

# Cap Rate Analysis - Provo 6-Plex, 457 S 500 E

NOI Calculation	
Annual Revenue	67860
Vacancy Rate	3%
Vacancy Loss	2035.8
Expenses	18443
Net Operating Income	<b>47381.2</b>

Revenue					
Monthly Rent	Annual Rent	Unit Count	Unit Mix	Market Rents	
936	56160	5	1 bed / 1 bath	1050	
975	11700	1	2 bed / 1 bath	1150	
<b>Total Revenue</b>	<b>67860</b>	<b>6</b>	<b>Total Revenue</b>	<b>76800</b>	

Cap Rates	Price	Notes
5.26%	\$ 900,000	As is
5.49%	\$ 900,000	As is, no vacancy
6.13%	\$ 900,000	Pro Forma
6.40%	\$ 900,000	PF, no vacancy
7.08%	\$ 900,000	PF, no vac, no PM

2025 Expenses	
City bill	6355
Gas	1405
Dumpster	1236
Pest	300
Property Management	0
Taxes	5802
Insurance	1637
Maintenance	1708
<b>Total</b>	<b>18443</b>

Pro Forma Expenses	
City bill	6355
Gas	1405
Dumpster	1236
Pest	300
Property Management	6144
Taxes	5802
Insurance	1637
Maintenance	1708
<b>Total</b>	<b>24587</b>

Unit #s	Rents
457	975
459	875
461	880
463	900
465	1050
467 (2-bed)	975
<b>Total</b>	<b>5655</b>
<b>Average</b>	<b>943</b>

Utility Analysis	
Ave cost/unit/mo	125
Tenant payment	75

\*Tenant payment is Pro Forma

Pro Forma Analysis	
Rent Revenue	76800
Utility Revenue	5400
Total Revenue	82200
Total Expenses	24587
Less Vacancy	2466
<b>Pro Forma NOI</b>	<b>55147</b>

## Notes

City bill includes power, sewer, water.  
 Gas bill: 45% of combined gas bill.  
 1 dumpster, cost 206/mo, split between 2 6-plex buildings.  
 Internet: paid by tenants.  
 Taxes: might be year 2024.  
 Insurance: half of the bill since current policy includes both 6-plexes.  
 Competing units: tenants pay electric, sometimes gas, sometimes trash.

Assumes property management of 8%.  
 Utilities are separately metered.