



Proforma for 35th & J-RENTAL/SALE PROFORMA

Address: 35th & J				Annual Rent Increase 3%											
APN:				Annual Expenses Increase 3%											
Purchase Price	\$	2,750,000	\$ 68,750.00 Per Unit	Total Building Sqft 29,000											
Cap Ex	\$	5,328,750	\$ 133,218.75 Per Unit	Construction Cost per Sqft \$ 183.75											
Financing Costs	\$	171,154	\$ 4,278.84 Per Unit												
Total Cost	\$	8,249,904	\$ 206,247.59 Per Unit												
Cash:	\$	2,594,779													
Mortgage A:	\$	5,655,125	70%												
Mortgage B:	\$	-													
				0	1	2	3	4	5	6	7	8	9	10	
INCOME APPROACH				Current	Market	2018	2019	2020	2021	2022	2023	2024	2025		
Rental Income	# of Units	Current Monthly	Market												
1BR/1BA	18	-	1,395	-	301,320	310,360	319,670	329,260	339,138	349,312	359,792	370,586	381,703		
1BR/1BA (Affordable)	2	-	767	-	18,414	18,966	19,535	20,121	20,725	21,347	21,987	22,647	23,326		
2BR/2BA	18	-	2,095	-	452,520	466,096	480,078	494,481	509,315	524,595	540,333	556,543	573,239		
2BR/2BA (Affordable)	2	-	1,152	-	27,654	28,484	29,338	30,218	31,125	32,059	33,020	34,011	35,031		
Totals	40	-	66,659	-	799,908	823,905	848,622	874,081	900,304	927,313	955,132	983,786	1,013,300		
Vacancy Factor 5%				-	(39,995)	(41,195)	(42,431)	(43,704)	(45,015)	(46,366)	(47,757)	(49,189)	(50,665)		
Adjusted Gross Income				-	759,913	782,710	806,191	830,377	855,288	880,947	907,375	934,597	962,635		
EXPENSES															
Total Expenses			30.00%	116,866	227,974	234,813	241,857	249,113	256,586	264,284	272,213	280,379	288,790		
NET OPERATING INCOME				-116,866	531,939	547,897	564,334	581,264	598,702	616,663	635,163	654,218	673,844		
Purchase Price				(2,750,000)											
Cap Ex				(5,328,750)											
SALE															
Sale Year	Year 2														
Next Year NOI	No	Total	Per Unit												
Cap Rate	5.00%	10,638,776	265,969.41	-	10,638,776	-	-	-	-	-	-	-	-		
Commission	2.00%	(212,776)	(5,319.39)	-	(212,776)	-	-	-	-	-	-	-	-		
Net Sale Proceeds		10,426,001	260,650.02	-	10,426,001	-	-	-	-	-	-	-	-		
Unlevered Cash Flow				(8,078,750)	(116,866)	10,957,940	0	0	0	-	-	-	-		
Unlevered IRR				15.74%											
Mortgage															
Amount	Rate	Term (months)		(5,532,409)	(5,404,172)	(5,270,163)	(5,130,124)	(4,983,783)	(4,830,857)	(4,671,050)	(4,504,051)	(4,329,537)	(4,147,170)		
\$	5,655,125.00	4.5%	300	5,655,125	(377,196)	(377,196)	(377,196)	(377,196)	(377,196)	(377,196)	(377,196)	(377,196)	(377,196)		
Financing Costs				(171,154)											
Debt Pay Off				-	(5,404,172)	-	-	-	-	-	-	-	-		
Levered Cash Flow				(2,594,779)	(494,063)	5,176,572	-	-	-	-	-	-	-		
Levered IRR				32.04%											
DSCR:				1.410	1.453	1.496	1.541	1.587	1.635	1.684	1.734	1.786			
CAP Rate:				-1.42%	6.45%	6.64%	6.84%	7.05%	7.26%	7.47%	7.70%	7.93%	8.17%		
COC:				-19.04%	199.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Cap Rate:	5.0%	Price per Unit	\$ 265,969.41	Cap Value:	\$ (2,337,325.00)	\$ 10,638,776.40	\$ 10,957,939.69	\$ 11,286,677.88	\$ 11,625,278.22	\$ 11,974,036.57	\$ 12,333,257.66	\$ 12,703,255.39	\$ 13,084,353.05	\$ 13,476,883.65	
Commission and Closing Costs					\$ 531,938.82	\$ 547,896.98	\$ 564,333.89	\$ 581,263.91	\$ 598,701.83	\$ 616,662.88	\$ 635,162.77	\$ 654,217.65	\$ 673,844.18		
Profit				\$ 1,856,933.83	\$ 2,160,138.96	\$ 2,472,440.24	\$ 2,794,110.56	\$ 3,125,430.99	\$ 3,466,691.03	\$ 3,818,188.87	\$ 4,180,231.65	\$ 4,553,135.71			
SALES APPROACH															
Unit Type	# of Units	Price Per Unit													
2/2 & 1/1 Buildings	18	\$ 625,000.00		\$ 11,250,000.00	\$ 11,587,500.00	\$ 11,935,125.00	\$ 12,293,178.75	\$ 12,661,974.11	\$ 13,041,833.34	\$ 13,433,088.34	\$ 13,836,080.99	\$ 14,251,163.42			
Affordable Buildings	2	\$ 412,500.00		\$ 825,000.00	\$ 849,750.00	\$ 875,242.50	\$ 901,499.78	\$ 928,544.77	\$ 956,401.11	\$ 985,093.14	\$ 1,014,645.94	\$ 1,045,085.32			
Total	20			\$ 12,075,000.00	\$ 12,437,250.00	\$ 12,810,367.50	\$ 13,194,678.53	\$ 13,590,518.88	\$ 13,998,234.45	\$ 14,418,181.48	\$ 14,850,726.93	\$ 15,296,248.73			
Commission and Closing Costs				\$ 603,750.00	\$ 621,862.50	\$ 640,518.38	\$ 659,733.93	\$ 679,525.94	\$ 699,911.72	\$ 720,909.07	\$ 742,536.35	\$ 764,812.44			
Profit from Sales Approach				\$ 3,221,346.25	\$ 3,565,483.75	\$ 3,919,945.38	\$ 4,285,040.85	\$ 4,661,089.19	\$ 5,048,418.97	\$ 5,447,368.66	\$ 5,858,286.83	\$ 6,281,532.55			
Cash on Cash Return from Sale				124%	137%	151%	165%	180%	195%	210%	226%	242%			