231 Jackson St

Investment Property - Buy & Hold

231 Jackson St, Anderson, IN 46016

House · 3 Beds · 1 Baths · 1,510 Sq.Ft.

$ 134,900 Purchase Price · **$ 134,900** ARV

$ 35,074 Cash Needed · **$ 393/mo** Cash Flow · **9.2%** Cap Rate · **13.5%** COC

Prepared by:

The Homeboys

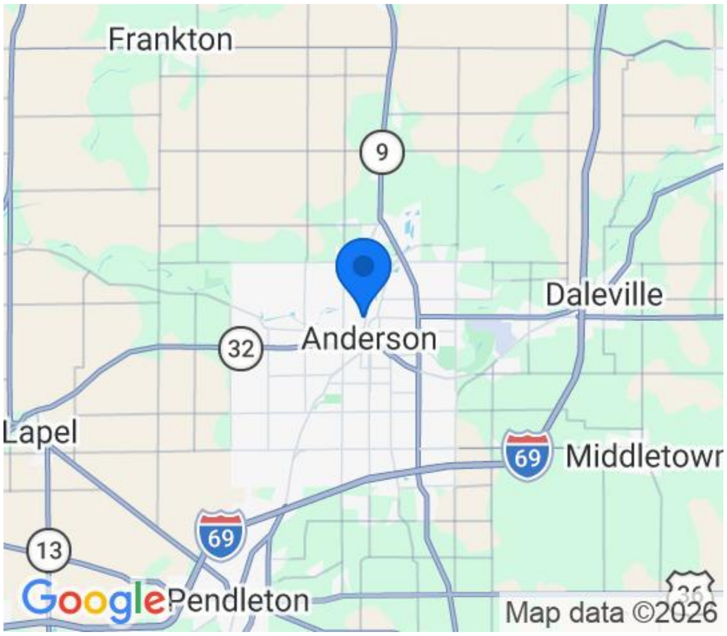
Property Description

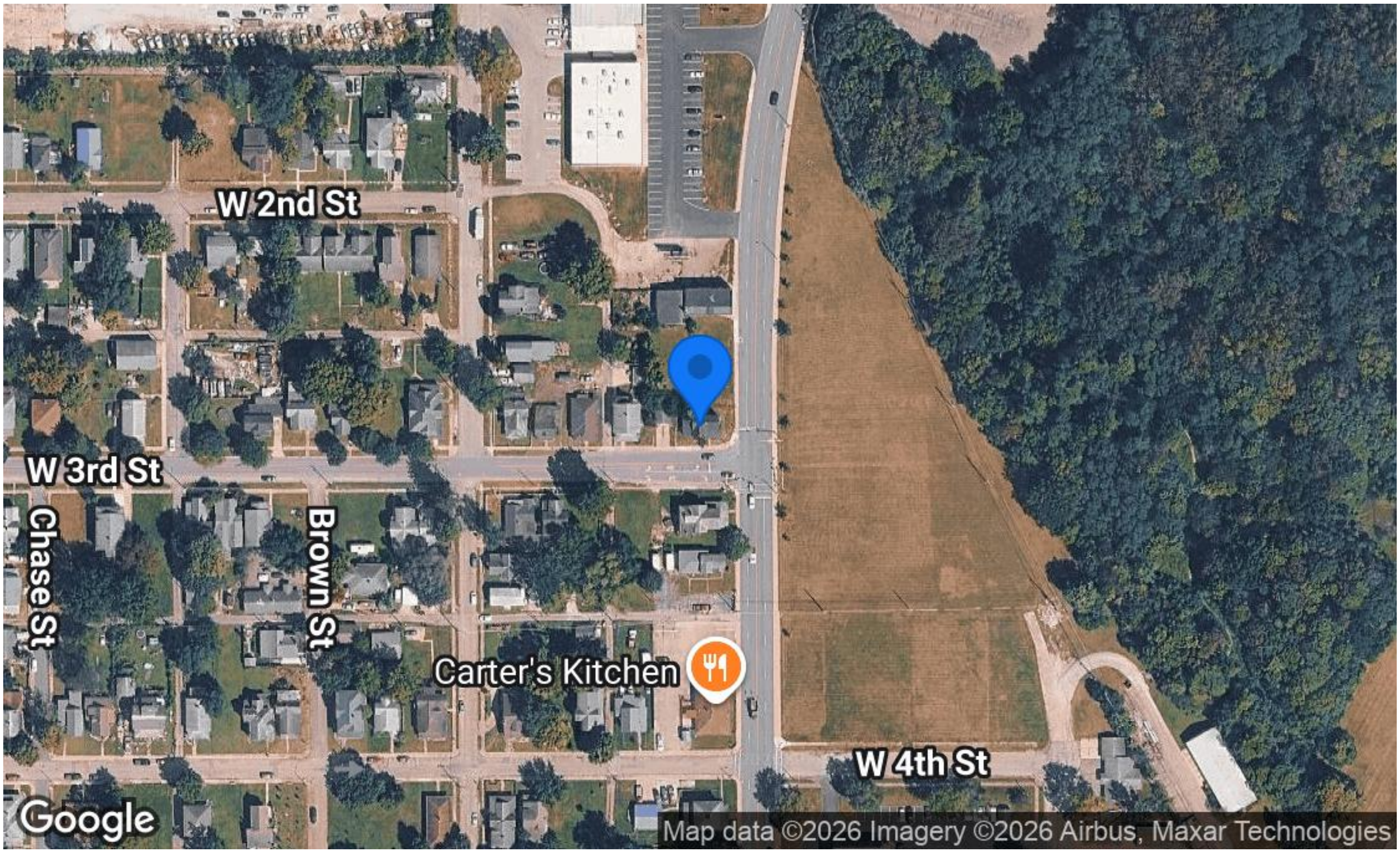
ADDRESS

231 Jackson St
Anderson, IN 46016

DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 1 BA
Square Footage:	1,510
Year Built:	1890
Parking:	Garage
Lot Size:	6,970 sq.ft.
Zoning:	Single Family Residential
MLS Number:	22096369





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:		$ 134,900
ARV Per Square Foot:		$ 89.3
Price Per Square Foot:		$ 89.3

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6.5%
Financing Of:	Price (75%)
Loan Amount:	$ 101,175
LTC / LTV:	75% / 75%
Loan Payment:	$ 639 Per Month
	$ 7,674 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	9.2% / 9.2%
Cash on Cash Return:	13.5%
Return on Equity:	11.7%
Return on Investment:	4.2%
