

3611 Simba Lane

Investment Property - Buy & Hold

3611 Simba Ln, Murfreesboro, TN 37127
Townhouse · 3 Beds · 2.5 Baths · 1,852 Sq.Ft.

\$ 367,133 Purchase Price · \$ 367,133 ARV
\$ 110,136 Cash Needed · -\$ 5/mo Cash Flow · 4.8% Cap Rate · -0.1% COC

Prepared by:



**the peak
group**



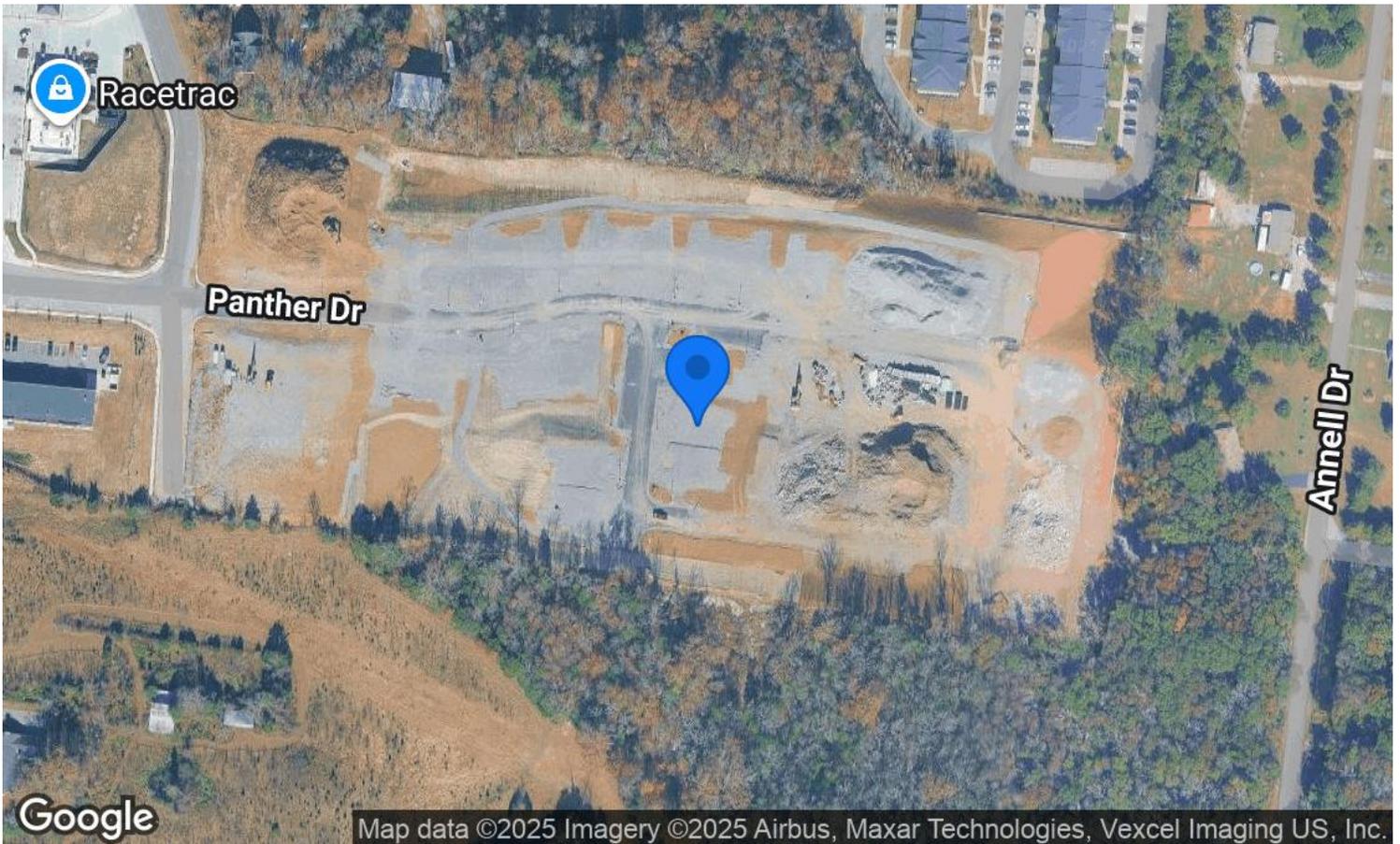
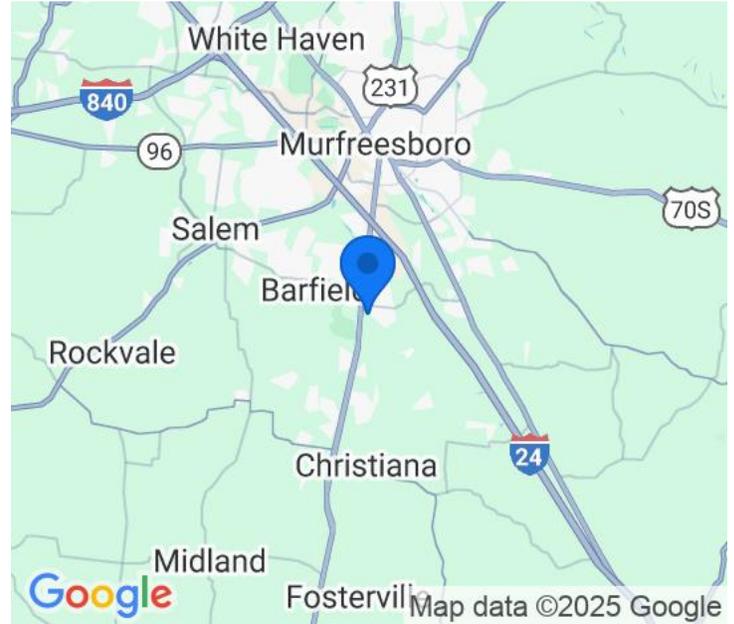
Property Description

