

Cypress Model - Pinewood Trace

Investment Property - Buy & Hold

819 Pinewood Ave, Hueytown, AL 35023

House · 3 Beds · 2 Baths · 1,521 Sq.Ft.

The "Cypress Model" is one of the three floor plans available as part of our Investor Build offering.

\$ 261,000 Purchase Price · \$ 275,000 ARV

\$ 263,610 Cash Needed · \$ 1,393/mo Cash Flow · 6.4% Cap Rate · 6.3% COC

Prepared by:



**the peak
group**



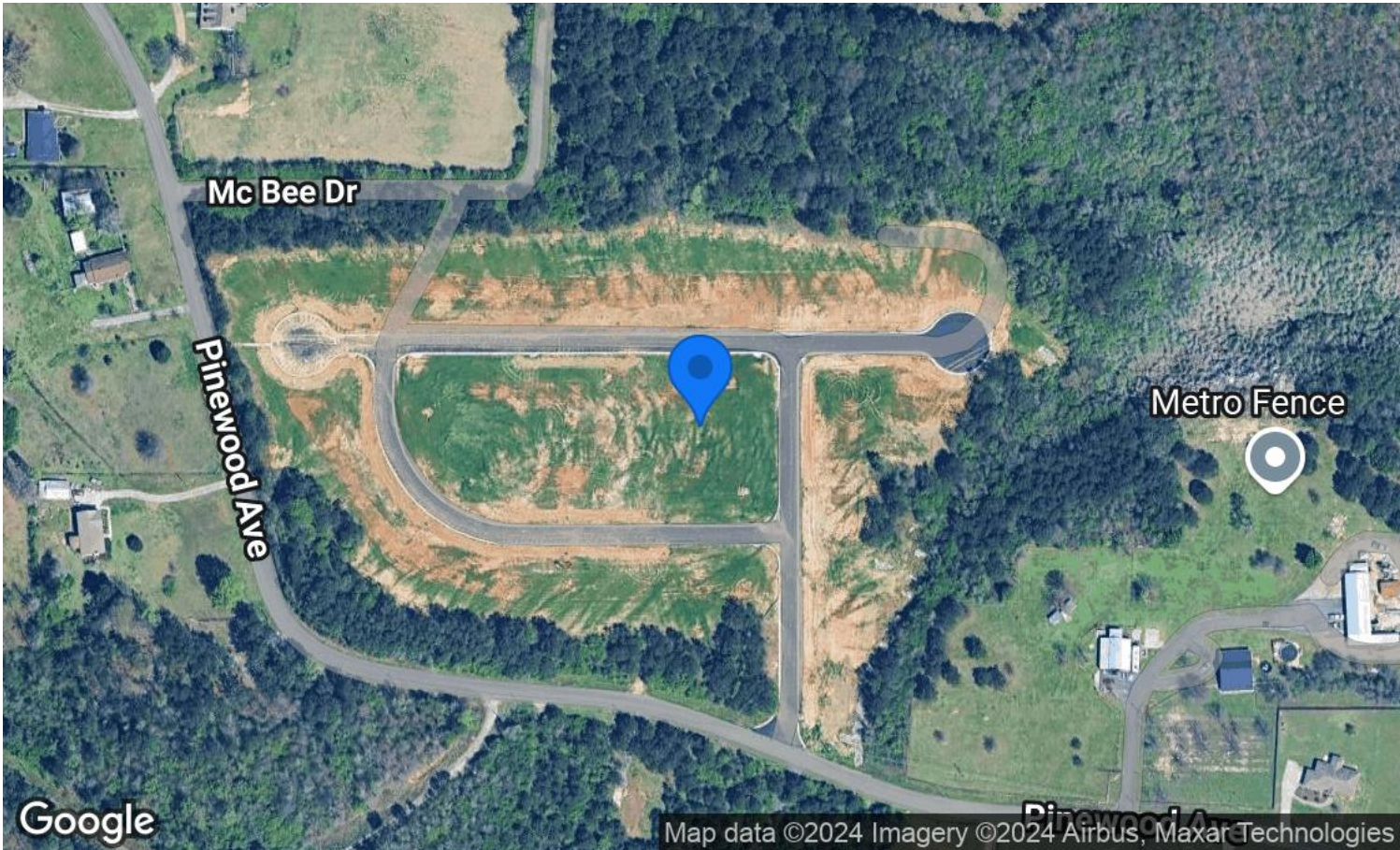
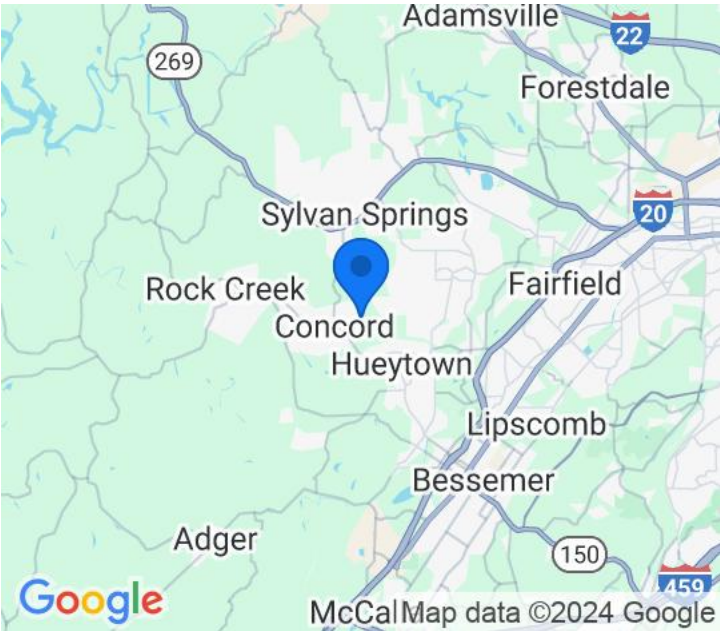
Property Description

