:	-	\$ 101,175
Down Payment:	=	\$ 33,725
Purchase Costs:	+	\$ 1,349
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 35,074
After Repair Value:		\$ 144,900
ARV Per Square Foot:		\$ 126.2
Price Per Square Foot:		\$ 117.5

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	9.1% / 8.5%
Cash on Cash Return:	14.3%
Return on Equity:	9.9%
Return on Investment:	33.2%
Internal Rate of Return:	33.2%
Rent to Value:	0.9%
Gross Rent Multiplier:	8.82
Equity Multiple:	1.33
Break Even Ratio:	64.3%
Debt Coverage Ratio:	1.69
Debt Yield:	12.1%

PURCHASE COSTS

Total (1% of Price):	\$ 1,349
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FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6%
Financing Of:	Price (75%)
Loan Amount:	\$ 101,175
LTC / LTV:	75% / 69.8%
Loan Payment:	\$ 607 Per Month \$ 7,279 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:	\$ 0

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:	\$ 1,275	\$ 15,300
Vacancy (3%):	- \$ 38	\$ 459
Other Income:	+ \$ 0	\$ 0
<hr/>		
Operating Income:	= \$ 1,237	\$ 14,841
Operating Expenses (17.2%):	- \$ 213	\$ 2,556
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Net Operating Income:	= \$ 1,024	\$ 12,285
Loan Payments:	- \$ 607	\$ 7,279
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Cash Flow:	= \$ 417	\$ 5,006

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

	Monthly	Yearly
OPERATING EXPENSES		
Property Taxes:	\$ 102	\$ 1,224
Insurance:	\$ 60	\$ 720
Maintenance:	\$ 51	\$ 612
Capital Expenditures:	\$ 0	\$ 0
HOA Fees:	\$ 0	\$ 0
Utilities:	\$ 0	\$ 0
Landscaping:	\$ 0	\$ 0
Accounting & Legal Fees:	\$ 0	\$ 0
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Total:	\$ 213	\$ 2,556

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:	\$ 15,300	\$ 15,912	\$ 16,548	\$ 17,899	\$ 21,777	\$ 32,235	\$ 47,715	
Vacancy:	- \$ 459	- \$ 477	- \$ 496	- \$ 537	- \$ 653	- \$ 967	- \$ 1,431	
Vacancy Rate:	3%	3%	3%	3%	3%	3%	3%	
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Operating Income:	= \$ 14,841	= \$ 15,435	= \$ 16,052	= \$ 17,362	= \$ 21,124	= \$ 31,268	= \$ 46,284	
Income Increase:	4%	4%	4%	4%	4%	4%	4%	
OPERATING EXPENSES								
Property Taxes:	\$ 1,224	\$ 1,248	\$ 1,273	\$ 1,325	\$ 1,463	\$ 1,783	\$ 2,174	
Insurance:	+ \$ 720	+ \$ 734	+ \$ 749	+ \$ 779	+ \$ 860	+ \$ 1,049	+ \$ 1,279	
Property Management:	N/A	+ \$ 1,543	+ \$ 1,605	+ \$ 1,736	+ \$ 2,112	+ \$ 3,127	+ \$ 4,628	
Maintenance:	+ \$ 612	+ \$ 636	+ \$ 662	+ \$ 716	+ \$ 871	+ \$ 1,289	+ \$ 1,909	
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:	= \$ 2,556	= \$ 4,161	= \$ 4,289	= \$ 4,556	= \$ 5,306	= \$ 7,248	= \$ 9,990	
Expense Increase:	2%	2%	2%	2%	2%	2%	2%	
CASH FLOW								
Operating Income:	\$ 14,841	\$ 15,435	\$ 16,052	\$ 17,362	\$ 21,124	\$ 31,268	\$ 46,284	
Operating Expenses:	- \$ 2,556	- \$ 4,161	- \$ 4,289	- \$ 4,556	- \$ 5,306	- \$ 7,248	- \$ 9,990	
Expense Ratio:	17.2%	27%	26.7%	26.2%	25.1%	23.2%	21.6%	
Net Operating Income:	= \$ 12,285	= \$ 11,274	= \$ 11,763	= \$ 12,806	= \$ 15,818	= \$ 24,020	= \$ 36,294	
Loan Payments:	- \$ 7,279	- \$ 7,279	- \$ 7,279	- \$ 7,279	- \$ 7,279	- \$ 7,279	- \$ 7,279	
Cash Flow:	= \$ 5,006	= \$ 3,995	= \$ 4,484	= \$ 5,527	= \$ 8,539	= \$ 16,741	= \$ 29,015	
TAX BENEFITS & DEDUCTIONS								
Operating Expenses:	\$ 2,556	\$ 4,161	\$ 4,289	\$ 4,556	\$ 5,306	\$ 7,248	\$ 9,990	
Loan Interest:	+ \$ 6,037	+ \$ 5,960	+ \$ 5,879	+ \$ 5,701	+ \$ 5,150	+ \$ 3,405	+ \$ 231	
Depreciation:	+ \$ 4,955	+ \$ 4,955	+ \$ 4,955	+ \$ 4,955	+ \$ 4,955	+ \$ 4,955	+ \$ 0	
Total Deductions:	= \$ 13,547	= \$ 15,076	= \$ 15,122	= \$ 15,211	= \$ 15,410	= \$ 15,608	= \$ 10,221	
EQUITY ACCUMULATION								