ADDRESS

3611 Simba Ln
Murfreesboro, TN 37127

DESCRIPTION

Property Type:	Townhouse
Beds / Baths:	3 BR / 2.5 BA
Square Footage:	1,852
Year Built:	2025
Parking:	Garage



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		\$ 367,133
Amount Financed:	-	\$ 275,350
Down Payment:	=	\$ 91,783
Purchase Costs:	+	\$ 18,353
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 110,136
After Repair Value:		\$ 367,133
ARV Per Square Foot:		\$ 198.2
Price Per Square Foot:		\$ 198.2

FINANCING (PURCHASE)

Loan Type:	Amortizing, 30 Year
Interest Rate:	4.99%
Financing Of:	Price (75%)
Loan Amount:	\$ 275,350
LTC / LTV:	75% / 75%
Loan Payment:	\$ 1,476 Per Month \$ 17,717 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	4.8% / 4.8%
Cash on Cash Return:	-0.1%
Return on Equity:	-0.1%
Return on Investment:	-20.2%
Internal Rate of Return:	-20.2%
Rent to Value:	0.6%
Gross Rent Multiplier:	13.91
Equity Multiple:	0.8
Break Even Ratio:	95.2%
Debt Coverage Ratio:	1
Debt Yield:	6.4%

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy Rate:	5%
Appreciation:	3% Per Year
Income Increase:	3% Per Year
Expense Increase:	3% Per Year
Selling Costs:	5% of Sales Price
Depreciation Period:	27.5 Years
Land Value:	\$ 0

PURCHASE COSTS

Home Inspection:	\$ 0
Appraisal:	\$ 0
Loan Points:	\$ 0 (Financed)
Lender Fees:	\$ 0
Title & Escrow Fees:	\$ 0
Transfer Taxes:	\$ 0
Attorney Fees:	\$ 0
Wholesaler Fees:	\$ 0
Misc Closing Costs:	\$ 11,010

REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun (0%):	\$ 0
Total:	\$ 0
Total Per Square Foot:	\$ 0

