1708 Culver Dr

Investment Property - Buy & Hold

1708 Culver Dr, Evansville, IN 47713
House · 3 Beds · 2.5 Baths · 1,845 Sq.Ft.

$ 149,900 Purchase Price · **$ 162,700** ARV
$ 39,724 Cash Needed · **$ 399/mo** Cash Flow · **8.9%** Cap Rate · **12.1%** COC

Prepared by:

The Homeboys

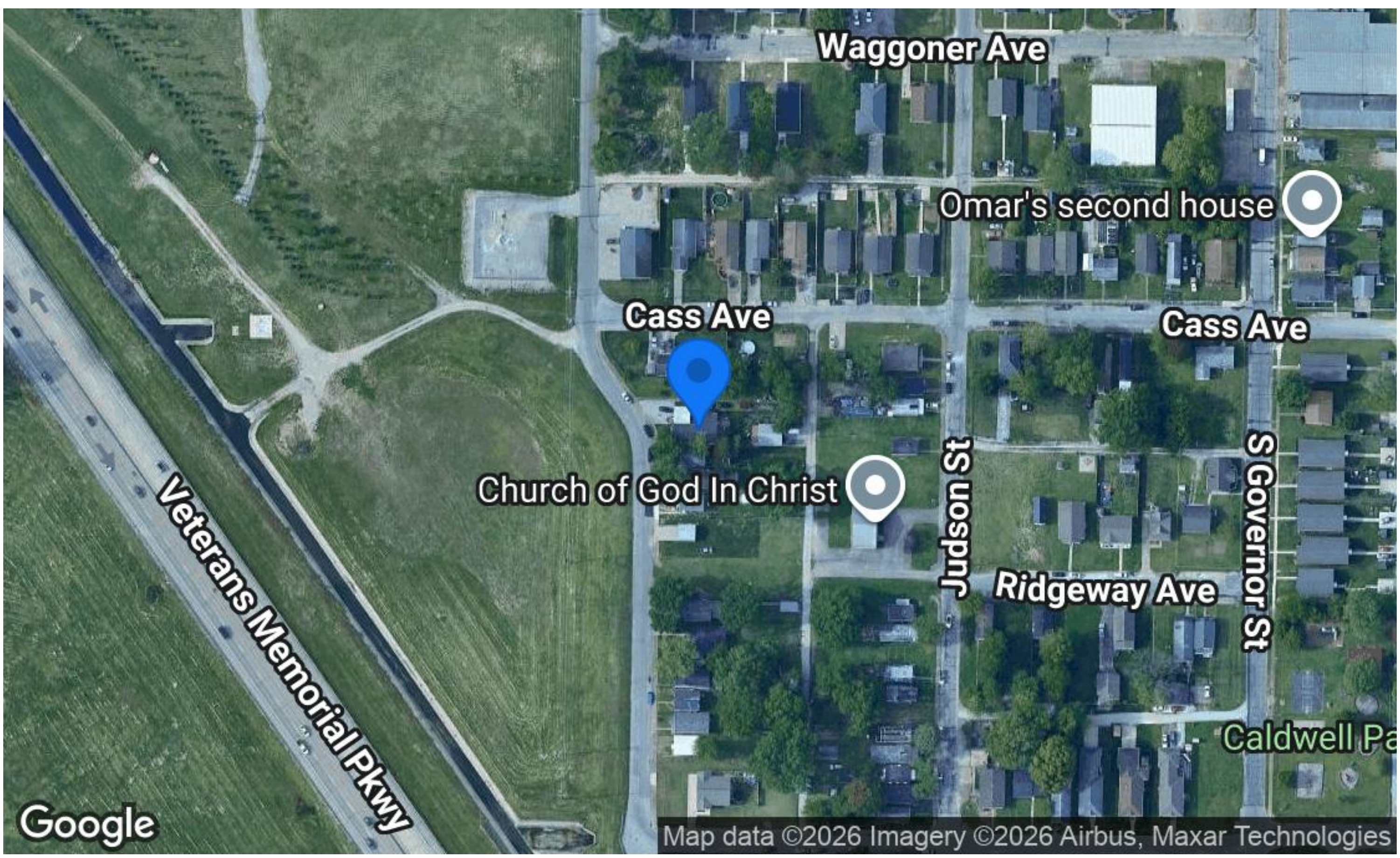
Property Description

ADDRESS

1708 Culver Dr
Evansville, IN 47713

DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 2.5 BA
Square Footage:	1,845
Year Built:	1939
Lot Size:	9,504 sq.ft.
Zoning:	Single Family Residential



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		$ 149,900
Amount Financed:	-	$ 112,425
Down Payment:	=	**$ 37,475**
Purchase Costs:	+	$ 2,249
Rehab Costs:	+	$ 0
Total Cash Needed:	=	**$ 39,724**
After Repair Value:		$ 162,700
ARV Per Square Foot:		$ 88.2
Price Per Square Foot:		$ 81.2

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	6.5%
Financing Of:	Price (75%)
Loan Amount:	$ 112,425
LTC / LTV:	75% / 69.1%
Loan Payment:	$ 711 Per Month $ 8,527 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	8.9% / 8.2%
