

Property Data	
Property Address	2405 Stewart
Sq. Footage	822
Total Bedrooms	2
Total Bathrooms	1.00
Land Size	
Year of Construction	
Number of Units	
Zoning	
After Repair Value (ARV)	\$150,300
Assumed Annual Appreciation	2.5%
Costs of Sale	5.0%
Analysis Date	October 18, 2022
Prepared By	SBD Housing Solutions
Scenario	Pro-Forma Rents
Market	KC
Days On Market (on analysis date)	0
Listing Agent	John Wheeler
Listing Agent Phone Number	816-739-0533

Purchase Price	
Purchase Price	\$99,900
Lease Up Fees	\$0
Closing Costs (2)	\$999
Total Cost Basis	\$100,899

Variables	
Income Growth	2.50%
General Vacancy	2.00%
Expense Growth	2.00%
Property Tax Growth	2.00%

Debt Assumptions	
Loan to Price	75.0%
Interest Rate	6.00%
Amortization	30 Years
Loan Amount	\$74,925
Equity	\$25,974
Loan Payment (PI)	\$449 Per Month

Assumptions	
(1) Maintenance free in Year 1, thru builders home warranty	
(2) Incl. Mortgage & Title Expenses	
(3) Actual Taxes will be assessed 2023	

		Year 1	Year 2	Year 3	Year 5	Year 10	Year 15	Year 20
Rental Income	\$1,300 Per Month	\$15,600	\$15,990	\$16,390	\$17,219	\$19,482	\$22,042	\$24,939
RUBS	\$0 Per Unit/Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	\$ Per Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Potential Gross Income		\$15,600	\$15,990	\$16,390	\$17,219	\$19,482	\$22,042	\$24,939
Less Vacancy		\$312	\$320	\$328	\$344	\$390	\$441	\$499
Effective Gross Income		\$15,288	\$15,670	\$16,062	\$16,875	\$19,093	\$21,602	\$24,440

SBD Property Management	10.00% of EGI	\$1,529	\$1,567	\$1,606	\$1,688	\$1,909	\$2,160	\$2,444
Lease up Fees in between Tenancy (2)	36 Mo. Lease Term	\$0	\$0	\$341	\$359	\$406	\$459	\$520
Repairs & Maintenance (1)	\$0 Per Month	\$0	\$3,200	\$3,264	\$3,396	\$3,749	\$4,140	\$4,570
Utilities	\$0 Per Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOA Dues	\$0 Per Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Insurance	\$67 Per Month	\$798	\$814	\$830	\$864	\$954	\$1,053	\$1,163
Property Taxes (3)	\$166 Per Month	\$1,992	\$2,032	\$2,072	\$2,156	\$2,381	\$2,628	\$2,902
Lawn Care	\$0 Per Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0 Per Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses		\$4,319	\$7,613	\$8,114	\$8,462	\$9,399	\$10,440	\$11,598
<i>Operating Expense Ratio</i>		<i>28.2%</i>	<i>48.6%</i>	<i>50.5%</i>	<i>50.1%</i>	<i>49.2%</i>	<i>48.3%</i>	<i>47.5%</i>

		Year 1	Year 2	Year 3	Year 5	Year 10	Year 15	Year 20
Passive Income								
Net Operating Income		\$10,969	\$8,057	\$7,948	\$8,413	\$9,694	\$11,161	\$12,842
Interest Cost		\$4,470	\$4,414	\$4,353	\$4,222	\$3,814	\$3,264	\$2,522
Principal Reduction		\$920	\$977	\$1,037	\$1,169	\$1,577	\$2,127	\$2,869
Total Debt Payment		\$5,391						
Other Expense	\$0 Per Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow After Debt Service		\$5,579	\$2,667	\$2,557	\$3,022	\$4,303	\$5,771	\$7,451

	Year 0 (Today)	Year 1	Year 2	Year 3	Year 5	Year 10	Year 15	Year 20
Wealth Creation								
Property Value w/assumed 2.5% appreciation	\$100,899	\$154,058	\$157,909	\$161,857	\$170,051	\$192,397	\$217,679	\$246,284
Annual Appreciation		\$53,159	\$3,851	\$3,948	\$4,148	\$4,693	\$5,309	\$6,007
Year End Debt Balance		\$74,005	\$73,028	\$71,991	\$69,721	\$62,702	\$53,233	\$40,462
Principal Reduction		\$920	\$977	\$1,037	\$1,169	\$1,577	\$2,127	\$2,869
Potential Net Sale Proceeds	\$67,860	\$72,350	\$76,985	\$81,773	\$91,827	\$120,075	\$153,562	\$193,508

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 15	Year 20
Operating Metrics							
Cap Rate	10.9%	8.0%	7.9%	8.3%	9.6%	11.1%	12.7%
Cash on Cash Return	21.5%	10.3%	9.8%	11.6%	16.6%	22.2%	28.7%
Total Equity Return (Including debt reduction)	25.0%	14.0%	13.8%	16.1%	22.6%	30.4%	39.7%
Total Return (Including cashflow, debt reduction and assumed 2.5% appreciation)	229.7%	28.9%	29.0%	32.1%	40.7%	50.8%	62.9%

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 15	Year 20	
Other Metrics								
Debt Service Coverage Ratio (DSCR)	2.03x	1.49x	1.47x	1.56x	1.80x	2.07x	2.38x	
Operating Expense Ratio	28.2%	48.6%	50.5%	50.1%	49.2%	48.3%	47.5%	
Equity Value (before sale costs)	\$25,974 Invested Equity	\$80,053	\$84,881	\$89,866	\$100,330	\$129,695	\$164,446	\$205,822
Internal Rate of Return (IRR)	200.0%	86.2%	58.0%	38.2%	24.8%	20.7%	18.9%	
Equity Multiple	3.00 x	3.28 x	3.56 x	4.17 x	5.99 x	8.27 x	11.13 x	