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Property Value:	\$ 150,696	\$ 156,724	\$ 162,993	\$ 176,293	\$ 214,487	\$ 317,494	\$ 469,968
Appreciation:	4%	4%	4%	4%	4%	4%	4%
Loan Balance:	- \$ 99,933	- \$ 98,613	- \$ 97,213	- \$ 94,148	- \$ 84,669	- \$ 54,638	- \$ 0
LTV Ratio:	66.3%	62.9%	59.6%	53.4%	39.5%	17.2%	-
Total Equity:	= \$ 50,763	= \$ 58,111	= \$ 65,780	= \$ 82,145	= \$ 129,818	= \$ 262,856	= \$ 469,968

SALE ANALYSIS

Equity:	\$ 50,763	\$ 58,111	\$ 65,780	\$ 82,145	\$ 129,818	\$ 262,856	\$ 469,968
Selling Costs (6%):	- \$ 9,042	- \$ 9,403	- \$ 9,780	- \$ 10,578	- \$ 12,869	- \$ 19,050	- \$ 28,198
Green Proceeds:	= \$ 41,722	= \$ 48,707	= \$ 56,000	= \$ 71,568	= \$ 116,949	= \$ 243,806	= \$ 441,770
Cumulative Cash Flow:	+ \$ 5,006	+ \$ 9,001	+ \$ 13,485	+ \$ 24,007	+ \$ 60,430	+ \$ 188,197	+ \$ 419,056
Total Cash Invested:	- \$ 35,074	- \$ 35,074	- \$ 35,074	- \$ 35,074	- \$ 35,074	- \$ 35,074	- \$ 35,074
Total Profit:	= \$ 11,654	= \$ 22,634	= \$ 34,411	= \$ 60,501	= \$ 142,305	= \$ 396,929	= \$ 825,752