Cash on Cash Return:	12.1%
Return on Equity:	8.3%
Return on Investment:	32.6%
Internal Rate of Return:	32.6%
Rent to Value:	1%
Gross Rent Multiplier:	8.77
Equity Multiple:	1.33
Break Even Ratio:	69%
Debt Coverage Ratio:	1.56
Debt Yield:	11.8%

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:	$ 8,700

PURCHASE COSTS

Total (1.5% of Price):	**$ 2,249**

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:		$ 1,425	$ 17,100
Vacancy (3%):	-	$ 43	$ 513
Other Income:	+	$ 0	$ 0
Operating Income:	=	$ 1,382	$ 16,587
Operating Expenses (19.7%):	-	$ 272	$ 3,268
Net Operating Income:	=	$ 1,110	$ 13,319
Loan Payments:	-	$ 711	$ 8,527
Cash Flow:	=	**$ 399**	**$ 4,792**

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

OPERATING EXPENSES	Monthly	Yearly
Property Taxes:	$ 147	$ 1,769
Insurance:	$ 68	$ 815
Maintenance:	$ 57	$ 684
Capital Expenditures:	$ 0	$ 0
HOA Fees:	$ 0	$ 0
Utilities:	$ 0	$ 0
Landscaping:	$ 0	$ 0
Accounting & Legal Fees:	$ 0	$ 0
Total:	**$ 272**	**$ 3,268**

