1807 Walton St

Investment Property - Buy & Hold

1807 Walton St, Anderson, IN 46016
House · 2 Beds · 1 Baths · 952 Sq.Ft.

$ 124,900 Purchase Price · **$ 129,900** ARV
$ 32,474 Cash Needed · **$ 283/mo** Cash Flow · **8.4%** Cap Rate · **10.5%** COC

Prepared by:

The Homeboys

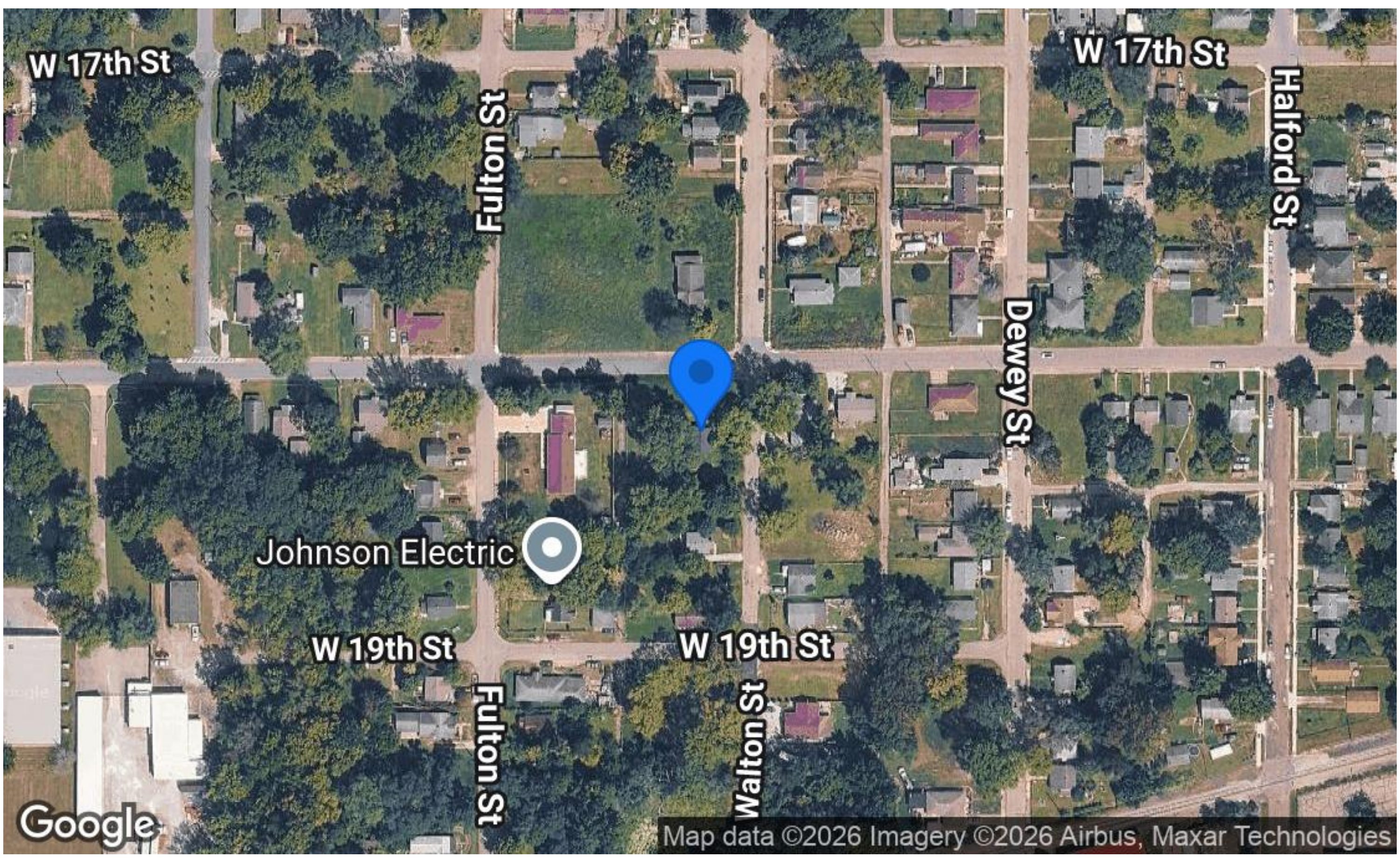
Property Description

ADDRESS

1807 Walton St
Anderson, IN 46016

DESCRIPTION

Property Type:	House
Beds / Baths:	2 BR / 1 BA
Square Footage:	952
Year Built:	1917
Parking:	Garage
Lot Size:	5,663 sq.ft.
Zoning:	Single Family Residential
MLS Number:	22088645