Internal Rate of Return:	4.2%
Rent to Value:	0.9%
Gross Rent Multiplier:	8.99
Equity Multiple:	1.04
Break Even Ratio:	65.5%
Debt Coverage Ratio:	1.62
Debt Yield:	12.3%

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:	$ 8,000

PURCHASE COSTS

Total (1% of Price):	**$ 1,349**

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:		$ 1,250	$ 15,000
Vacancy (3%):	-	$ 38	$ 450
Other Income:	+	$ 0	$ 0
Operating Income:	=	$ 1,212	$ 14,550
Operating Expenses (14.8%):	-	$ 179	$ 2,150
Net Operating Income:	=	$ 1,033	$ 12,400
Loan Payments:	-	$ 639	$ 7,674
Cash Flow:	**=**	**$ 394**	**$ 4,726**

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

	Monthly	Yearly
OPERATING EXPENSES		
Property Taxes:	$ 83	$ 1,000
Insurance:	$ 46	$ 550
Maintenance:	$ 50	$ 600
Capital Expenditures:	$ 0	$ 0
HOA Fees:	$ 0	$ 0
Utilities:	$ 0	$ 0
Landscaping:	$ 0	$ 0
Accounting & Legal Fees:	$ 0	$ 0
Total:	**$ 179**	**$ 2,150**

Buy & Hold Projections

APPRECIATION	INCOME INCREASE	EXPENSE INCREASES	SELLING COSTS
4% Per Year	4% Per Year	2% Per Year	6% of Price