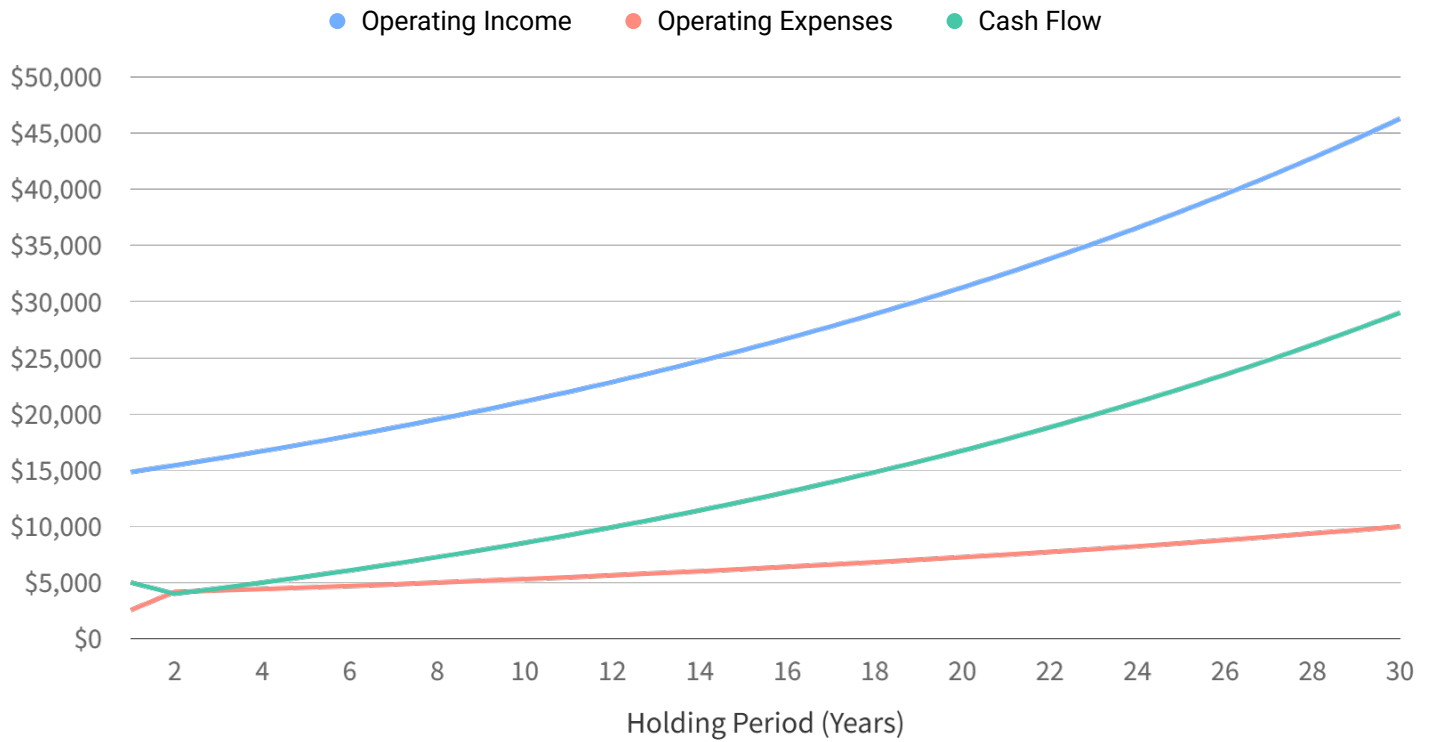
INVESTMENT RETURNS

Cap Rate (Purchase Price):	9.1%	8.4%	8.7%	9.5%	11.7%	17.8%	26.9%
Cap Rate (Market Value):	8.2%	7.2%	7.2%	7.3%	7.4%	7.6%	7.7%
Cash on Cash Return:	14.3%	11.4%	12.8%	15.8%	24.3%	47.7%	82.7%
Return on Equity:	9.9%	6.9%	6.8%	6.7%	6.6%	6.4%	6.2%
Return on Investment:	33.2%	64.5%	98.1%	172.5%	405.7%	1,131.7%	2,354.3%
Internal Rate of Return:	33.2%	29.9%	28.2%	25.9%	23%	20.7%	19.9%