Cash Flow (Year 1)

	Monthly	Yearly
CASH FLOW		
Gross Rent:	\$ 2,200	\$ 26,400
Vacancy (5%):	- \$ 110	\$ 1,320
Other Income:	+ \$ 0	\$ 0
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Operating Income:	= \$ 2,090	\$ 25,080
Operating Expenses (29.6%):	- \$ 619	\$ 7,426
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Net Operating Income:	= \$ 1,471	\$ 17,654
Loan Payments:	- \$ 1,476	\$ 17,717
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Cash Flow:	= -\$ 5	-\$ 63

	Monthly	Yearly
OTHER INCOME		
Total:	\$ 0	\$ 0

	Monthly	Yearly
OPERATING EXPENSES		
Property Taxes:	\$ 166	\$ 1,990
Insurance:	\$ 25	\$ 300
Property Management:	\$ 176	\$ 2,112
Maintenance:	\$ 110	\$ 1,320
Capital Expenditures:	\$ 0	\$ 0
HOA Fees:	\$ 142	\$ 1,704
Utilities:	\$ 0	\$ 0
Landscaping:	\$ 0	\$ 0
Accounting & Legal Fees:	\$ 0	\$ 0
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Total:	\$ 619	\$ 7,426

Buy & Hold Projections

	APPRECIATION 3% Per Year		INCOME INCREASE 3% Per Year			EXPENSE INCREASES 3% Per Year		SELLING COSTS 5% of Price	
	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30		
RENTAL INCOME									
Gross Rent:	\$ 26,400	\$ 27,192	\$ 28,008	\$ 29,713	\$ 34,446	\$ 46,293	\$ 62,213		
Vacancy:	- \$ 1,320	- \$ 1,360	- \$ 1,400	- \$ 1,486	- \$ 1,722	- \$ 2,315	- \$ 3,111		
Vacancy Rate:	5%	5%	5%	5%	5%	5%	5%		
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0		
Operating Income:	= \$ 25,080	= \$ 25,832	= \$ 26,608	= \$ 28,227	= \$ 32,724	= \$ 43,978	= \$ 59,102		
Income Increase:	3%	3%	3%	3%	3%	3%	3%		
OPERATING EXPENSES									
Property Taxes:	\$ 1,990	\$ 2,050	\$ 2,111	\$ 2,240	\$ 2,596	\$ 3,489	\$ 4,689		
Insurance:	+ \$ 300	+ \$ 309	+ \$ 318	+ \$ 338	+ \$ 391	+ \$ 526	+ \$ 707		
Property Management:	+ \$ 2,112	+ \$ 2,175	+ \$ 2,241	+ \$ 2,377	+ \$ 2,756	+ \$ 3,703	+ \$ 4,977		
Maintenance:	+ \$ 1,320	+ \$ 1,360	+ \$ 1,400	+ \$ 1,486	+ \$ 1,722	+ \$ 2,315	+ \$ 3,111		
Capital Expenditures:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0		
HOA Fees:	+ \$ 1,704	+ \$ 1,755	+ \$ 1,808	+ \$ 1,918	+ \$ 2,223	+ \$ 2,988	+ \$ 4,016		
Utilities:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0		
Landscaping:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0		
Accounting & Legal Fees:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0		
Operating Expenses:	= \$ 7,426	= \$ 7,649	= \$ 7,878	= \$ 8,359	= \$ 9,688	= \$ 13,021	= \$ 17,500		
Expense Increase:	3%	3%	3%	3%	3%	3%	3%		
CASH FLOW									
Operating Income:	\$ 25,080	\$ 25,832	\$ 26,608	\$ 28,227	\$ 32,724	\$ 43,978	\$ 59,102		
Operating Expenses:	- \$ 7,426	- \$ 7,649	- \$ 7,878	- \$ 8,359	- \$ 9,688	- \$ 13,021	- \$ 17,500		
Expense Ratio:	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%		
Net Operating Income:	= \$ 17,654	= \$ 18,183	= \$ 18,730	= \$ 19,868	= \$ 23,036	= \$ 30,957	= \$ 41,602		
Loan Payments:	- \$ 17,717	- \$ 17,717	- \$ 17,717	- \$ 17,717	- \$ 17,717	- \$ 17,717	- \$ 17,717		
Cash Flow:	= -\$ 63	= \$ 466	= \$ 1,013	= \$ 2,151	= \$ 5,319	= \$ 13,240	= \$ 23,885		
TAX BENEFITS & DEDUCTIONS									
Operating Expenses:	\$ 7,426	\$ 7,649	\$ 7,878	\$ 8,359	\$ 9,688	\$ 13,021	\$ 17,500		
Loan Interest:	+ \$ 13,648	+ \$ 13,440	+ \$ 13,222	+ \$ 12,751	+ \$ 11,347	+ \$ 7,235	+ \$ 470		
Depreciation:	+ \$ 14,018	+ \$ 14,018	+ \$ 14,018	+ \$ 14,018	+ \$ 14,018	+ \$ 14,018	+ \$ 0		
Total Deductions:	= \$ 35,091	= \$ 35,107	= \$ 35,117	= \$ 35,127	= \$ 35,052	= \$ 34,274	= \$ 17,970		
EQUITY ACCUMULATION									

