

Presented by:

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Overview

Pecan Land



Latter & Blum Classic Homes & Properties, Inc.

(985) 542-7601

Purchase Info	
Total Number of Units	150
Purchase Price	\$1,700,000
Initial Cash Invested	\$459,000

Income Analysis	Monthly	Annual
Net Operating Income	\$12,997	\$155,959
Cash Flow	\$3,862	\$46,345

Financial Metrics	
Cap Rate (Purchase Price)	9.2%
Cash on Cash Return (Year 1)	10.1%
Internal Rate of Return (Year 10)	20.4%
Sale Price (Year 10)	\$2,284,658



Purchase Analysis

Pecan Land



= Cash Flow

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\$46,345

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\$3,862

Purchase Info	
Purchase Price	\$1,700,000
- First Mortgage	-\$1,275,000
- Second Mortgage	-\$0
= Downpayment	\$425,000
+ Buying Costs	\$34,000
+ Initial Improvements	\$0
= Initial Cash Invested	\$459,000
Total Number of Units	150
Cost per Unit	\$11,333
Average Monthly Rent per Unit	\$233

Mortgages	First	Second
Loan-To-Cost Ratio	75%	0%
Loan-To-Value Ratio	75%	0%
Loan Amount	\$1,275,000	\$0
Loan Type	Amortizing	
Term	20 Years	
Interest Rate	6%	
Payment	\$9,134.50	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	4.1
Operating Expense Ratio	40.0%
Debt Coverage Ratio	1.42
Cap Rate (Purchase Price)	9.2%
Cash on Cash Return	10.1%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	40.0%
Income Inflation Rate	3.0%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	\$119,000

Income	Monthly	Annual
Gross Rent	\$34,935	\$419,220
Vacancy Loss	-\$13,974	-\$167,688
Laundry	\$700	\$8,400
Operating Income	\$21,661	\$259,932
Expenses (% of Income)	Monthly	Annual
Operating Expenses (40%)	-\$8,664	-\$103,973
Operating Expenses (40%)	-\$8,664	-\$103,973
Net Performance	Monthly	Annual
Net Operating Income	\$12,997	\$155,959
- Mortgage Payments	-\$9,134	-\$109,614
- Year 1 Improvements	-\$0	-\$0