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		$ 124,900
Amount Financed:	-	$ 93,675
Down Payment:	=	$ 31,225
Purchase Costs:	+	$ 1,249
Rehab Costs:	+	$ 0
Total Cash Needed:	=	**$ 32,474**
After Repair Value:		$ 129,900
ARV Per Square Foot:		$ 136.4
Price Per Square Foot:		$ 131.2

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6.5%
Financing Of:	Price (75%)
Loan Amount:	$ 93,675
LTC / LTV:	75% / 72.1%
Loan Payment:	$ 592 Per Month $ 7,105 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	8.4% / 8.1%
Cash on Cash Return:	10.5%
Return on Equity:	8.3%
Return on Investment:	12.5%
Internal Rate of Return:	12.5%
Rent to Value:	0.8%
Gross Rent Multiplier:	9.91
Equity Multiple:	1.13
Break Even Ratio:	70%
Debt Coverage Ratio:	1.48
Debt Yield:	11.2%

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	10%
Vacancy Rate:	3%
Appreciation:	3% 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:	$ 2,100

PURCHASE COSTS

Total (1% of Price):	**$ 1,249**

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:		$ 1,050	$ 12,600
Vacancy (3%):	-	$ 32	$ 378
Other Income:	+	$ 0	$ 0
Operating Income:	=	$ 1,018	$ 12,222
Operating Expenses (14%):	-	$ 142	$ 1,709
Net Operating Income:	=	$ 876	$ 10,513
Loan Payments:	-	$ 592	$ 7,105
Cash Flow:	**=**	**$ 284**	**$ 3,408**

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

	Monthly	Yearly
OPERATING EXPENSES		
Property Taxes:	$ 46	$ 555
Insurance:	$ 54	$ 650
Maintenance:	$ 42	$ 504
Capital Expenditures:	$ 0	$ 0
HOA Fees:	$ 0	$ 0
Utilities:	$ 0	$ 0
Landscaping:	$ 0	$ 0
Accounting & Legal Fees:	$ 0	$ 0
Total:	**$ 142**	**$ 1,709**

Buy & Hold Projections

APPRECIATION	INCOME INCREASE	EXPENSE INCREASES	SELLING COSTS
3% 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:	$ 12,600	$ 13,104	$ 13,628	$ 14,740	$ 17,934	$ 26,546	$ 39,295
Vacancy:	- $ 378	- $ 393	- $ 409	- $ 442	- $ 538	- $ 796	- $ 1,179
Vacancy Rate:	3%	3%	3%	3%	3%	3%	3%
Other Income:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Operating Income:	**= $ 12,222**	**= $ 12,711**	**= $ 13,219**	**= $ 14,298**	**= $ 17,396**	**= $ 25,750**	**= $ 38,116**
Income Increase:	4%	4%	4%	4%	4%	4%	4%
OPERATING EXPENSES							
Property Taxes:	$ 555	$ 566	$ 577	$ 601	$ 663	$ 809	$ 986
Insurance:	+ $ 650	+ $ 663	+ $ 676	+ $ 704	+ $ 777	+ $ 947	+ $ 1,154
Property Management:	N/A	+ $ 1,271	+ $ 1,322	+ $ 1,430	+ $ 1,740	+ $ 2,575	+ $ 3,812
Maintenance:	+ $ 504	+ $ 524	+ $ 545	+ $ 590	+ $ 717	+ $ 1,062	+ $ 1,572
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:	**= $ 1,709**	**= $ 3,024**	**= $ 3,120**	**= $ 3,325**	**= $ 3,897**	**= $ 5,393**	**= $ 7,524**
Expense Increase:	2%	2%	2%	2%	2%	2%	2%
CASH FLOW							
Operating Income:	$ 12,222	$ 12,711	$ 13,219	$ 14,298	$ 17,396	$ 25,750	$ 38,116
Operating Expenses:	- $ 1,709	- $ 3,024	- $ 3,120	- $ 3,325	- $ 3,897	- $ 5,393	- $ 7,524
Expense Ratio:	14%	23.8%	23.6%	23.3%	22.4%	20.9%	19.7%
Net Operating Income:	= $ 10,513	= $ 9,687	= $ 10,099	= $ 10,973	= $ 13,499	= $ 20,357	= $ 30,592
Loan Payments:	- $ 7,105	- $ 7,105	- $ 7,105	- $ 7,105	- $ 7,105	- $ 7,105	- $ 7,105
Cash Flow:	**= $ 3,408**	**= $ 2,582**	**= $ 2,994**	**= $ 3,868**	**= $ 6,394**	**= $ 13,252**	**= $ 23,487**
TAX BENEFITS & DEDUCTIONS							
Operating Expenses:	$ 1,709	$ 3,024	$ 3,120	$ 3,325	$ 3,897	$ 5,393	$ 7,524
Loan Interest:	+ $ 6,058	+ $ 5,988	+ $ 5,913	+ $ 5,748	+ $ 5,229	+ $ 3,517	+ $ 244
Depreciation:	+ $ 4,511	+ $ 4,511	+ $ 4,511	+ $ 4,511	+ $ 4,511	+ $ 4,511	+ $ 0
Total Deductions:	**= $ 12,278**	**= $ 13,523**	**= $ 13,544**	**= $ 13,584**	**= $ 13,637**	**= $ 13,421**	**= $ 7,768**

