

Evergreen Estates

42 Island Rd, Phoenix NY 13135

OFFERING MEMORANDUM

Evergreen Estates

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01

Executive Summary

Investment Summary

EVERGREEN ESTATES

OFFERING SUMMARY

| | |
|---------|--|
| ADDRESS | 42 Island Rd Phoenix NY 13135 |
| COUNTY | Oswego |

FINANCIAL SUMMARY

| | |
|--------------------------|------------------|
| PRICE | \$515,000 |
| OCCUPANCY | 98.00% |
| NOI (CURRENT) | \$39,923 |
| NOI (Pro Forma) | \$59,610 |
| CAP RATE (CURRENT) | 7.75% |
| CAP RATE (Pro Forma) | 11.57% |
| CASH ON CASH (CURRENT) | 4.37% |
| CASH ON CASH (Pro Forma) | 19.66% |
| GRM (CURRENT) | 9.41 |
| GRM (Pro Forma) | 7.21 |

PROPOSED FINANCING

| | |
|---------------------|------------------|
| LOAN TYPE | Amortized |
| DOWN PAYMENT | \$106,250 |
| LOAN AMOUNT | \$408,750 |
| INTEREST RATE | 7.50% |
| ANNUAL DEBT SERVICE | \$34,295 |
| LOAN TO VALUE | 79% |
| AMORTIZATION PERIOD | 30 Years |

- **Prime Investment Opportunity:** Nestled in close proximity to the cutting-edge Micron chip plant development, this multi-family property at 42 Island Rd offers an unparalleled chance to capitalize on the burgeoning tech industry boom. The strategic location ensures a promising return on investment for savvy buyers looking to tap into the potential growth and prosperity of the area.
- **Lucrative Rental Income:** Boasting 8 tenant-owned homes generating a steady income of \$381 per month each, 1 rent to own and one rental, this property offers a hassle-free investment opportunity with rent-to-own options. The ease of management provided by these arrangements, coupled with an on-site manager overseeing water treatment and testing, ensures a smooth and profitable investment experience for discerning buyers.
- **Thriving Community Environment:** Situated in a vibrant neighborhood with a strong sense of community, this multi-family property at 42 Island Rd is not just a sound investment but a place where residents can truly feel at home. The blend of modern amenities, reliable management, and a welcoming atmosphere makes it an attractive choice for tenants seeking quality living spaces and for investors looking to secure a stable rental income stream.
- **Don't Miss Out:** With its strategic location, expansion potential, lucrative rental income, and community-oriented environment, this multi-family property is a rare find in today's competitive real estate market. Whether you're a seasoned investor or a first-time buyer, this property at 42 Island Rd promises a wealth of opportunities and a solid foundation for building your real estate portfolio. Don't miss out on this chance to secure a profitable investment in a thriving and dynamic location.



02

Financial Analysis

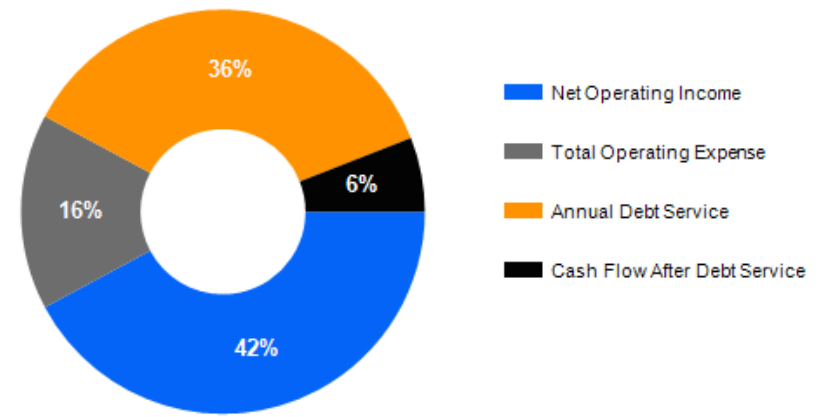
- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Cash Flow Analysis
- Financial Metrics

REVENUE ALLOCATION

CURRENT

| INCOME | CURRENT | PRO FORMA |
|-------------------------------|-----------------|-----------------|
| Gross Scheduled Rent | \$54,744 | \$71,460 |
| Gross Potential Income | \$54,744 | \$71,460 |
| General Vacancy * | -2.00% | -2.00% |
| Effective Gross Income | \$54,744 | \$70,031 |
| Less Expenses | \$14,821 27.07% | \$10,421 14.88% |
| Net Operating Income | \$39,923 | \$59,610 |
| Annual Debt Service | \$34,295 | \$34,295 |
| Cash flow | \$5,628 | \$25,315 |
| Debt Coverage Ratio | 1.16 | 1.74 |