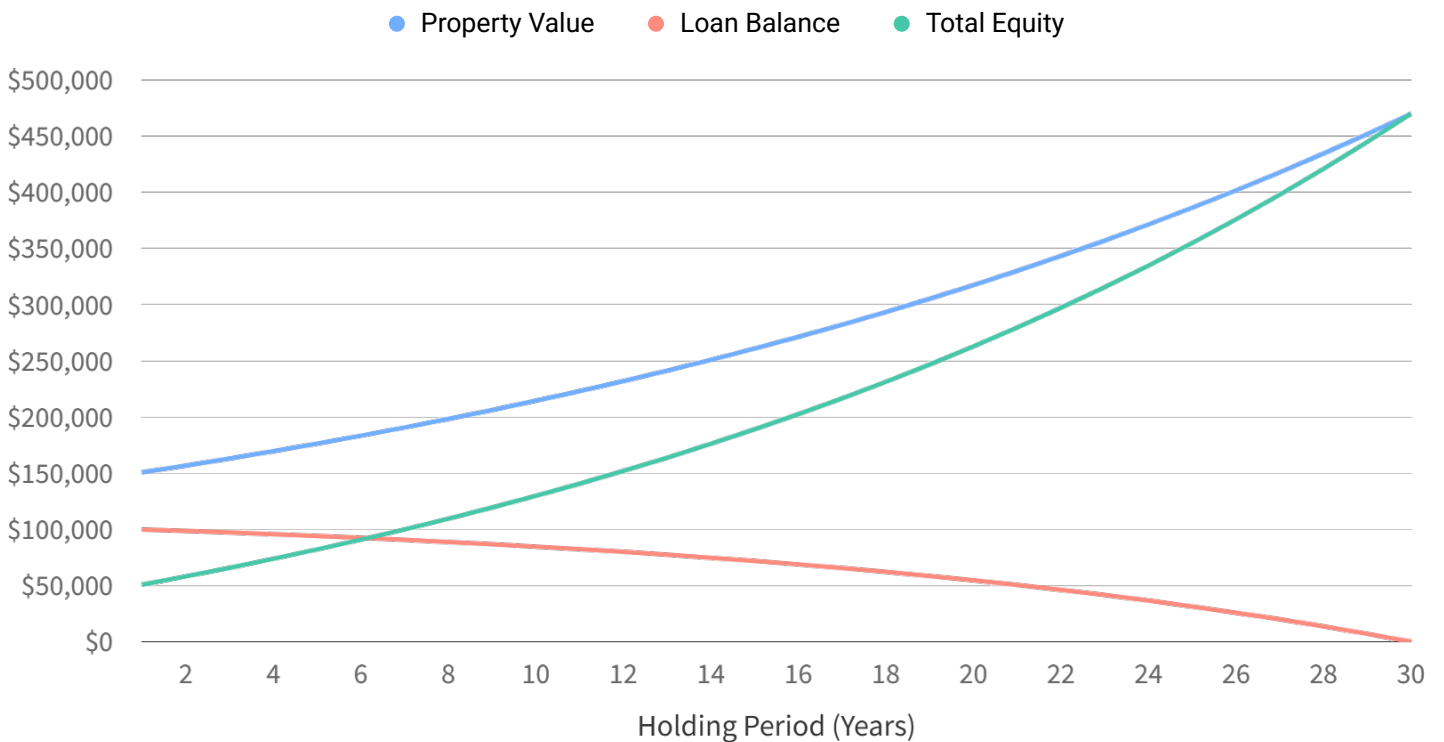
FINANCIAL RATIOS

Rent to Value:	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Gross Rent Multiplier:	9.85	9.85	9.85	9.85	9.85	9.85	9.85
Equity Multiple:	1.33	1.65	1.98	2.72	5.06	12.32	24.54
Break Even Ratio:	64.3%	71.9%	69.9%	66.1%	57.8%	45.1%	36.2%
Debt Coverage Ratio:	1.69	1.55	1.62	1.76	2.17	3.3	4.99
Debt Yield:	12.3%	11.4%	12.1%	13.6%	18.7%	44%	-