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
RENTAL INCOME							
Gross Rent:	$ 15,000	$ 15,600	$ 16,224	$ 17,548	$ 21,350	$ 31,603	$ 46,780
Vacancy:	- $ 450	- $ 468	- $ 487	- $ 526	- $ 641	- $ 948	- $ 1,403
Vacancy Rate:	3%	3%	3%	3%	3%	3%	3%
Other Income:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Operating Income:	**= $ 14,550**	**= $ 15,132**	**= $ 15,737**	**= $ 17,022**	**= $ 20,709**	**= $ 30,655**	**= $ 45,377**
Income Increase:	4%	4%	4%	4%	4%	4%	4%
OPERATING EXPENSES							
Property Taxes:	$ 1,000	$ 1,020	$ 1,040	$ 1,082	$ 1,195	$ 1,457	$ 1,776
Insurance:	+ $ 550	+ $ 561	+ $ 572	+ $ 595	+ $ 657	+ $ 801	+ $ 977
Property Management:	N/A	+ $ 1,513	+ $ 1,574	+ $ 1,702	+ $ 2,071	+ $ 3,065	+ $ 4,538
Maintenance:	+ $ 600	+ $ 624	+ $ 649	+ $ 702	+ $ 854	+ $ 1,264	+ $ 1,871
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:	**= $ 2,150**	**= $ 3,718**	**= $ 3,835**	**= $ 4,081**	**= $ 4,777**	**= $ 6,587**	**= $ 9,162**
Expense Increase:	2%	2%	2%	2%	2%	2%	2%
CASH FLOW							
Operating Income:	$ 14,550	$ 15,132	$ 15,737	$ 17,022	$ 20,709	$ 30,655	$ 45,377
Operating Expenses:	- $ 2,150	- $ 3,718	- $ 3,835	- $ 4,081	- $ 4,777	- $ 6,587	- $ 9,162
Expense Ratio:	14.8%	24.6%	24.4%	24%	23.1%	21.5%	20.2%
Net Operating Income:	= $ 12,400	= $ 11,414	= $ 11,902	= $ 12,941	= $ 15,932	= $ 24,068	= $ 36,215
Loan Payments:	- $ 7,674	- $ 7,674	- $ 7,674	- $ 7,674	- $ 7,674	- $ 7,674	- $ 7,674
Cash Flow:	**= $ 4,726**	**= $ 3,740**	**= $ 4,228**	**= $ 5,267**	**= $ 8,258**	**= $ 16,394**	**= $ 28,541**
TAX BENEFITS & DEDUCTIONS							
Operating Expenses:	$ 2,150	$ 3,718	$ 3,835	$ 4,081	$ 4,777	$ 6,587	$ 9,162
Loan Interest:	+ $ 6,543	+ $ 6,467	+ $ 6,387	+ $ 6,208	+ $ 5,647	+ $ 3,799	+ $ 263
Depreciation:	+ $ 4,664	+ $ 4,664	+ $ 4,664	+ $ 4,664	+ $ 4,664	+ $ 4,664	+ $ 0
Total Deductions:	**= $ 13,357**	**= $ 14,849**	**= $ 14,885**	**= $ 14,953**	**= $ 15,088**	**= $ 15,049**	**= $ 9,425**

EQUITY ACCUMULATION

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Property Value:	$ 140,296	$ 145,908	$ 151,744	$ 164,126	$ 199,685	$ 295,583	$ 437,534
Appreciation:	4%	4%	4%	4%	4%	4%	4%
Loan Balance:	- $ 100,044	- $ 98,838	- $ 97,550	- $ 94,711	- $ 85,772	- $ 56,319	- $ 0
LTV Ratio:	71.3%	67.7%	64.3%	57.7%	43%	19.1%	-
Total Equity:	**= $ 40,252**	**= $ 47,070**	**= $ 54,194**	**= $ 69,415**	**= $ 113,913**	**= $ 239,264**	**= $ 437,534**