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Property Value:	\$ 378,147	\$ 389,491	\$ 401,176	\$ 425,608	\$ 493,396	\$ 663,083	\$ 891,128
Appreciation:	3%	3%	3%	3%	3%	3%	3%
Loan Balance:	- \$ 271,280	- \$ 267,003	- \$ 262,507	- \$ 252,815	- \$ 223,908	- \$ 139,266	- \$ 0
LTV Ratio:	71.7%	68.6%	65.4%	59.4%	45.4%	21%	-
Total Equity:	= \$ 106,867	= \$ 122,488	= \$ 138,669	= \$ 172,793	= \$ 269,488	= \$ 523,817	= \$ 891,128

SALE ANALYSIS

Equity:	\$ 106,867	\$ 122,488	\$ 138,669	\$ 172,793	\$ 269,488	\$ 523,817	\$ 891,128
Selling Costs (5%):	- \$ 18,907	- \$ 19,475	- \$ 20,059	- \$ 21,280	- \$ 24,670	- \$ 33,154	- \$ 44,556
Sale Proceeds:	= \$ 87,959	= \$ 103,014	= \$ 118,610	= \$ 151,513	= \$ 244,818	= \$ 490,662	= \$ 846,572
Cumulative Cash Flow:	- \$ 63	+ \$ 403	+ \$ 1,416	+ \$ 5,142	+ \$ 25,218	+ \$ 120,036	+ \$ 308,394
Total Cash Invested:	- \$ 110,136	- \$ 110,136	- \$ 110,136	- \$ 110,136	- \$ 110,136	- \$ 110,136	- \$ 110,136
Total Profit:	= -\$ 22,240	= -\$ 6,719	= \$ 9,890	= \$ 46,519	= \$ 159,900	= \$ 500,562	= \$ 1,044,830

