

Thomas Fortin & Company							
4090 Cleveland Avenue							
70 - 2BRTHs							
Morse Creek Commons							
January 20, 2024							
2024 Proforma **							
70 2BRTH Apartments Feb 2023	70	850 sf each		AT \$690 RENTAL Current Averages	At \$795 Rental Current Estimates	At \$895 Rental YEAR 2024	At \$945 Rental YEAR 2025
Income:							
Current Rent 2BRs	\$795	With Increase	70- 2 BRTHs	\$ 70	\$ 667,800	\$ 835,800	861,000
Rental Income-	\$995	includes water		895			
App/Screening Fee		at current		995	-	-	
Cable & Telephone Revenue		street rates		1,025	-	-	
Late Charges					-	-	
Laundry/Vending					-	-	
Misc. Income					-	-	
Bad Debt Collection					-	-	
Less: Vacant Units	5%				(33,390)	(41,790)	43,050.00
Effective Gross Income				\$ 550,620	\$ 634,410	\$ 794,010	817,950
Operating Expenses:							
Management Fee	5%		Currently by Owner		\$ 33,390	\$ 41,790	\$ 43,050
Real Estate Taxes	20%		Currently \$48723		48,723	48,723	48,723
Condo Dues	0%				-	-	
Repairs and Maintenance	10%		Parts and Labor only		66,780	83,580	86,100
Insurance	3%				20,034	25,074	25,830
Utilities							
Electric	1%		Tenant pays all	Security lights, etc AEP	6,678	8,358	8,610
Gas	0%		No gas		-	-	
Water & Sewer	4%				26,712	33,432	34,440
Admin Expenses	1%				6,678	6,678	8,610
Advertising	1%		x		6,678	8,358	8,610
Legal and Accounting	0%				-	-	
Miscellaneous	2%				13,356	16,716	17,220
Equipment Reserve	\$ 300		x		21,000	21,000	21,000
Total Operating Expenses				\$ 250,029	\$ 250,029	\$ 293,709	\$ 302,193
Expenses Per Unit				\$ 3,572	\$ 3,572	\$ 4,196	4,317
Net Operating Income				\$ 300,591	\$ 384,381	\$ 500,301	\$515,757
Loan Analysis							
							\$/Unit
Capitalization Rate				6.50%	7.11%	6.75%	6.75%
Valuation				4,624,476.92	\$ 5,406,203	\$ 7,411,867	7,640,844
Loan-To-Value					80%	80.00%	80%
Loan Amount					\$ 4,324,962	\$ 5,929,493	6,112,676
Cash Investment					\$ 1,081,241	\$1,060,000	1060000
Interest Rate					6.50%	6.50%	
Term					10	10	
Amortization					25	25	
Annual Debt Service					\$ 350,429	\$ 440,772.00	\$ 440,772.00
Debt Service Coverage Ratio					1.10		
Cash Flow					\$ 33,952	\$ 59,529	74,985
Return On Cash					3.1401%	5.51%	7.07%
** THESE ARE ESTIMATES ONLY							
Objective Acquire-Remodel-Increase Value and Cash Flow							
VALUE ADD PLAN 2024-2026							
Remodel Front Buildings first 24 units)							
Landscape all grounds							
Change front and back doors							
Rerent front 24 townhomes for \$895+							
Top Mop front drive							
New sign to front							
If residents move remodel, rent \$895							
Complete all Exterior improvements							