SALE ANALYSIS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity:	$ 40,252	$ 47,070	$ 54,194	$ 69,415	$ 113,913	$ 239,264	$ 437,534
Selling Costs (6%):	- $ 8,418	- $ 8,754	- $ 9,105	- $ 9,848	- $ 11,981	- $ 17,735	- $ 26,252
Sale Proceeds:	= $ 31,834	= $ 38,316	= $ 45,089	= $ 59,568	= $ 101,932	= $ 221,529	= $ 411,282
Cumulative Cash Flow:	+ $ 4,726	+ $ 8,466	+ $ 12,694	+ $ 22,697	+ $ 57,762	+ $ 182,394	+ $ 409,141
Total Cash Invested:	- $ 35,074	- $ 35,074	- $ 35,074	- $ 35,074	- $ 35,074	- $ 35,074	- $ 35,074
Total Profit:	**= $ 1,486**	**= $ 11,708**	**= $ 22,709**	**= $ 47,191**	**= $ 124,620**	**= $ 368,849**	**= $ 785,349**

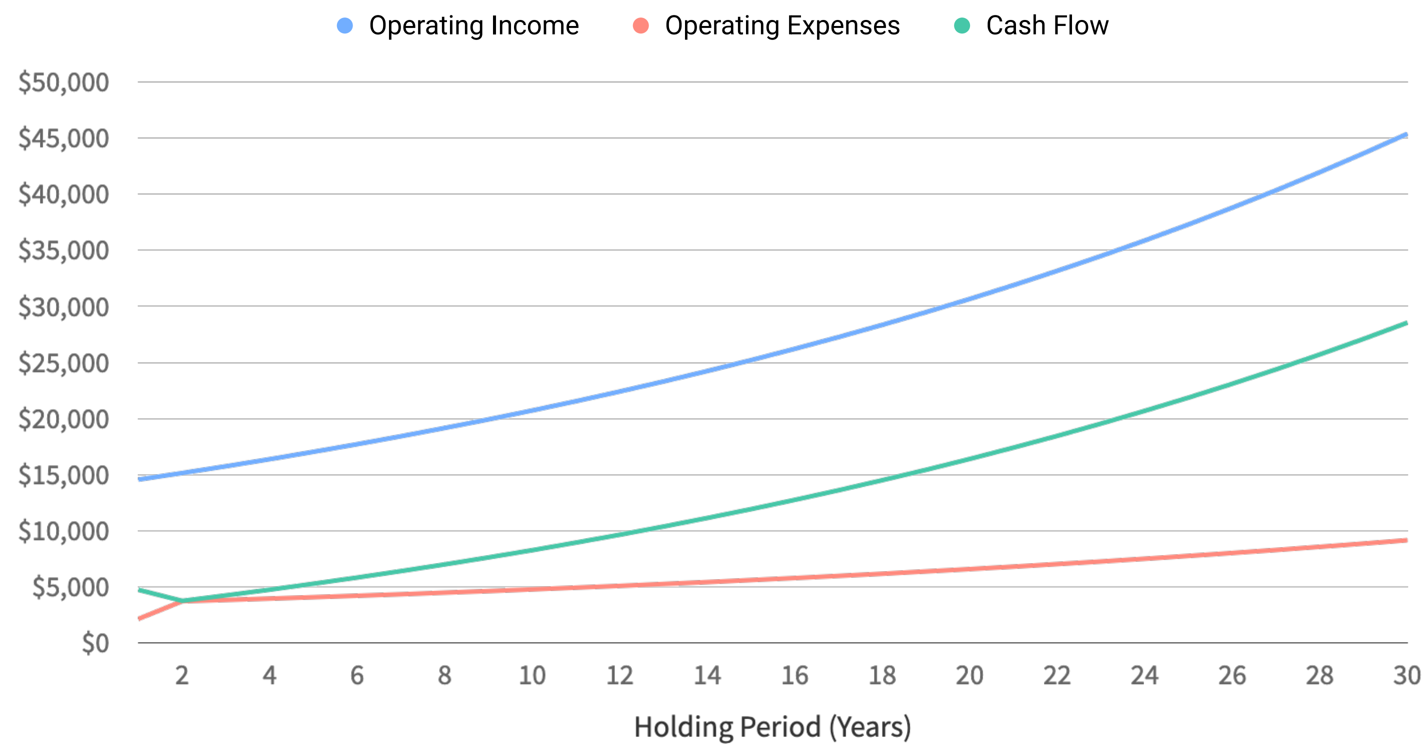
INVESTMENT RETURNS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cap Rate (Purchase Price):	9.2%	8.5%	8.8%	9.6%	11.8%	17.8%	26.8%
Cap Rate (Market Value):	8.8%	7.8%	7.8%	7.9%	8%	8.1%	8.3%
Cash on Cash Return:	13.5%	10.7%	12.1%	15%	23.5%	46.7%	81.4%
Return on Equity:	11.7%	7.9%	7.8%	7.6%	7.2%	6.9%	6.5%
Return on Investment:	4.2%	33.4%	64.7%	134.5%	355.3%	1,051.6%	2,239.1%
Internal Rate of Return:	4.2%	16.4%	20%	21.8%	21.4%	20%	19.3%