ADDRESS

819 Pinewood Ave
Hueytown, AL 35023

DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 2 BA
Square Footage:	1,521
Year Built:	2025
Parking:	Garage



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		\$ 261,000
Purchase Costs:	+	\$ 2,610
Rehab Costs:	+	\$ 0

Total Cash Needed:	=	\$ 263,610
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After Repair Value:	\$ 275,000
ARV Per Square Foot:	\$ 180.8
Price Per Square Foot:	\$ 171.6

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	6.4% / 6.1%
Cash on Cash Return:	6.3%
Return on Equity:	5.9%
Return on Investment:	9%
Internal Rate of Return:	9%
Rent to Value:	0.7%
Gross Rent Multiplier:	11.92
Equity Multiple:	1.09
Break Even Ratio:	18.7%

PURCHASE COSTS

Total (1% of Price):	\$ 2,610
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FINANCING (PURCHASE)

Cash Purchase

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	10%
Vacancy Rate:	5%
Appreciation:	3% Per Year
Income Increase:	3% Per Year
Expense Increase:	3% Per Year
Selling Costs:	4.5% of Sales Price
Depreciation Period:	27.5 Years
Land Value:	\$ 55,000

REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun (10%):	\$ 0
Total:	\$ 0
Total Per Square Foot:	\$ 0

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		\$ 1,825	\$ 21,900
Vacancy (5%):	-	\$ 91	\$ 1,095
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 1,734	\$ 20,805
Operating Expenses (19.7%):	-	\$ 341	\$ 4,095
Net Operating Income:	=	\$ 1,393	\$ 16,710
Cash Flow:	=	\$ 1,393	\$ 16,710

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

		Monthly	Yearly
OPERATING EXPENSES			
Property Taxes:		\$ 217	\$ 2,607
Insurance:		\$ 104	\$ 1,248
Capital Expenditures:		\$ 0	\$ 0
HOA Fees:		\$ 20	\$ 240
Utilities:		\$ 0	\$ 0
Landscaping:		\$ 0	\$ 0
Accounting & Legal Fees:		\$ 0	\$ 0
Total:		\$ 341	\$ 4,095