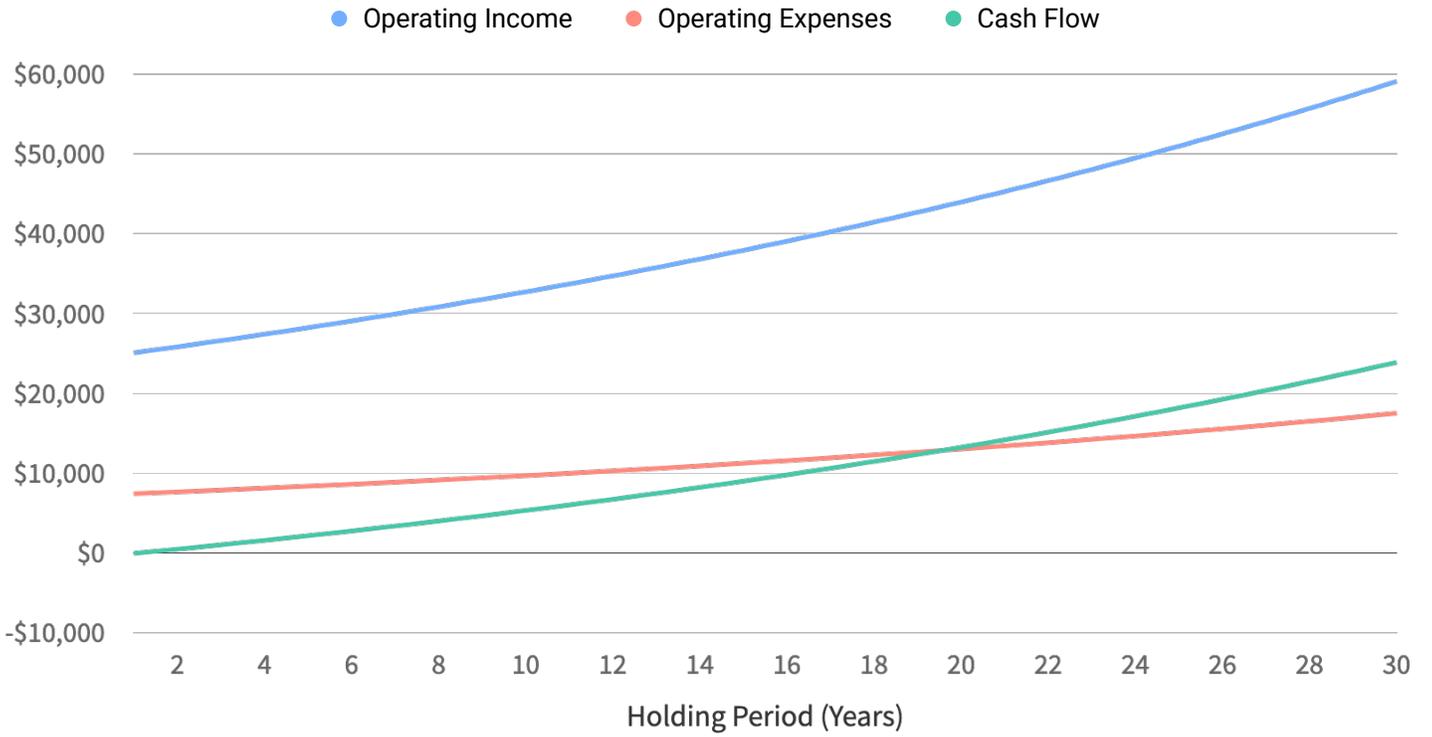
INVESTMENT RETURNS

Cap Rate (Purchase Price):	4.8%	5%	5.1%	5.4%	6.3%	8.4%	11.3%
Cap Rate (Market Value):	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Cash on Cash Return:	-0.1%	0.4%	0.9%	2%	4.8%	12%	21.7%
Return on Equity:	-0.1%	0.4%	0.7%	1.2%	2%	2.5%	2.7%
Return on Investment:	-20.2%	-6.1%	9%	42.2%	145.2%	454.5%	948.7%
Internal Rate of Return:	-20.2%	-3.1%	2.9%	7.3%	9.7%	9.8%	9.5%