EQUITY ACCUMULATION

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Property Value:	$ 133,797	$ 137,811	$ 141,945	$ 150,590	$ 174,575	$ 234,614	$ 315,301
Appreciation:	3%	3%	3%	3%	3%	3%	3%
Loan Balance:	- $ 92,628	- $ 91,511	- $ 90,319	- $ 87,690	- $ 79,414	- $ 52,144	- $ 0
LTV Ratio:	69.2%	66.4%	63.6%	58.2%	45.5%	22.2%	-
Total Equity:	**= $ 41,169**	**= $ 46,300**	**= $ 51,626**	**= $ 62,900**	**= $ 95,161**	**= $ 182,470**	**= $ 315,301**

SALE ANALYSIS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity:	$ 41,169	$ 46,300	$ 51,626	$ 62,900	$ 95,161	$ 182,470	$ 315,301
Selling Costs (6%):	- $ 8,028	- $ 8,269	- $ 8,517	- $ 9,035	- $ 10,475	- $ 14,077	- $ 18,918
Sale Proceeds:	= $ 33,141	= $ 38,032	= $ 43,109	= $ 53,865	= $ 84,686	= $ 168,393	= $ 296,383
Cumulative Cash Flow:	+ $ 3,408	+ $ 5,990	+ $ 8,984	+ $ 16,274	+ $ 42,991	+ $ 142,387	+ $ 327,842
Total Cash Invested:	- $ 32,474	- $ 32,474	- $ 32,474	- $ 32,474	- $ 32,474	- $ 32,474	- $ 32,474
Total Profit:	**= $ 4,075**	**= $ 11,548**	**= $ 19,619**	**= $ 37,665**	**= $ 95,203**	**= $ 278,306**	**= $ 591,751**

