1025-1027 N 9th St. Elwood IN 46038

Investment Property - Buy & Hold

1025-1027 N 9th St., Elwood, IN 46036
Multi-Family · 2 Units · 4,176 Sq.Ft.

3 bedroom, 2.5 bath, 2 car garage, brand new build, duplex in Elwood, Indiana

$ 499,900 Purchase Price · **$ 499,900** ARV
$ 127,475 Cash Needed · **$ 767/mo** Cash Flow · **7%** Cap Rate · **7.2%** COC

Prepared by:

The Homeboys

Property Description

ADDRESS

1025-1027 N 9th St.
Elwood, IN 46036

DESCRIPTION

Property Type:	Multi-Family
Year Built:	2025
Parking:	Garage

UNIT INFORMATION

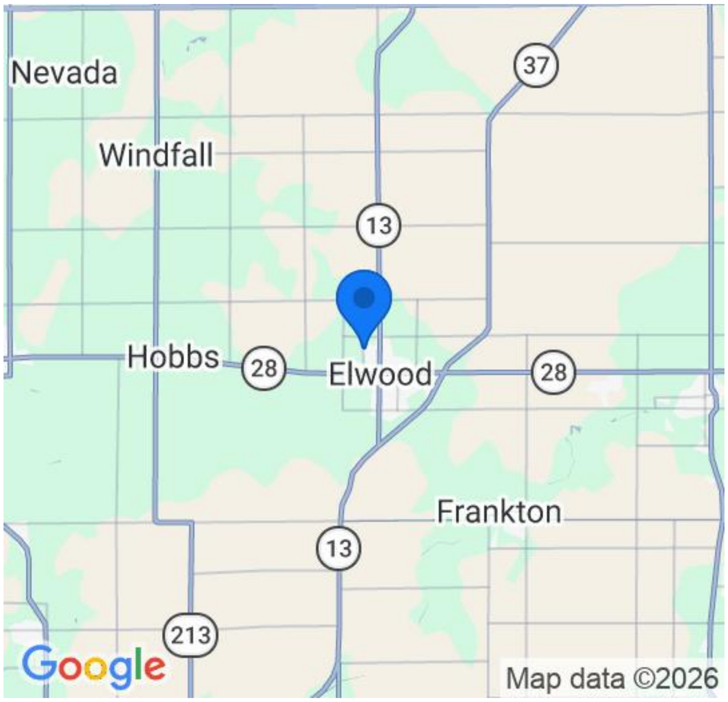
Total Units/Spaces:	2
Total Square Footage:	4,176