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:	$ 17,100	$ 17,784	$ 18,495	$ 20,005	$ 24,339	$ 36,027	$ 53,329
Vacancy:	- $ 513	- $ 534	- $ 555	- $ 600	- $ 730	- $ 1,081	- $ 1,600
Vacancy Rate:	3%	3%	3%	3%	3%	3%	3%
Other Income:	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0	+ $ 0
Operating Income:	**= $ 16,587**	**= $ 17,250**	**= $ 17,940**	**= $ 19,405**	**= $ 23,609**	**= $ 34,946**	**= $ 51,729**
Income Increase:	4%	4%	4%	4%	4%	4%	4%
OPERATING EXPENSES							
Property Taxes:	$ 1,769	$ 1,804	$ 1,840	$ 1,915	$ 2,114	$ 2,577	$ 3,141
Insurance:	+ $ 815	+ $ 831	+ $ 848	+ $ 882	+ $ 974	+ $ 1,187	+ $ 1,447
Property Management:	N/A	+ $ 1,725	+ $ 1,794	+ $ 1,940	+ $ 2,361	+ $ 3,495	+ $ 5,173
Maintenance:	+ $ 684	+ $ 711	+ $ 740	+ $ 800	+ $ 974	+ $ 1,441	+ $ 2,133
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:	**= $ 3,268**	**= $ 5,071**	**= $ 5,222**	**= $ 5,537**	**= $ 6,423**	**= $ 8,700**	**= $ 11,894**
Expense Increase:	2%	2%	2%	2%	2%	2%	2%
CASH FLOW							
Operating Income:	$ 16,587	$ 17,250	$ 17,940	$ 19,405	$ 23,609	$ 34,946	$ 51,729
Operating Expenses:	- $ 3,268	- $ 5,071	- $ 5,222	- $ 5,537	- $ 6,423	- $ 8,700	- $ 11,894
Expense Ratio:	19.7%	29.4%	29.1%	28.5%	27.2%	24.9%	23%
Net Operating Income:	= $ 13,319	= $ 12,179	= $ 12,718	= $ 13,868	= $ 17,186	= $ 26,246	= $ 39,835
Loan Payments:	- $ 8,527	- $ 8,527	- $ 8,527	- $ 8,527	- $ 8,527	- $ 8,527	- $ 8,527
Cash Flow:	**= $ 4,792**	**= $ 3,652**	**= $ 4,191**	**= $ 5,341**	**= $ 8,659**	**= $ 17,719**	**= $ 31,308**
TAX BENEFITS & DEDUCTIONS							
Operating Expenses:	$ 3,268	$ 5,071	$ 5,222	$ 5,537	$ 6,423	$ 8,700	$ 11,894
Loan Interest:	+ $ 7,271	+ $ 7,186	+ $ 7,097	+ $ 6,899	+ $ 6,275	+ $ 4,221	+ $ 293
Depreciation:	+ $ 5,216	+ $ 5,216	+ $ 5,216	+ $ 5,216	+ $ 5,216	+ $ 5,216	+ $ 0
Total Deductions:	**= $ 15,755**	**= $ 17,474**	**= $ 17,535**	**= $ 17,652**	**= $ 17,915**	**= $ 18,137**	**= $ 12,187**

EQUITY ACCUMULATION

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Property Value:	$ 169,208	$ 175,976	$ 183,015	$ 197,949	$ 240,836	$ 356,496	$ 527,701
Appreciation:	4%	4%	4%	4%	4%	4%	4%
Loan Balance:	- $ 111,168	- $ 109,828	- $ 108,397	- $ 105,242	- $ 95,310	- $ 62,582	- $ 0
LTV Ratio:	65.7%	62.4%	59.2%	53.2%	39.6%	17.6%	-
Total Equity:	**= $ 58,040**	**= $ 66,148**	**= $ 74,618**	**= $ 92,707**	**= $ 145,526**	**= $ 293,914**	**= $ 527,701**

SALE ANALYSIS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity:	$ 58,040	$ 66,148	$ 74,618	$ 92,707	$ 145,526	$ 293,914	$ 527,701
Selling Costs (6%):	- $ 10,152	- $ 10,559	- $ 10,981	- $ 11,877	- $ 14,450	- $ 21,390	- $ 31,662
Sale Proceeds:	= $ 47,887	= $ 55,590	= $ 63,637	= $ 80,830	= $ 131,076	= $ 272,525	= $ 496,039
Cumulative Cash Flow:	+ $ 4,792	+ $ 8,444	+ $ 12,635	+ $ 22,730	+ $ 59,116	+ $ 192,509	+ $ 439,922
Total Cash Invested:	- $ 39,724	- $ 39,724	- $ 39,724	- $ 39,724	- $ 39,724	- $ 39,724	- $ 39,724
Total Profit:	**= $ 12,955**	**= $ 24,310**	**= $ 36,548**	**= $ 63,836**	**= $ 150,468**	**= $ 425,310**	**= $ 896,237**