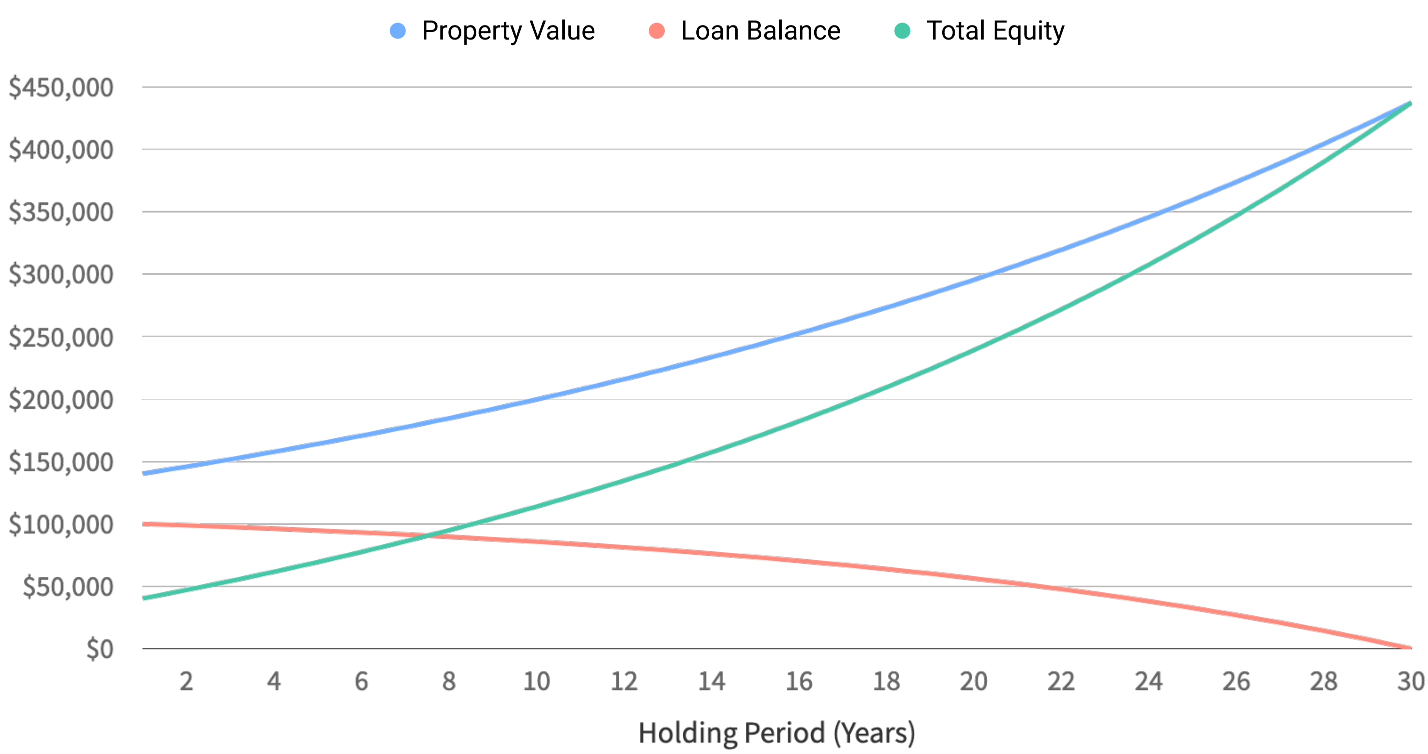
FINANCIAL RATIOS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Rent to Value:	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
Gross Rent Multiplier:	9.35	9.35	9.35	9.35	9.35	9.35	9.35
Equity Multiple:	1.04	1.33	1.65	2.35	4.55	11.52	23.39
Break Even Ratio:	65.5%	73%	70.9%	67%	58.3%	45.1%	36%
Debt Coverage Ratio:	1.62	1.49	1.55	1.69	2.08	3.14	4.72
Debt Yield:	12.4%	11.5%	12.2%	13.7%	18.6%	42.7%	-