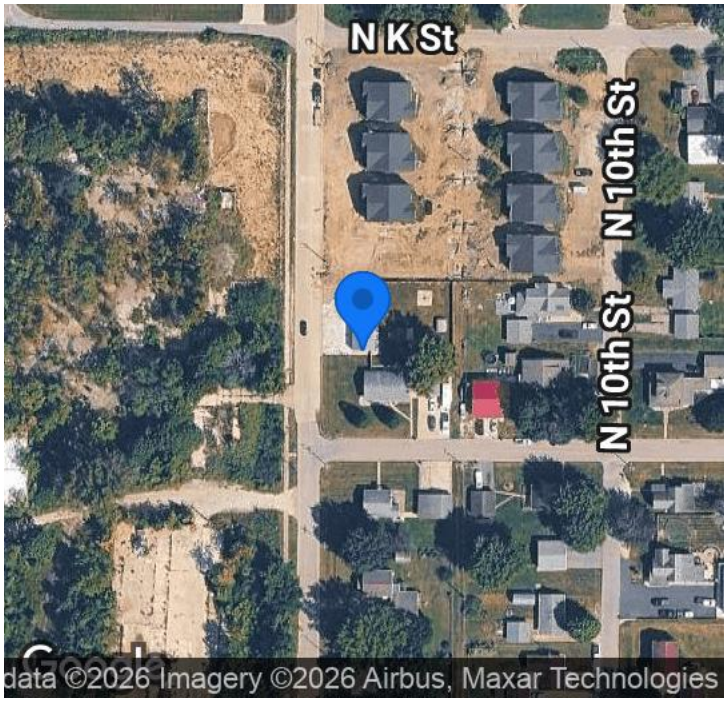
UNITS & RENT ROLL

2 Units - Residential

3 Beds / 2 Baths / 2,088 Sq.Ft.

Gross Rent:	$ 1,750 Per Month





Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		$ 499,900
Amount Financed:	-	$ 374,925
Down Payment:	=	$ 124,975
Purchase Costs:	+	$ 2,500
Rehab Costs:	+	$ 0
Total Cash Needed:	=	**$ 127,475**
After Repair Value:		$ 499,900
ARV Per Square Foot:		$ 119.7
Price Per Square Foot:		$ 119.7
Price Per Unit:		$ 249,950

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	5.5%
Financing Of:	Price (75%)
Loan Amount:	$ 374,925
LTC / LTV:	75% / 75%
Loan Payment:	$ 2,129 Per Month $ 25,545 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	7% / 7%
Cash on Cash Return:	7.2%
Return on Equity:	6.1%
Return on Investment:	0.4%
Internal Rate of Return:	0.4%
Rent to Value:	0.7%
Gross Rent Multiplier:	11.9
Equity Multiple:	1
Break Even Ratio:	75.1%
Debt Coverage Ratio:	1.36
Debt Yield:	9.3%

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:	$ 0

PURCHASE COSTS

Total (0.5% of Price):	**$ 2,500**

REHAB COSTS

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

Cash Flow (Year 1)

CASH FLOW		Monthly	Yearly
Gross Rent:		$ 3,500	$ 42,000
Vacancy (3%):	-	$ 105	$ 1,260
Other Income:	+	$ 0	$ 0
Operating Income:	=	$ 3,395	$ 40,740
Operating Expenses (14.7%):	-	$ 499	$ 5,988
Net Operating Income:	=	$ 2,896	$ 34,752
Loan Payments:	-	$ 2,129	$ 25,545
Cash Flow:	=	**$ 767**	**$ 9,207**
Cash Flow Per Unit:		$ 384	$ 4,604

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

OPERATING EXPENSES	Monthly	Yearly
Property Taxes:	$ 199	$ 2,388
Insurance:	$ 110	$ 1,320
Maintenance:	$ 140	$ 1,680
Capital Expenditures:	$ 0	$ 0
HOA Fees:	$ 0	$ 0
Utilities:	$ 0	$ 0
Landscaping:	$ 50	$ 600
Accounting & Legal Fees:	$ 0	$ 0
Total:	**$ 499**	**$ 5,988**