Buy & Hold Projections

APPRECIATION	INCOME INCREASE			EXPENSE INCREASES		SELLING COSTS	
3% Per Year	3% Per Year			3% Per Year		4.5% of Price	
	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
RENTAL INCOME							
Gross Rent:	\$ 21,900	\$ 22,557	\$ 23,234	\$ 24,649	\$ 28,575	\$ 38,402	\$ 51,609
Vacancy:	- \$ 1,095	- \$ 1,128	- \$ 1,162	- \$ 1,232	- \$ 1,429	- \$ 1,920	- \$ 2,580
Vacancy Rate:	5%	5%	5%	5%	5%	5%	5%
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Income:	= \$ 20,805	= \$ 21,429	= \$ 22,072	= \$ 23,417	= \$ 27,146	= \$ 36,482	= \$ 49,029
Income Increase:	3%	3%	3%	3%	3%	3%	3%
OPERATING EXPENSES							
Property Taxes:	\$ 2,607	\$ 2,685	\$ 2,766	\$ 2,934	\$ 3,402	\$ 4,571	\$ 6,144
Insurance:	+ \$ 1,248	+ \$ 1,285	+ \$ 1,324	+ \$ 1,405	+ \$ 1,628	+ \$ 2,188	+ \$ 2,941
Property Management:	N/A	N/A	+ \$ 1,545	+ \$ 1,639	+ \$ 1,900	+ \$ 2,554	+ \$ 3,432
Maintenance:	N/A	+ \$ 226	+ \$ 232	+ \$ 246	+ \$ 286	+ \$ 384	+ \$ 516
Capital Expenditures:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
HOA Fees:	+ \$ 240	+ \$ 247	+ \$ 255	+ \$ 270	+ \$ 313	+ \$ 421	+ \$ 566
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:	= \$ 4,095	= \$ 4,443	= \$ 6,122	= \$ 6,494	= \$ 7,529	= \$ 10,118	= \$ 13,599
Expense Increase:	3%	3%	3%	3%	3%	3%	3%
CASH FLOW							
Operating Income:	\$ 20,805	\$ 21,429	\$ 22,072	\$ 23,417	\$ 27,146	\$ 36,482	\$ 49,029
Operating Expenses:	- \$ 4,095	- \$ 4,443	- \$ 6,122	- \$ 6,494	- \$ 7,529	- \$ 10,118	- \$ 13,599
Expense Ratio:	19.7%	20.7%	27.7%	27.7%	27.7%	27.7%	27.7%
Net Operating Income:	= \$ 16,710	= \$ 16,986	= \$ 15,950	= \$ 16,923	= \$ 19,617	= \$ 26,364	= \$ 35,430
Cash Flow:	= \$ 16,710	= \$ 16,986	= \$ 15,950	= \$ 16,923	= \$ 19,617	= \$ 26,364	= \$ 35,430
TAX BENEFITS & DEDUCTIONS							
Operating Expenses:	\$ 4,095	\$ 4,443	\$ 6,122	\$ 6,494	\$ 7,529	\$ 10,118	\$ 13,599
Depreciation:	+ \$ 7,586	+ \$ 7,586	+ \$ 7,586	+ \$ 7,586	+ \$ 7,586	+ \$ 7,586	+ \$ 0
Total Deductions:	= \$ 11,681	= \$ 12,029	= \$ 13,708	= \$ 14,080	= \$ 15,115	= \$ 17,704	= \$ 13,599
EQUITY ACCUMULATION							
Property Value:	\$ 283,250	\$ 291,748	\$ 300,500	\$ 318,800	\$ 369,577	\$ 496,681	\$ 667,497
Appreciation:	3%	3%	3%	3%	3%	3%	3%

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Total Equity:	= \$ 283,250	= \$ 291,748	= \$ 300,500	= \$ 318,800	= \$ 369,577	= \$ 496,681	= \$ 667,497