Buy and Hold Projection

Pecan Land



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Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Gross Rent	\$419,220	\$431,797	\$444,750	\$471,836	\$546,987	\$735,105	\$987,919
Vacancy Loss	-\$167,688	-\$172,719	-\$177,900	-\$188,734	-\$218,795	-\$294,042	-\$395,168
Laundry	\$8,400	\$8,652	\$8,912	\$9,454	\$10,960	\$14,729	\$19,795
Operating Income	\$259,932	\$267,730	\$275,762	\$292,556	\$339,152	\$455,792	\$612,547
Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Operating Expenses	-\$103,973	-\$107,092	-\$110,305	-\$117,022	-\$135,661	-\$182,317	-\$245,019
Operating Expenses	-\$103,973	-\$107,092	-\$110,305	-\$117,022	-\$135,661	-\$182,317	-\$245,019
Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	\$155,959	\$160,638	\$165,457	\$175,533	\$203,491	\$273,475	\$367,528
- Mortgage Payments	-\$109,614	-\$109,614	-\$109,614	-\$109,614	-\$109,614	-\$109,612	-\$0
- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
= Cash Flow	\$46,345	\$51,024	\$55,843	\$65,919	\$93,877	\$163,863	\$367,528
Cap Rate (Purchase Price)	9.2%	9.4%	9.7%	10.3%	12.0%	16.1%	21.6%
Cap Rate (Market Value)	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%
Cash on Cash Return	10.1%	11.1%	12.2%	14.4%	20.5%	35.7%	80.1%
	0.40/						
Return on Equity	9.1%	8.5%	8.1%	7.4%	6.4%	5.3%	8.9%
Loan Analysis	9.1% Year 1	8.5% Year 2	8.1% Year 3	7.4% Year 5	6.4% Year 10	5.3% Year 20	8.9% Year 30
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Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Loan Analysis Market Value	Year 1 \$1,751,000	Year 2 \$1,803,530	Year 3 \$1,857,636	Year 5 \$1,970,766	Year 10 \$2,284,658	Year 20 \$3,070,389	Year 30 \$4,126,346
Loan Analysis Market Value - Loan Balance	Year 1 \$1,751,000 -\$1,240,960	Year 2 \$1,803,530 -\$1,204,821	Year 3 \$1,857,636 -\$1,166,452	Year 5 \$1,970,766 -\$1,082,470	Year 10 \$2,284,658 -\$822,775	Year 20 \$3,070,389 -\$0	Year 30 \$4,126,346 -\$0
Loan Analysis Market Value - Loan Balance = Equity	Year 1 \$1,751,000 -\$1,240,960 \$510,040	Year 2 \$1,803,530 -\$1,204,821 \$598,709	Year 3 \$1,857,636 -\$1,166,452 \$691,184	Year 5 \$1,970,766 -\$1,082,470 \$888,296	Year 10 \$2,284,658 -\$822,775 \$1,461,883	Year 20 \$3,070,389 -\$0 \$3,070,389	Year 30 \$4,126,346 -\$0 \$4,126,346
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9%	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8%	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8%	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9%	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0%	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0%	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0%
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067 Year 5	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis Equity	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1 \$510,040	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650 Year 2 \$598,709	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893 Year 3 \$691,184	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067 Year 5 \$888,296	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486 Year 10 \$1,461,883	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20 \$3,070,389	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30 \$4,126,346
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis Equity - Selling Costs	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1 \$510,040 -\$122,570	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650 Year 2 \$598,709 -\$126,247	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893 Year 3 \$691,184 -\$130,035	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067 Year 5 \$888,296 -\$137,954	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486 Year 10 \$1,461,883 -\$159,926	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20 \$3,070,389 -\$214,927	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30 \$4,126,346 -\$288,844
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis Equity - Selling Costs = Proceeds After Sale	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1 \$510,040 -\$122,570 \$387,470	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650 Year 2 \$598,709 -\$126,247 \$472,462	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893 Year 3 \$691,184 -\$130,035 \$561,149	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067 Year 5 \$888,296 -\$137,954 \$750,343	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486 Year 10 \$1,461,883 -\$159,926 \$1,301,957	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20 \$3,070,389 -\$214,927 \$2,855,462	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30 \$4,126,346 -\$288,844 \$3,837,502
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis Equity - Selling Costs = Proceeds After Sale + Cumulative Cash Flow	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1 \$510,040 -\$122,570 \$387,470 \$46,345	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650 Year 2 \$598,709 -\$126,247 \$472,462 \$97,369	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893 Year 3 \$691,184 -\$130,035 \$561,149 \$153,212	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067 Year 5 \$888,296 -\$137,954 \$750,343 \$279,939	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486 Year 10 \$1,461,883 -\$159,926 \$1,301,957 \$691,757	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20 \$3,070,389 -\$214,927 \$2,855,462 \$1,998,404	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30 \$4,126,346 -\$288,844 \$3,837,502 \$5,227,546
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis Equity - Selling Costs = Proceeds After Sale + Cumulative Cash Flow - Initial Cash Invested	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1 \$510,040 -\$122,570 \$387,470 \$46,345 -\$459,000	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650 Year 2 \$598,709 -\$126,247 \$472,462 \$97,369 -\$459,000	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893 Year 3 \$691,184 -\$130,035 \$561,149 \$153,212 -\$459,000	Year 5 \$1,970,766 -\$1,082,470 \$888,296 54.9% \$297,067 Year 5 \$888,296 -\$137,954 \$750,343 \$279,939 -\$459,000	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486 Year 10 \$1,461,883 -\$159,926 \$1,301,957 \$691,757 -\$459,000	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20 \$3,070,389 -\$214,927 \$2,855,462 \$1,998,404 -\$459,000	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30 \$4,126,346 -\$288,844 \$3,837,502 \$5,227,546 -\$459,000
Loan Analysis Market Value - Loan Balance = Equity Loan-to-Value Ratio Potential Cash-Out Refi Sale Analysis Equity - Selling Costs = Proceeds After Sale + Cumulative Cash Flow - Initial Cash Invested = Net Profit	Year 1 \$1,751,000 -\$1,240,960 \$510,040 70.9% -\$15,260 Year 1 \$510,040 -\$122,570 \$387,470 \$46,345 -\$459,000 -\$25,185	Year 2 \$1,803,530 -\$1,204,821 \$598,709 66.8% \$57,650 Year 2 \$598,709 -\$126,247 \$472,462 \$97,369 -\$459,000 \$110,832	Year 3 \$1,857,636 -\$1,166,452 \$691,184 62.8% \$133,893 Year 3 \$691,184 -\$130,035 \$561,149 \$153,212 -\$459,000 \$255,362	Year 5 \$1,970,766 -\$1,082,470 \$888,296 \$4.9% \$297,067 Year 5 \$888,296 -\$137,954 \$750,343 \$279,939 -\$459,000 \$571,281	Year 10 \$2,284,658 -\$822,775 \$1,461,883 36.0% \$776,486 Year 10 \$1,461,883 -\$159,926 \$1,301,957 \$691,757 -\$459,000 \$1,534,714	Year 20 \$3,070,389 -\$0 \$3,070,389 0.0% \$2,149,272 Year 20 \$3,070,389 -\$214,927 \$2,855,462 \$1,998,404 -\$459,000 \$4,394,866	Year 30 \$4,126,346 -\$0 \$4,126,346 0.0% \$2,888,442 Year 30 \$4,126,346 -\$288,844 \$3,837,502 \$5,227,546 -\$459,000 \$8,606,048