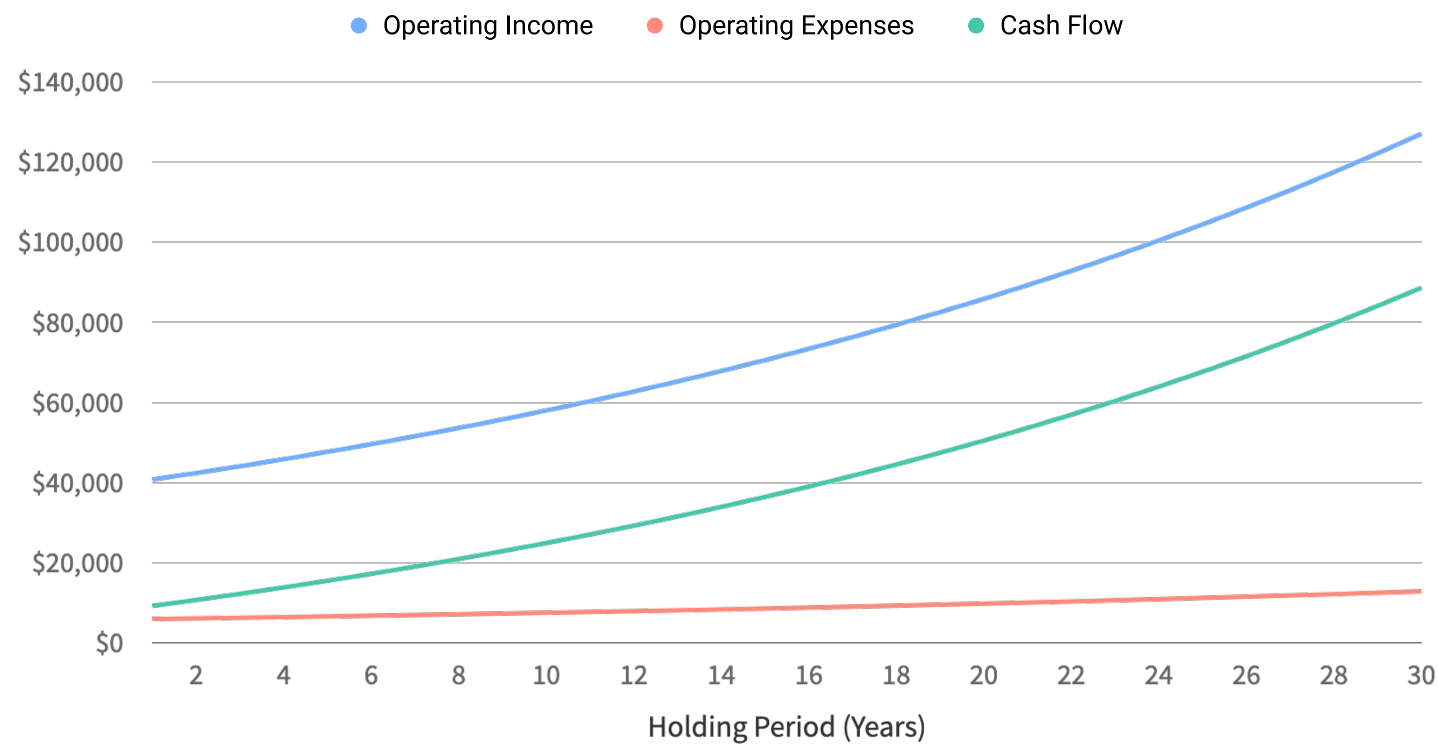
Buy & Hold Projections

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

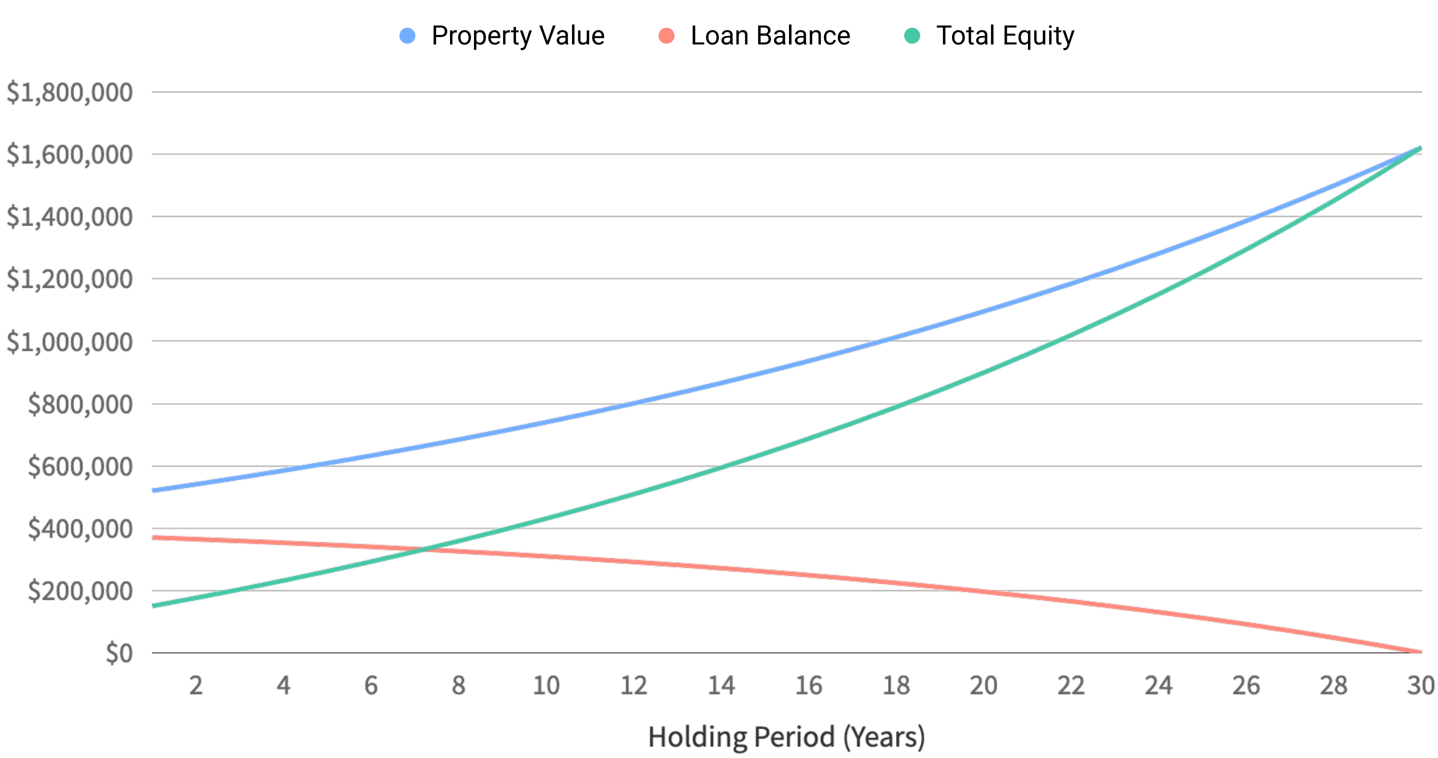
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
RENTAL INCOME						
Gross Rent:	$ 42,000	$ 45,427	$ 49,134	$ 59,779	$ 88,488	$ 130,983
Vacancy:	- $ 1,260	- $ 1,363	- $ 1,474	- $ 1,793	- $ 2,655	- $ 3,929
Vacancy Rate:	3%	3%	3%	3%	3%	3%
Other Income:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Operating Income:	**= $ 40,740**	**= $ 44,064**	**= $ 47,660**	**= $ 57,986**	**= $ 85,833**	**= $ 127,054**
Income Increase:	4%	4%	4%	4%	4%	4%
OPERATING EXPENSES						
Property Taxes:	$ 2,388	$ 2,484	$ 2,585	$ 2,854	$ 3,479	$ 4,241
Insurance:	+ $ 1,320	+ $ 1,373	+ $ 1,429	+ $ 1,578	+ $ 1,923	+ $ 2,344
Property Management:	N/A	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Maintenance:	+ $ 1,680	+ $ 1,817	+ $ 1,965	+ $ 2,391	+ $ 3,540	+ $ 5,239
Capital Expenditures:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
HOA Fees:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Utilities:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Landscaping:	+ $ 600	+ $ 624	+ $ 649	+ $ 717	+ $ 874	+ $ 1,066