SALE ANALYSIS

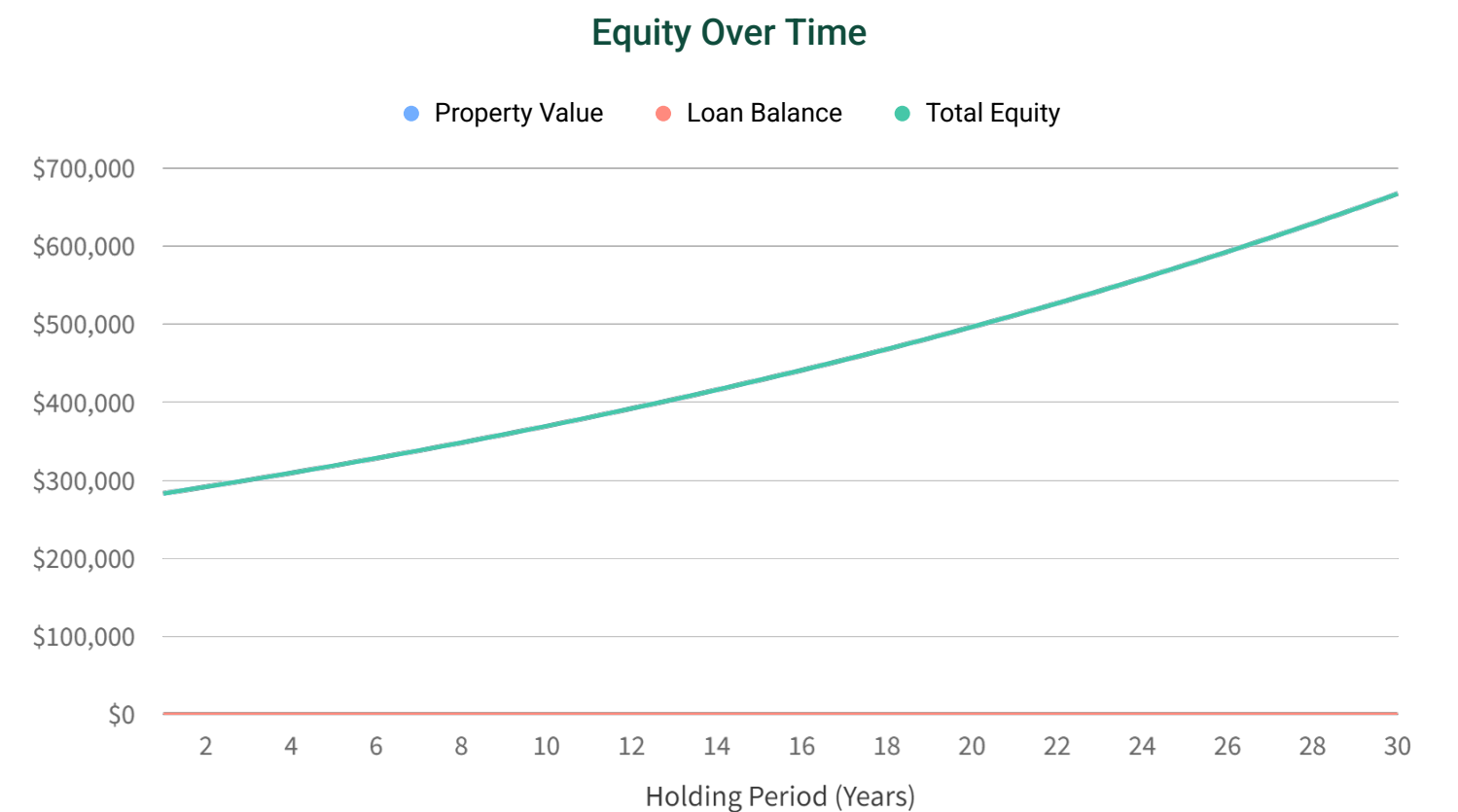
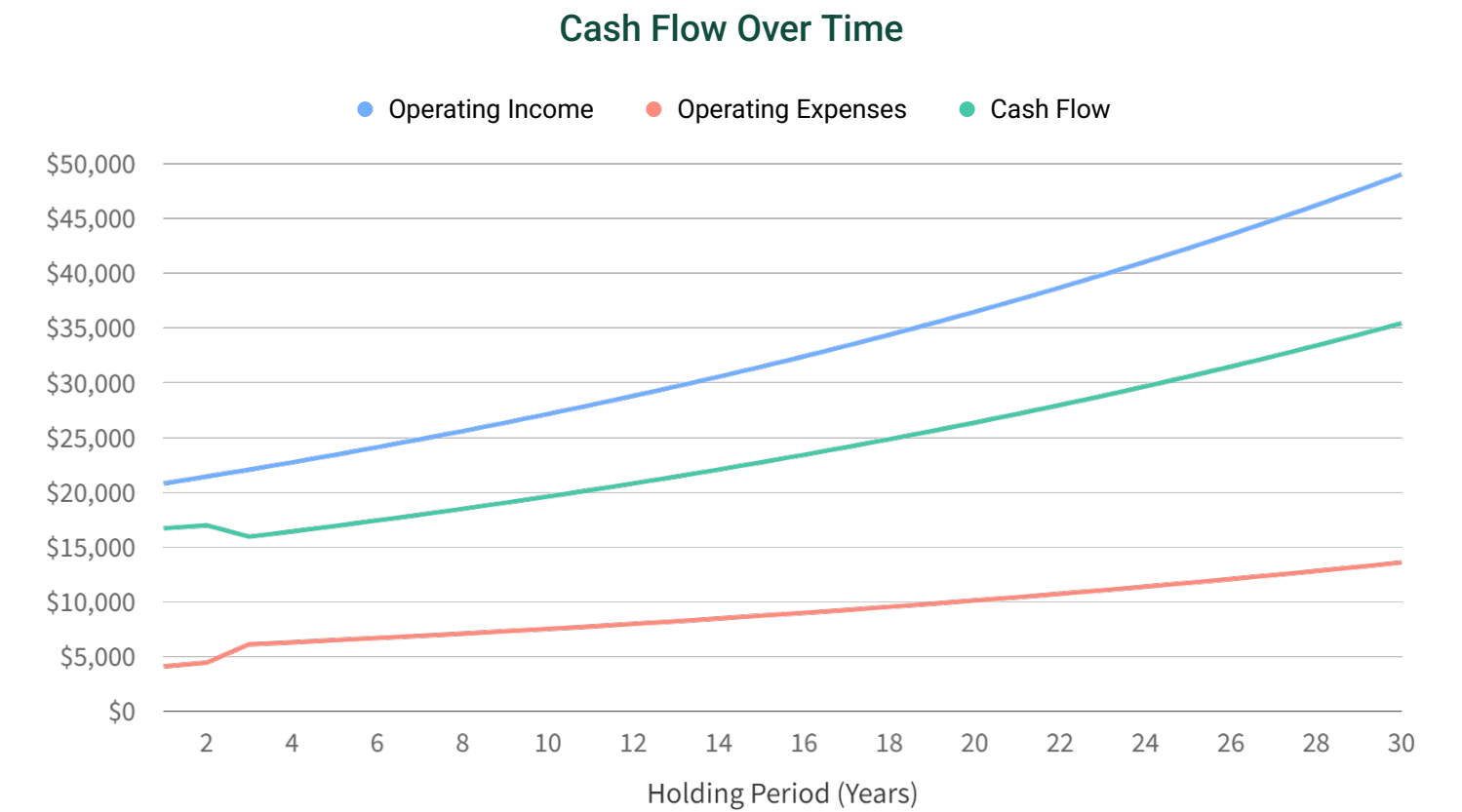
Equity:	\$ 283,250	\$ 291,748	\$ 300,500	\$ 318,800	\$ 369,577	\$ 496,681	\$ 667,497
Selling Costs (4.5%):	- \$ 12,746	- \$ 13,129	- \$ 13,523	- \$ 14,346	- \$ 16,631	- \$ 22,351	- \$ 30,037
Sale Proceeds:	= \$ 270,504	= \$ 278,619	= \$ 286,978	= \$ 304,454	= \$ 352,946	= \$ 474,330	= \$ 637,460
Cumulative Cash Flow:	+ \$ 16,710	+ \$ 33,696	+ \$ 49,646	+ \$ 82,998	+ \$ 175,534	+ \$ 407,166	+ \$ 718,462
Total Cash Invested:	- \$ 263,610	- \$ 263,610	- \$ 263,610	- \$ 263,610	- \$ 263,610	- \$ 263,610	- \$ 263,610
Total Profit:	= \$ 23,604	= \$ 48,705	= \$ 73,014	= \$ 123,842	= \$ 264,870	= \$ 617,886	= \$ 1,092,312

INVESTMENT RETURNS

Cap Rate (Purchase Price):	6.4%	6.5%	6.1%	6.5%	7.5%	10.1%	13.6%
Cap Rate (Market Value):	5.9%	5.8%	5.3%	5.3%	5.3%	5.3%	5.3%
Cash on Cash Return:	6.3%	6.4%	6.1%	6.4%	7.4%	10%	13.4%
Return on Equity:	5.9%	5.8%	5.3%	5.3%	5.3%	5.3%	5.3%
Return on Investment:	9%	18.5%	27.7%	47%	100.5%	234.4%	414.4%
Internal Rate of Return:	9%	9.1%	9%	8.9%	8.8%	8.8%	8.8%

FINANCIAL RATIOS

Rent to Value:	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Gross Rent Multiplier:	12.93	12.93	12.93	12.93	12.93	12.93	12.93
Equity Multiple:	1.09	1.18	1.28	1.47	2	3.34	5.14
Break Even Ratio:	18.7%	19.7%	26.3%	26.3%	26.3%	26.3%	26.4%



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, 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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