Cash Flow Over Time



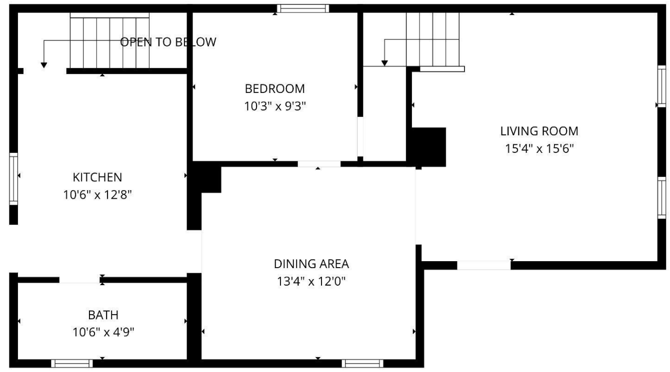
Equity Over Time

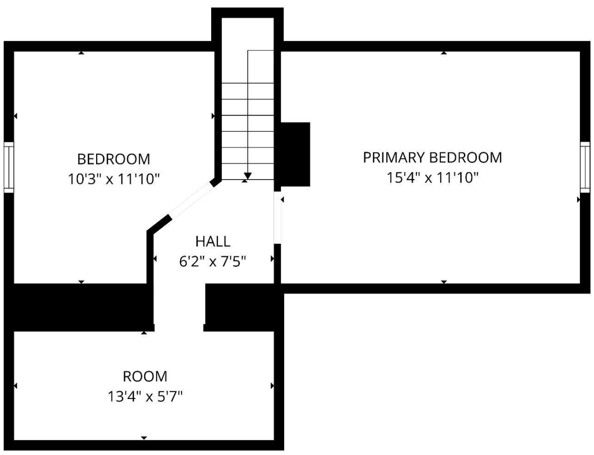


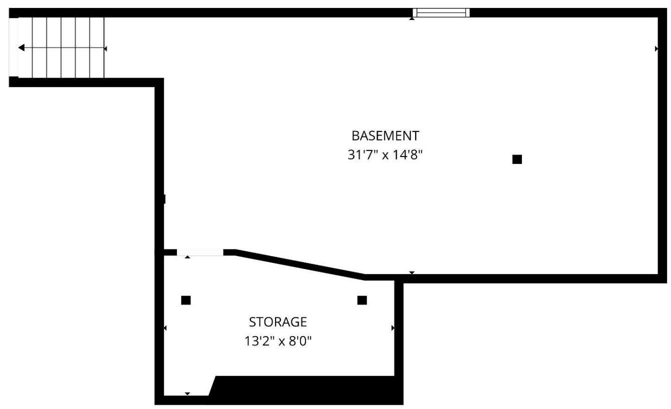
Property Photos







OPEN TO BELOW
BEDROOM
10'3" x 9'3"
LIVING ROOM
15'4" x 15'6"
KITCHEN
10'6" x 12'8"
DINING AREA
13'4" x 12'0"
BATH
10'6" x 4'9"


BEDROOM
10'3" x 11'10"
PRIMARY BEDROOM
15'4" x 11'10"
HALL
6'2" x 7'5"
ROOM
13'4" x 5'7"


BASEMENT
31'7" x 14'8"
STORAGE
13'2" x 8'0"

Additional Information

Nicely renovated 3/1 with detached garage and basement storage! Several recent updates include new roof, gutters, siding and windows. Interior has all new flooring, fresh paint, updated mechanicals and new fixtures throughout. Move-in ready and waiting for its new owner! Come see today

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