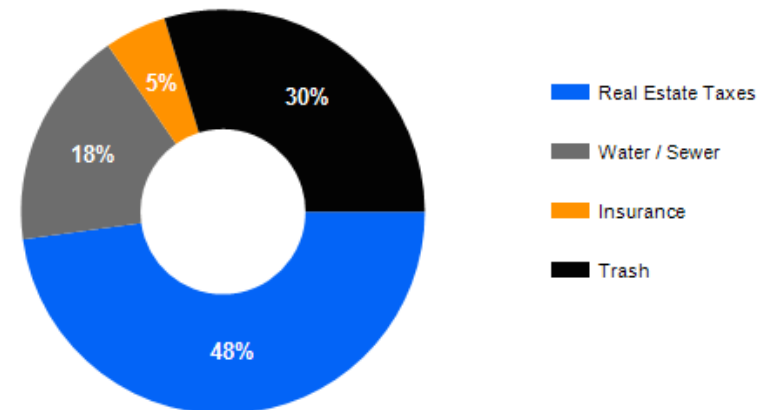
* vacancy amount factored into gross revenue



| EXPENSES | CURRENT | PRO FORMA |
|--------------------------------|-----------------|-----------------|
| Real Estate Taxes | \$7,087 | \$7,087 |
| Insurance | \$734 | \$734 |
| Water / Sewer | \$2,600 | \$2,600 |
| Trash | \$4,400 | |
| Total Operating Expense | \$14,821 | \$10,421 |
| Annual Debt Service | \$34,295 | \$34,295 |
| % of EGI | 27.07% | 14.88% |

DISTRIBUTION OF EXPENSES

CURRENT



Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

GLOBAL

| | |
|-------|------------------|
| Price | \$515,000 |
|-------|------------------|

INCOME - Growth Rates

| | |
|----------------------|--------------|
| Gross Scheduled Rent | 3.00% |
|----------------------|--------------|

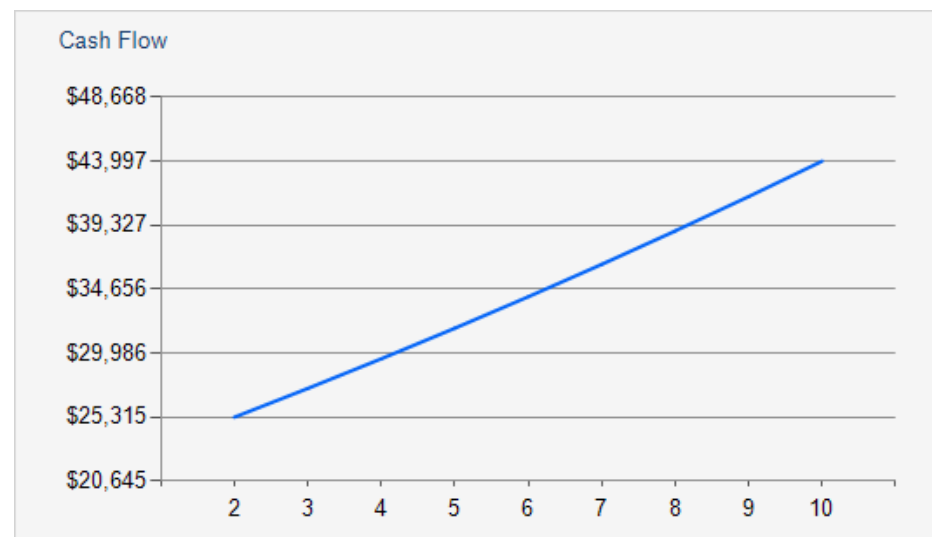
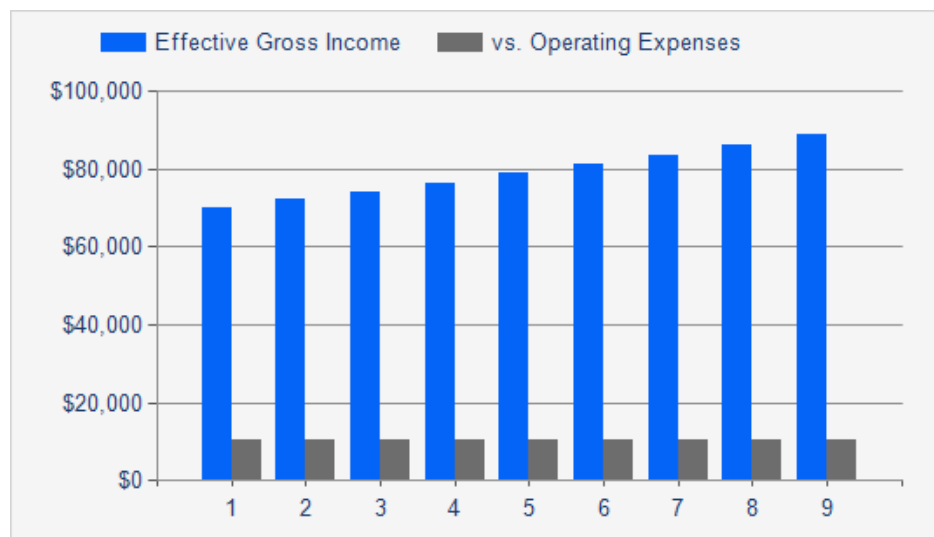
PROPOSED FINANCING