Accounting & Legal Fees:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Operating Expenses:	**= $ 5,988**	**= $ 6,298**	**= $ 6,628**	**= $ 7,540**	**= $ 9,816**	**= $ 12,890**
Expense Increase:	2%	2%	2%	2%	2%	2%
CASH FLOW						
Operating Income:	$ 40,740	$ 44,064	$ 47,660	$ 57,986	$ 85,833	$ 127,054
Operating Expenses:	- $ 5,988	- $ 6,298	- $ 6,628	- $ 7,540	- $ 9,816	- $ 12,890
Expense Ratio:	14.7%	14.3%	13.9%	13%	11.4%	10.1%
Net Operating Income:	= $ 34,752	= $ 37,766	= $ 41,032	= $ 50,446	= $ 76,017	= $ 114,164
Loan Payments:	- $ 25,545	- $ 25,545	- $ 25,545	- $ 25,545	- $ 25,545	- $ 25,545
Cash Flow:	**= $ 9,207**	**= $ 12,221**	**= $ 15,487**	**= $ 24,901**	**= $ 50,472**	**= $ 88,619**
Cash Flow Per Unit:	$ 4,604	$ 6,111	$ 7,744	$ 12,451	$ 25,236	$ 44,310
TAX BENEFITS & DEDUCTIONS						
Operating Expenses:	$ 5,988	$ 6,298	$ 6,628	$ 7,540	$ 9,816	$ 12,890
Loan Interest:	+ $ 20,495	+ $ 19,909	+ $ 19,255	+ $ 17,269	+ $ 11,219	+ $ 745
Depreciation:	+ $ 18,269	+ $ 18,269	+ $ 18,269	+ $ 18,269	+ $ 18,269	+ $ 0
Total Deductions:	**= $ 44,752**	**= $ 44,476**	**= $ 44,152**	**= $ 43,078**	**= $ 39,304**	**= $ 13,635**

