

Proforma Income Analysis

Unit/Space Type	Income	Method	Units/SF	Annual	% of PGI	
Estimate market	\$4,275	\$/Month	12	\$51,300	100.0%	
DW at \$1,350/m						
SW (3) at \$975/m						
				Potential Gross Income:	\$51,300	100.0%
				Vacancy & Collection Loss	5.00%	\$2,565
				Other Income:	\$0	
				Effective Gross Income (EGI):	\$48,735	95.0%
Expense	Amount	Method	Annual	S/Unit		
Taxes, actual 2021	\$1,100	\$/Year	\$1,100	\$275		
Insurance, est. per owner	\$2,000	\$/Year	\$2,000	\$500		
Utilities, no CAU	tenants	\$/Year	tenants	\$0		
Repairs/Maintenance	\$5,000	\$/Year	\$5,000	\$1,250		
Misc./Other	\$500	\$/Year	\$500	\$125		
Management	5%	% of EGI	\$2,437	\$609		
Reserves	0.0%	% of EGI	\$0	\$0		
			Total Expenses:	\$11,037	\$2,759	
			Expense Ratio (Expenses/EGI):	22.65%		
			Expense Reimbursements:	\$0		
			Net Expense Ratio	22.65%		
			Net Operating Income (NOI):	\$37,698	\$9,425	
			Capitalization Rate:	9.25%		
			Value (NOI/Cap Rate):	\$407,483	\$101,871	
			Less allowance to freshen:	-\$20,000	freshen, not rehab	
			Less estimated rent loss yr 1:	-\$12,500		
			Purchase price:	\$374,983	\$93,746	