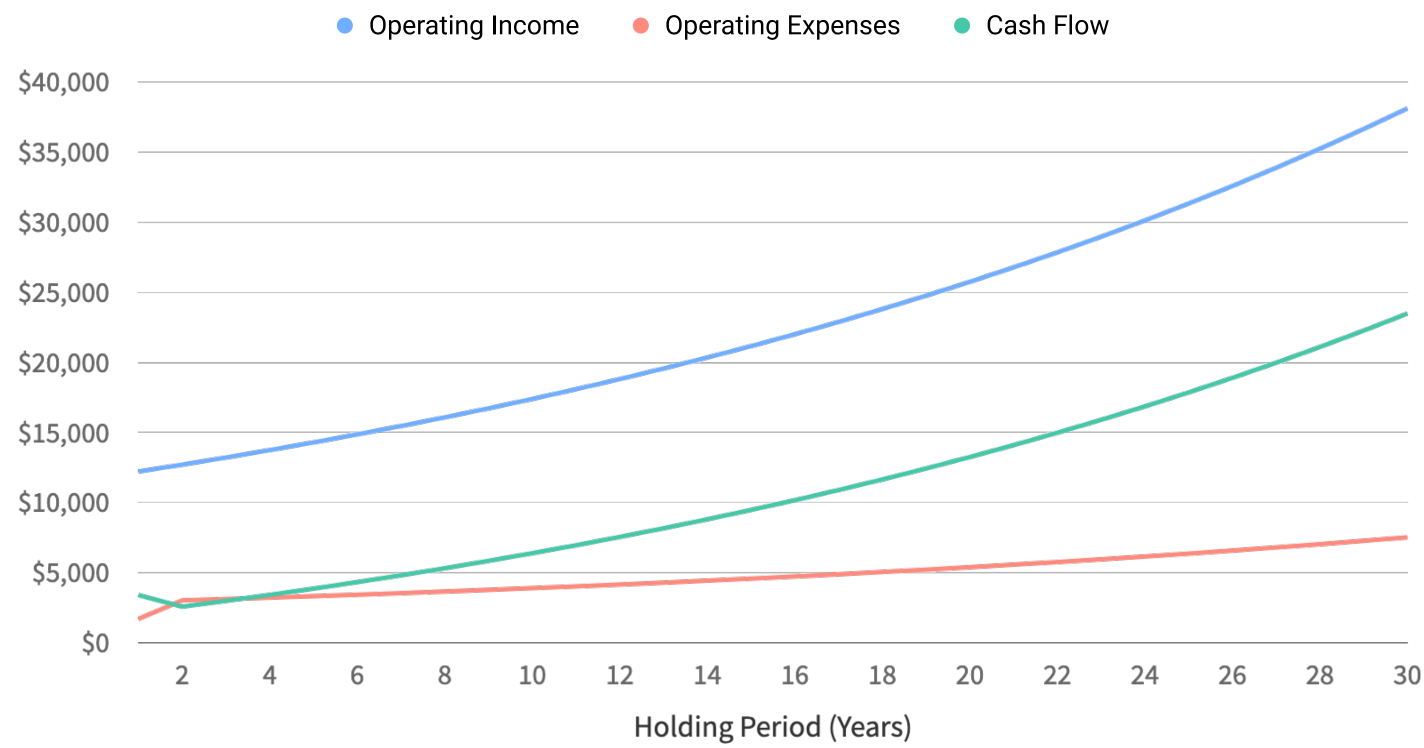
INVESTMENT RETURNS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cap Rate (Purchase Price):	8.4%	7.8%	8.1%	8.8%	10.8%	16.3%	24.5%
Cap Rate (Market Value):	7.9%	7%	7.1%	7.3%	7.7%	8.7%	9.7%
Cash on Cash Return:	10.5%	8%	9.2%	11.9%	19.7%	40.8%	72.3%
Return on Equity:	8.3%	5.6%	5.8%	6.1%	6.7%	7.3%	7.4%
Return on Investment:	12.5%	35.6%	60.4%	116%	293.2%	857%	1,822.2%
Internal Rate of Return:	12.5%	17.2%	18.4%	18.9%	18.4%	17.5%	17.1%

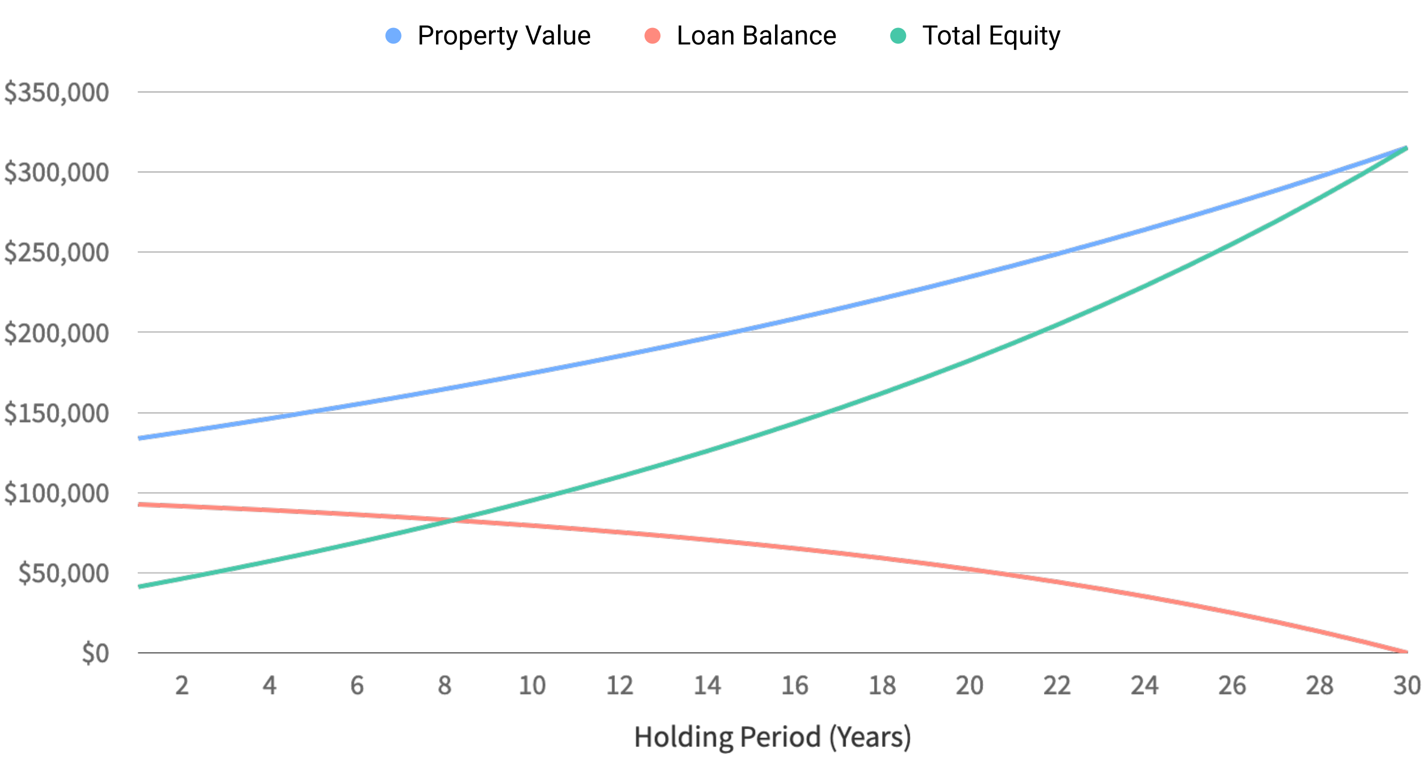
FINANCIAL RATIOS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Rent to Value:	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%	1%
Gross Rent Multiplier:	10.62	10.52	10.42	10.22	9.73	8.84	8.02
Equity Multiple:	1.13	1.36	1.6	2.16	3.93	9.57	19.22
Break Even Ratio:	70%	77.3%	75%	70.8%	61.3%	47.1%	37.2%
Debt Coverage Ratio:	1.48	1.36	1.42	1.54	1.9	2.87	4.31
Debt Yield:	11.3%	10.6%	11.2%	12.5%	17%	39%	-