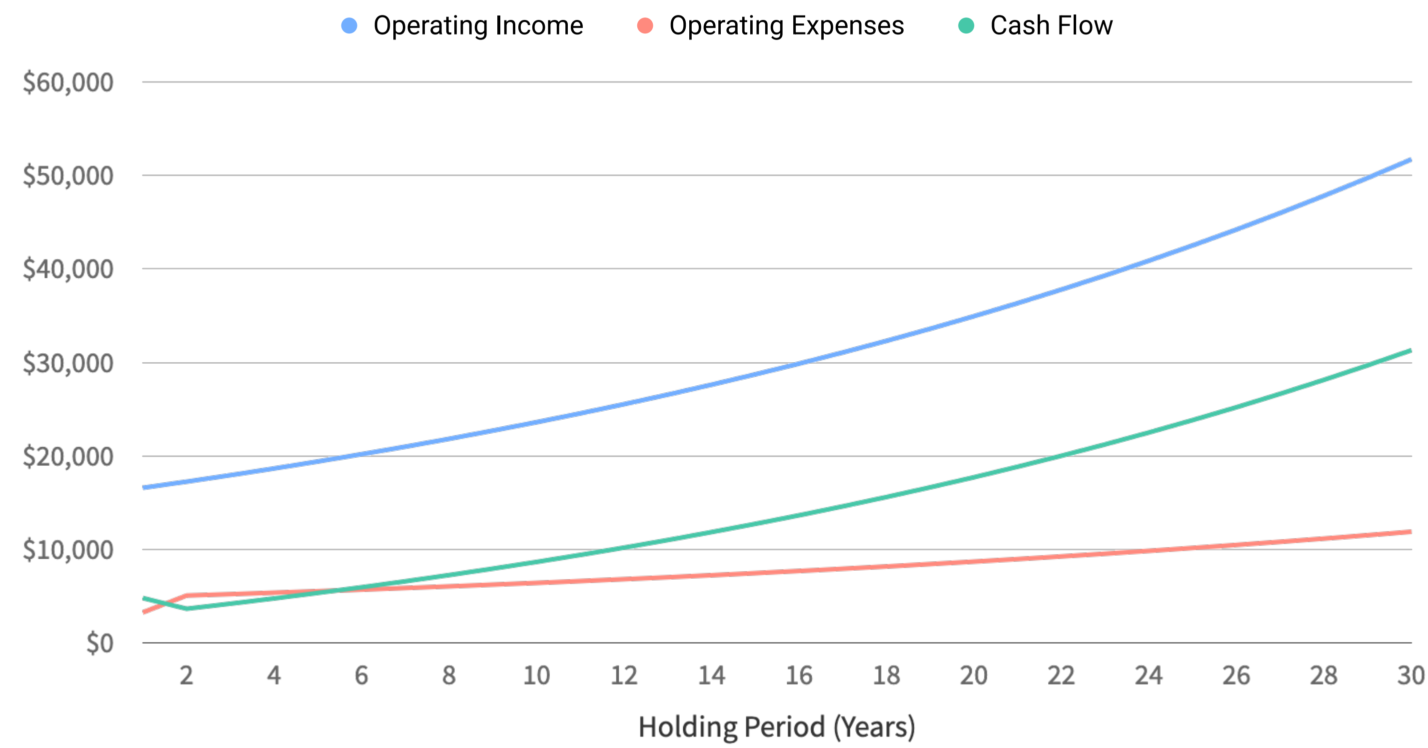
INVESTMENT RETURNS

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cap Rate (Purchase Price):	8.9%	8.1%	8.5%	9.3%	11.5%	17.5%	26.6%
Cap Rate (Market Value):	7.9%	6.9%	6.9%	7%	7.1%	7.4%	7.5%
Cash on Cash Return:	12.1%	9.2%	10.6%	13.4%	21.8%	44.6%	78.8%
Return on Equity:	8.3%	5.5%	5.6%	5.8%	6%	6%	5.9%
Return on Investment:	32.6%	61.2%	92%	160.7%	378.8%	1,070.7%	2,256.2%
Internal Rate of Return:	32.6%	28.3%	26.3%	24.1%	21.3%	19.2%	18.4%