Cash Flow Over Time



Equity Over Time



Recent Comparable Rental Listings

Average Listed Rent

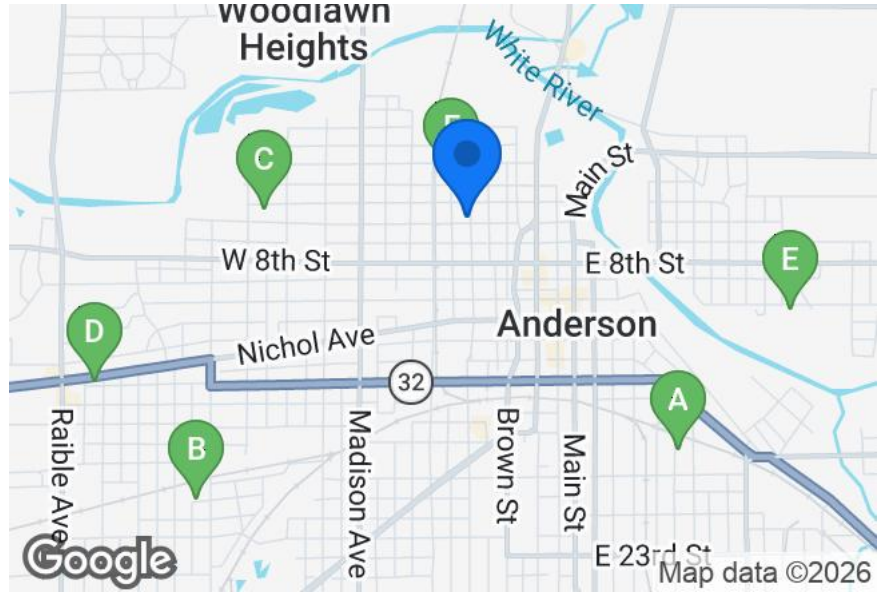
\$ 1,260 (\$ 1.10/sq.ft.)

\$ 1,200 - \$ 1,300

\$ 0.97/sq.ft. - \$ 1.24/sq.ft.

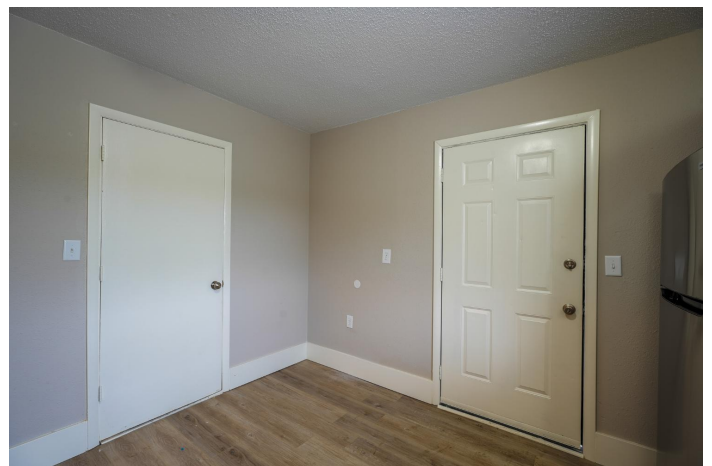
Estimated Property Rent Based on Average Rent/Sq.Ft.

\$ 1,270



Property	Distance	Similarity	Type	Beds	Baths	Sq.Ft.	Listed Rent	Last Seen
● 406 W 6th St. Anderson, IN 46016	0 mi	100%	House Built 1920	3	1.5	1,148	-	-
A 1728 Noble St Anderson, IN 46016	1.07 mi	94.9%	House Built 1928	3	1	1,098	\$ 1,300 \$ 1.18/sq.ft.	01/21/2026 85 Days Ago
B 1728 W 20th St Anderson, IN 46016	1.33 mi	94.6%	House	3	1	1,100	\$ 1,290 \$ 1.17/sq.ft.	02/11/2026 64 Days Ago
C 1433 W 5th St Anderson, IN 46016	0.69 mi	94.4%	House Built 1900	3	1	1,045	\$ 1,299 \$ 1.24/sq.ft.	02/16/2026 59 Days Ago
D 2309 Nichol Ave Anderson, IN 46016	1.38 mi	94.3%	House Built 1924	3	1	1,092	\$ 1,200 \$ 1.10/sq.ft.	10/25/2025 173 Days Ago
E 1221 E 10th St Anderson, IN 46012	1.14 mi	94.1%	House	3	1	1,238	\$ 1,200 \$ 0.97/sq.ft.	01/23/2026 83 Days Ago
F 434 W 4th St Anderson, IN 46016	0.15 mi	93.8%	House	3	1	1,345	\$ 1,300 \$ 0.97/sq.ft.	07/29/2025 261 Days Ago

Property Photos







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