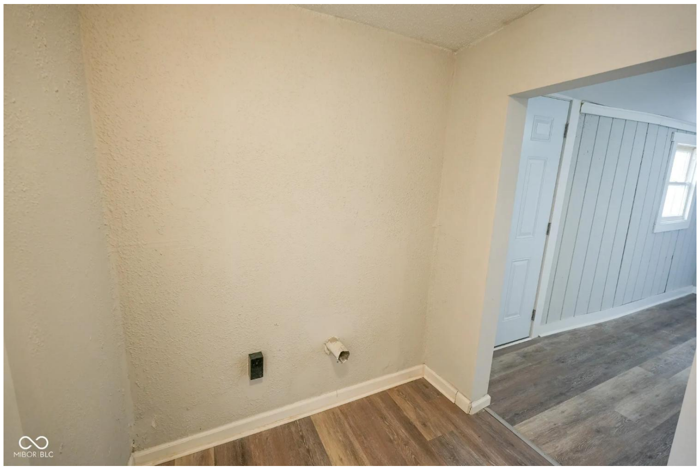
Cash Flow Over Time

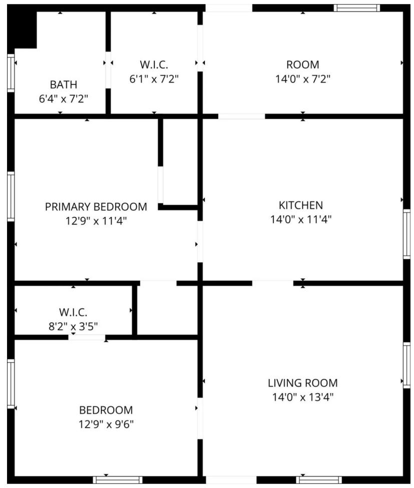


Equity Over Time



Property Photos




BATH
6'4" x 7'2"
W.I.C.
6'1" x 7'2"
ROOM
14'0" x 7'2"
PRIMARY BEDROOM
12'9" x 11'4"
KITCHEN
14'0" x 11'4"
W.I.C.
8'2" x 3'5"
LIVING ROOM
14'0" x 13'4"
BEDROOM
12'9" x 9'6"

Additional Information

Updated 2 bed, 1 bath on a triple lot! Private cottage style home with redone front porch. Oversized 1 car garage provide ample storage. Fresh paint, updated fixtures and brand new flooring throughout. This is a great home to make your own. Come see today!

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