



Proforma for 2733 Commercial St

Address: 2733 Commercial St																		
APN:				Annual Rent Increase 3%														
Purchase Price	\$	1,195,000	\$	54,318.18	Per Unit							Annual Expenses Increase 3%						
Cap Ex	\$	2,400,000	\$	109,090.91	Per Unit							Total Building Sqft (Approx) 8,000						
Financing Costs	\$	26,000	\$	1,181.82	Per Unit							Construction Cost per Sqft \$ 300.00 Hard and Soft Costs						
Total Cost	\$	3,621,000	\$	164,590.91	Per Unit							NOTE: We have a proposal from modular builder for \$1,100,000, finished units delivered						
Cash:	\$	905,250																
Mortgage A:	\$	2,715,750	75%															
Mortgage B:	\$	-																
Year:				0	1	2	3	4	5	6	7	8	9	10				
INCOME APPROACH																		
Rental Income	# of Units	Current Monthly	Market	Current	Market	2020	2021	2022	2023	2024	2025	2026	2027					
Studio	7	-	1,595	-	133,980	137,999	142,139	146,404	150,796	155,320	159,979	164,779	169,722					
Studio affordable	1	-	1,074	-	12,888	13,275	13,673	14,083	14,506	14,941	15,389	15,851	16,326					
SRO units	13	-	1,595	-	248,820	256,285	263,973	271,892	280,049	288,451	297,104	306,017	315,198					
Larger SRO unit	1	-	1,695	-	20,340	20,950	21,579	22,226	22,893	23,580	24,287	25,016	25,766					
Laundry	1	-	600	-	7,200	7,416	7,638	7,868	8,104	8,347	8,597	8,855	9,121					
Totals	22	-	34,669	-	423,228	435,925	449,003	462,473	476,347	490,637	505,356	520,517	536,133					
Adjusted Gross Income				-	(21,161)	(21,796)	(22,450)	(23,124)	(23,817)	(24,532)	(25,268)	(26,026)	(26,807)					
Vacancy Factor 5%				-	402,067	414,129	426,552	439,349	452,530	466,105	480,089	494,491	509,326					
EXPENSES																		
Total Expenses 30.00%				58,215	120,620	124,239	127,966	131,805	135,759	139,832	144,027	148,347	152,798					
NET OPERATING INCOME				-58,215	281,447	289,890	298,587	307,544	316,771	326,274	336,062	346,144	356,528					
Purchase Price				(1,195,000)														
Cap Ex				(2,400,000)														
SALE																		
Sale Year Year 5																		
Next Year NOI No				Total		Per Unit												
Cap Rate	4.25%	7,236,337	328,924.41	-	-	-	-	7,236,337	-	-	-	-	-					
Commission	3.00%	(217,090)	(9,867.73)	-	-	-	-	(217,090)	-	-	-	-	-					
Net Sale Proceeds		7,019,247	319,056.67	-	-	-	-	7,019,247	-	-	-	-	-					
Unlevered Cash Flow				(3,595,000.00)	(58,215)	281,447	289,890	298,587	307,544	316,771	326,274	336,062	346,144					
Unlevered IRR 18.62%																		
Mortgage																		
Amount	Rate	Term (months)		2,715,750	(2,661,025)	(2,603,565)	(2,543,231)	(2,479,880)	(2,413,362)	(2,343,518)	(2,270,182)	(2,193,179)	(2,112,326)	(2,027,431)				
\$	5.0%	300		(26,000)	(190,512)	(190,512)	(190,512)	(190,512)	(190,512)	(190,512)	(190,512)	(190,512)	(190,512)	(190,512)				
Financing Costs				-	-	-	-	-	(2,413,362)	-	-	-	-	-				
Debt Pay Off				-	-	-	-	-	-	-	-	-	-	-				
Levered Cash Flow				(905,250)	(248,727)	90,935	99,378	108,075	4,722,917	-	-	-	-	-				
Levered IRR 37.26%																		
DSCR:																		
CAP Rate:				-1.61%	7.77%	8.01%	8.25%	8.49%	8.75%	9.01%	9.28%	9.56%	9.85%					
COC:				-27.48%	10.05%	10.98%	11.94%	521.73%	0.00%	0.00%	0.00%	0.00%	0.00%					
Cap Rate:	4.25%	Price per Unit	\$ 301,012.43	Cap Value:	\$ (1,369,764.71)	\$ 6,622,273.41	\$ 6,820,941.61	\$ 7,025,569.86	\$ 7,236,336.96	\$ 7,453,427.07	\$ 7,677,029.88	\$ 7,907,340.78	\$ 8,144,561.00	\$ 8,388,897.83				
Profit				\$	3,001,273.41	\$ 3,199,941.61	\$ 3,404,569.86	\$ 3,615,336.96	\$ 3,832,427.07	\$ 4,056,029.88	\$ 4,286,340.78	\$ 4,523,561.00	\$ 4,767,897.83					
Cash on Cash Return from Sale					332%	353%	376%	399%	423%	448%	473%	500%	527%					