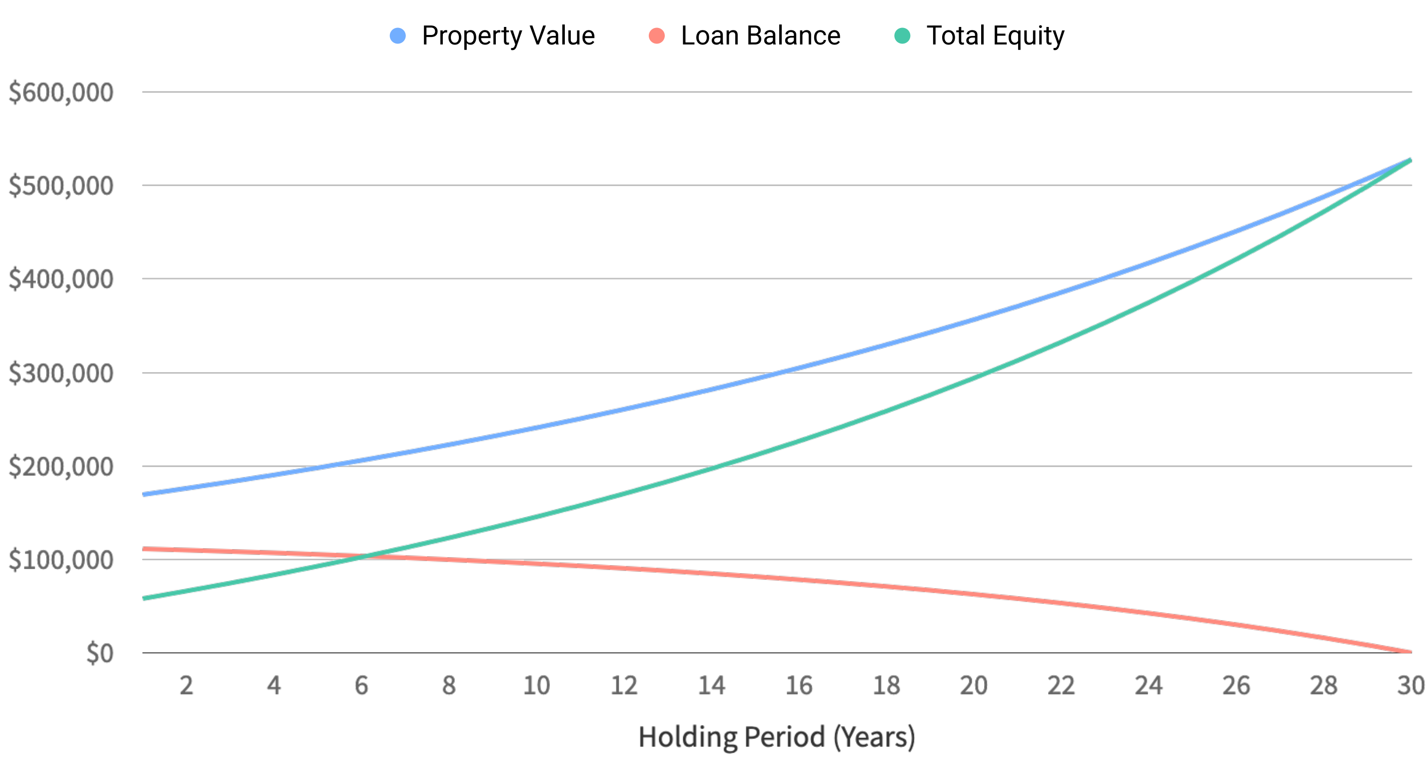
FINANCIAL RATIOS

	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%	0.8%	0.8%	0.8%
Gross Rent Multiplier:	9.9	9.9	9.9	9.89	9.9	9.9	9.9
Equity Multiple:	1.33	1.61	1.92	2.61	4.79	11.71	23.56
Break Even Ratio:	69%	76.5%	74.3%	70.3%	61.4%	47.8%	38.3%
Debt Coverage Ratio:	1.56	1.43	1.49	1.63	2.02	3.08	4.67
Debt Yield:	12%	11.1%	11.7%	13.2%	18%	41.9%	-