| | |
|---------------------|------------------|
| Loan Type | Amortized |
| Down Payment | \$106,250 |
| Loan Amount | \$408,750 |
| Interest Rate | 7.50% |
| Annual Debt Service | \$34,295 |
| Loan to Value | 79% |
| Amortization Period | 30 Years |

Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

| Calendar Year | CURRENT | Pro Forma | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---------------------------|----------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Gross Revenue | | | | | | | | | | |
| Gross Scheduled Rent | \$54,744 | \$71,460 | \$73,604 | \$75,812 | \$78,086 | \$80,429 | \$82,842 | \$85,327 | \$87,887 | \$90,523 |
| General Vacancy* | -2.00% | -2.00% | -2.00% | -2.00% | -2.00% | -2.00% | -2.00% | -2.00% | -2.00% | -2.00% |
| Effective Gross Income | \$54,744 | \$70,031 | \$72,132 | \$74,296 | \$76,525 | \$78,820 | \$81,185 | \$83,620 | \$86,129 | \$88,713 |
| Operating Expenses | | | | | | | | | | |
| Real Estate Taxes | \$7,087 | \$7,087 | \$7,087 | \$7,087 | \$7,087 | \$7,087 | \$7,087 | \$7,087 | \$7,087 | \$7,087 |
| Insurance | \$734 | \$734 | \$734 | \$734 | \$734 | \$734 | \$734 | \$734 | \$734 | \$734 |
| Water / Sewer | \$2,600 | \$2,600 | \$2,600 | \$2,600 | \$2,600 | \$2,600 | \$2,600 | \$2,600 | \$2,600 | \$2,600 |
| Trash | \$4,400 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Expense | \$14,821 | \$10,421 | \$10,421 | \$10,421 | \$10,421 | \$10,421 | \$10,421 | \$10,421 | \$10,421 | \$10,421 |
| Net Operating Income | \$39,923 | \$59,610 | \$61,711 | \$63,875 | \$66,104 | \$68,399 | \$70,764 | \$73,199 | \$75,708 | \$78,292 |
| Annual Debt Service | \$34,295 | \$34,295 | \$34,295 | \$34,295 | \$34,295 | \$34,295 | \$34,295 | \$34,295 | \$34,295 | \$34,295 |
| Cash Flow | \$5,628 | \$25,315 | \$27,416 | \$29,580 | \$31,809 | \$34,104 | \$36,469 | \$38,904 | \$41,413 | \$43,997 |

* vacancy amount factored into gross revenue



Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

| Calendar Year | CURRENT | Pro Forma | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|-------------------------|---------|-----------|--------|--------|--------|--------|--------|--------|--------|---------|
| Cash on Cash Return b/t | 4.37% | 19.66% | 21.29% | 22.97% | 24.71% | 26.49% | 28.33% | 30.22% | 32.17% | 34.17% |
| CAP Rate | 7.75% | 11.57% | 11.98% | 12.40% | 12.84% | 13.28% | 13.74% | 14.21% | 14.70% | 15.20% |
| Debt Coverage Ratio | 1.16 | 1.74 | 1.80 | 1.86 | 1.93 | 1.99 | 2.06 | 2.13 | 2.21 | 2.28 |
| Operating Expense Ratio | 27.07% | 14.88% | 14.44% | 14.02% | 13.61% | 13.22% | 12.83% | 12.46% | 12.09% | 11.74% |
| Gross Multiplier (GRM) | 9.41 | 7.21 | 7.00 | 6.79 | 6.60 | 6.40 | 6.22 | 6.04 | 5.86 | 5.69 |
| Loan to Value | 79.35% | 78.60% | 77.81% | 76.96% | 76.07% | 75.04% | 73.98% | 72.81% | 71.58% | 70.23% |
| Breakeven Ratio | 89.72% | 62.57% | 60.75% | 58.98% | 57.26% | 55.60% | 53.98% | 52.41% | 50.88% | 49.40% |

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