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
EQUITY ACCUMULATION						
Property Value:	$ 519,896	$ 562,320	$ 608,205	$ 739,974	$ 1,095,342	$ 1,621,374
Appreciation:	4%	4%	4%	4%	4%	4%
Loan Balance:	- $ 369,874	- $ 358,903	- $ 346,658	- $ 309,467	- $ 196,154	- $ 0
LTV Ratio:	71.1%	63.8%	57%	41.8%	17.9%	-
Total Equity:	**= $ 150,022**	**= $ 203,417**	**= $ 261,547**	**= $ 430,507**	**= $ 899,188**	**= $ 1,621,374**
SALE ANALYSIS						
Equity:	$ 150,022	$ 203,417	$ 261,547	$ 430,507	$ 899,188	$ 1,621,374
Selling Costs (6%):	- $ 31,194	- $ 33,739	- $ 36,492	- $ 44,398	- $ 65,721	- $ 97,282
Sale Proceeds:	= $ 118,828	= $ 169,678	= $ 225,055	= $ 386,109	= $ 833,468	= $ 1,524,092
Cumulative Cash Flow:	+ $ 9,207	+ $ 32,112	+ $ 61,419	+ $ 166,338	+ $ 547,557	+ $ 1,249,558
Total Cash Invested:	- $ 127,475	- $ 127,475	- $ 127,475	- $ 127,475	- $ 127,475	- $ 127,475
Total Profit:	**= $ 560**	**= $ 74,315**	**= $ 158,999**	**= $ 424,972**	**= $ 1,253,550**	**= $ 2,646,175**
INVESTMENT RETURNS						
Cap Rate (Purchase Price):	7%	7.6%	8.2%	10.1%	15.2%	22.8%
Cap Rate (Market Value):	6.7%	6.7%	6.7%	6.8%	6.9%	7%
Cash on Cash Return:	7.2%	9.6%	12.1%	19.5%	39.6%	69.5%
Return on Equity:	6.1%	6%	5.9%	5.8%	5.6%	5.5%
Return on Investment:	0.4%	58.3%	124.7%	333.4%	983.4%	2,075.8%
Internal Rate of Return:	0.4%	17.6%	19.6%	19.3%	17.8%	17.1%
FINANCIAL RATIOS						
Rent to Value:	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Gross Rent Multiplier:	12.38	12.38	12.38	12.38	12.38	12.38
Equity Multiple:	1	1.58	2.25	4.33	10.83	21.76
Break Even Ratio:	75.1%	70.1%	65.5%	55.3%	40%	29.3%
Debt Coverage Ratio:	1.36	1.48	1.61	1.97	2.98	4.47
Debt Yield:	9.4%	10.5%	11.8%	16.3%	38.8%	-

Cash Flow Over Time



Equity Over Time



Property Photos

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