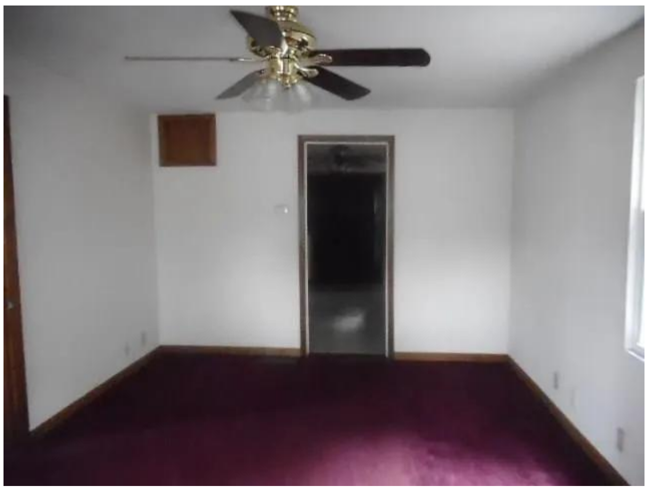
Cash Flow Over Time

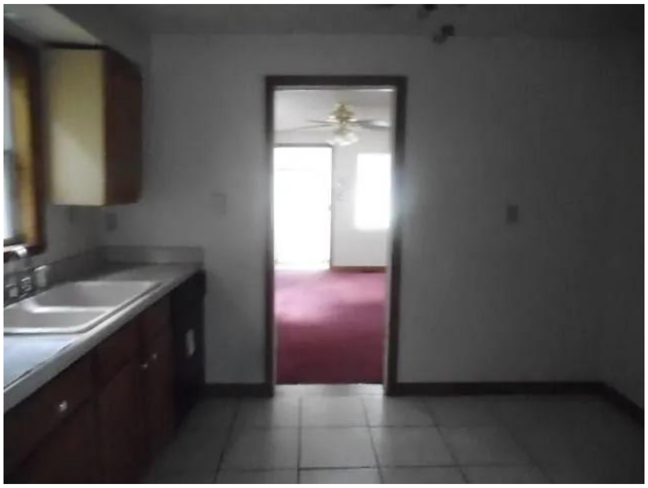


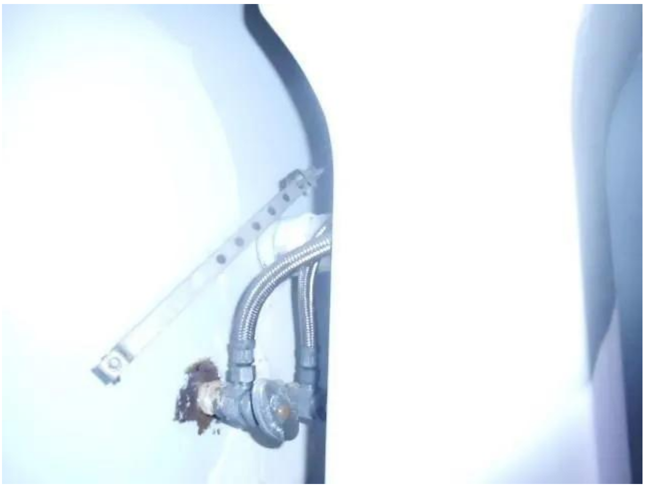
Equity Over Time



Property Photos









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