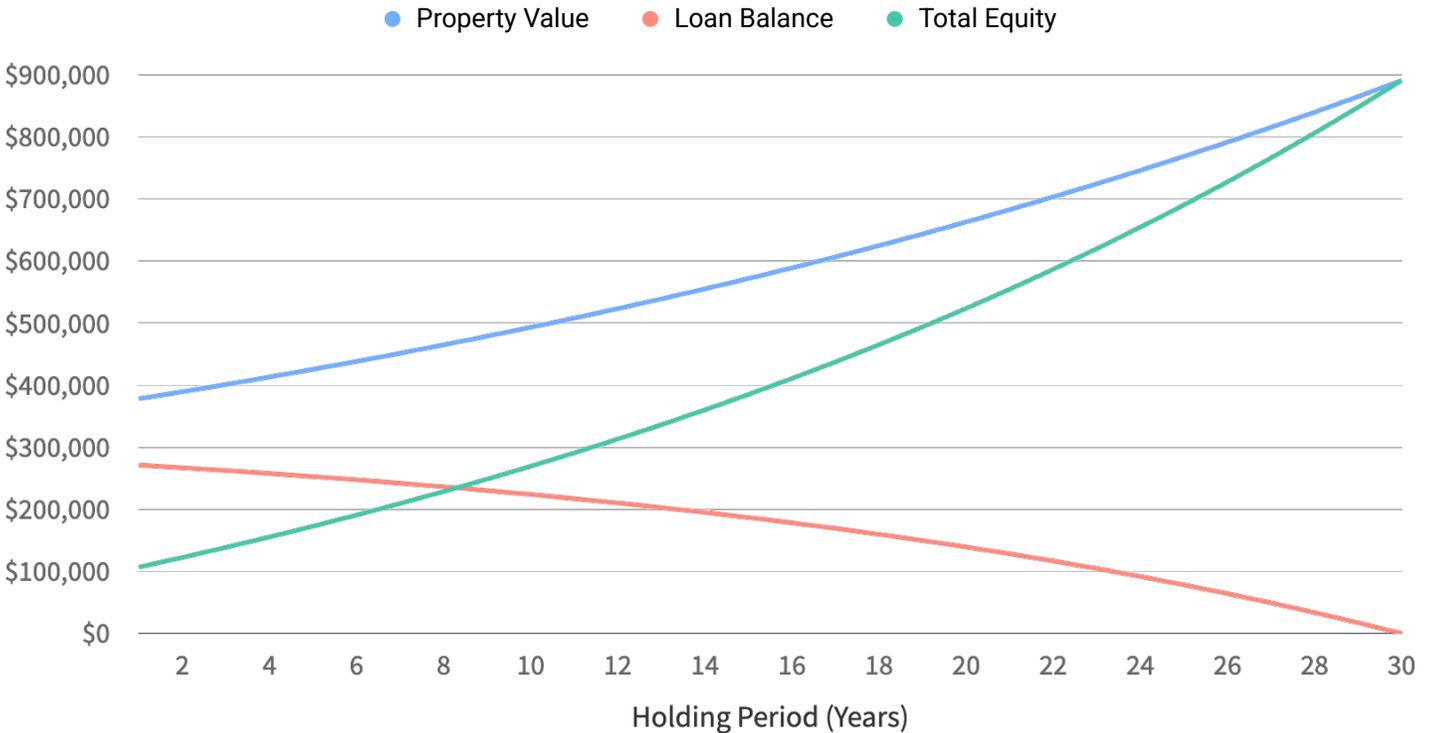
FINANCIAL RATIOS

Rent to Value:	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Gross Rent Multiplier:	14.32	14.32	14.32	14.32	14.32	14.32	14.32
Equity Multiple:	0.8	0.94	1.09	1.42	2.45	5.54	10.49
Break Even Ratio:	95.2%	93.3%	91.4%	87.8%	79.6%	66.4%	56.6%
Debt Coverage Ratio:	1	1.03	1.06	1.12	1.3	1.75	2.35
Debt Yield:	6.5%	6.8%	7.1%	7.9%	10.3%	22.2%	-

Cash Flow Over Time



Equity Over Time



Property Photos





Additional Information

All information to be verified by independent study and cannot be guaranteed. Although best efforts are made to be accurate in the assessment of future rents, interest rates, vacancy, expenses, rehab estimates, and other details noted in this proforma, all is to be independently verified by the investor. It is also essential to understand the square footage noted cannot be guaranteed but in the event of purchase, floorplans will become a part of the contract and discussed with your agent.

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