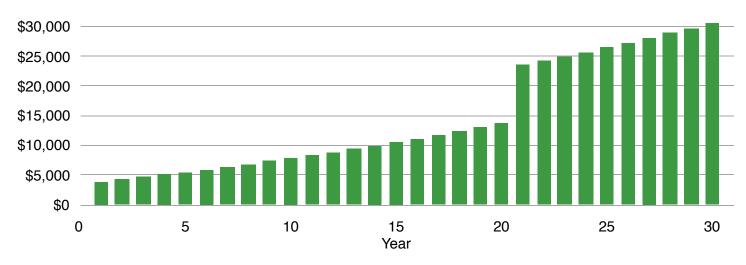


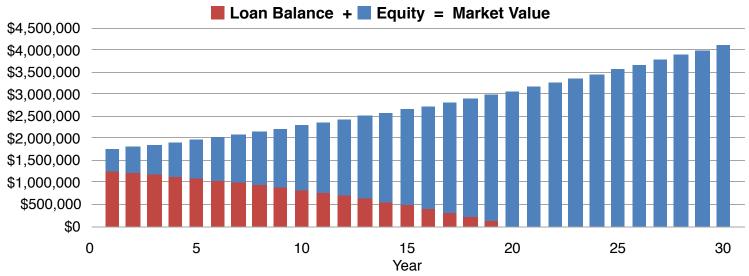
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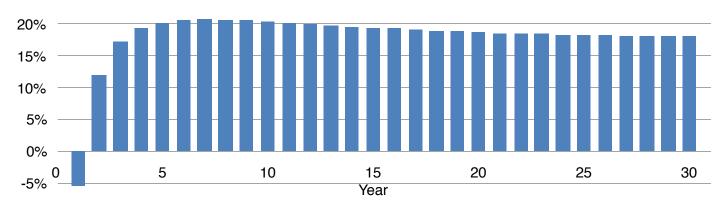
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Monthly Cash Flow





Internal Rate of Return (IRR)



Rent Roll

Pecan Land



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Unit Description	Square Feet	Units of This Type	Rent (Per Unit)
Mobile Home Lots	0	117	\$190 Per Month
RV Lots	0	33	\$385 Per Month

Totals for Year 1	
Total Number of Units	150
Total Area (Sum of Units)	0 Square Feet
Total Rent (Sum of Units)	\$34,935 Per Month, \$419,220 Per Year



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