



Pinnacle
Investment Properties

408 661-5903

www.investwithpinnacle.com

1st Year Pro forma

City, State	Indianapolis, IN
Street	7540 E. 47th St
Property Type	Single family
Year Built	1900
Living Area Sq Ft	812
Bedrooms	3
Baths	1
Neighborhood Class	C

Price	\$129,000
Cost per Sq Ft	\$158.87
Monthly Rent per Sq Ft	\$1.35



Income	Monthly	Annual
Gross Rent	\$1,100	\$13,200
Vacancy Losses	\$55	\$660
Gross Operating Income	\$1,045	\$12,540

Expenses	Monthly	Annual
Property Taxes	\$95	\$1,137
Insurance	\$50	\$600
Management **	\$0	\$0
Leasing/Advertising	\$0	\$0
Gas, electric, water	\$0	\$0
Maintenance	\$44	\$528
Lawcare/Snow removal	\$0	\$0
Operating Expenses	\$189	\$2,265

Net Performance	Monthly	Annual
Net Operating Income	\$856	\$10,275
Debt Service	\$594	\$7,129
Cash Flow	\$262	\$3,146
Principal Reduction	\$113	\$1,359
First Year Appreciation	\$323	\$3,870
Gross Income & Equity Return	\$698	\$8,375

Financial Indicators	
Debt Cover Ratio	1.4
Annual Gross Rent Multiplier	9.8
Monthly Gross Rent Multiplier	117
Rent ratio	0.9%
Capitalization Rate	8.0%
Cash on Cash Return	12.2%
Total Return on Investment	32.5%

Assumptions	
Real Estate Appreciation Rate	3%
Vacancy Rate	5%
Management Fee	10%
Maintenance Percentage	4%
Rental Increase	2.0%

Mortgage Information	
Loan to Value	80.0%
Downpayment	\$25,800
Loan Amount	\$103,200
Terms	360
Interest Rate*	5.625%
Mortgage Payment	\$594.08

These are projections only and performance is not guaranteed. All investments have risk and investors should do their own due diligence

*Based on 10 year ARM. Rates can vary and are subject to change Seller will credit \$2000 towards loan points for interest rate reduction

1 year of free property management

10 Year Performance Summary----Cash-flow & Equity

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
INCOME						
Gross Rent	\$13,200	\$13,464	\$13,733	\$14,008	\$14,288	\$15,775
Vacancy	\$660	\$673	\$687	\$700	\$714	\$789
Operating Income	\$12,540	\$12,791	\$13,047	\$13,308	\$13,574	\$14,986

EXPENSES						
Property taxes	\$1,137	\$1,160	\$1,183	\$1,207	\$1,231	\$1,359
Insurance	\$600	\$612	\$624	\$637	\$649	\$717
Management	\$0	\$1,279	\$1,305	\$1,331	\$1,357	\$1,499
Maintenance	\$528	\$539	\$549	\$560	\$572	\$631
Total Operating Expenses	\$2,265	\$3,589	\$3,661	\$3,734	\$3,809	\$4,205

Income Analyses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Net Operating Income	\$10,275	\$9,202	\$9,386	\$9,573	\$9,765	\$10,781
Debt Service	\$7,129	\$7,129	\$7,129	\$7,129	\$7,129	\$7,129
Cash Flow	\$3,146	\$2,073	\$2,257	\$2,444	\$2,636	\$3,652
Cash on Cash Return	12.2%	8.0%	8.7%	9.5%	10.2%	14.2%

Equity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Principal Reduction	\$1,359	\$1,437	\$1,520	\$1,608	\$1,701	\$2,272
Annual Appreciation	\$3,870	\$3,986	\$4,106	\$4,229	\$4,356	\$5,049
Total Annual Equity Gain	\$5,229	\$5,423	\$5,626	\$5,837	\$6,056	\$7,322
Total Equity Gain %	20.3%	21.0%	21.8%	22.6%	23.5%	28.38%

Income & Equity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Total Annual Income	\$3,146	\$2,073	\$2,257	\$2,444	\$2,636	\$3,652
Total Annual Equity	\$5,229	\$5,423	\$5,626	\$5,837	\$6,056	\$7,322
Total Income & Equity	\$8,375	\$7,496	\$7,882	\$8,281	\$8,692	\$10,974
Return from Income & Equity	32.5%	29.1%	30.6%	32.1%	33.7%	42.5%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Cummulative Cash flow	\$3,146	\$5,219	\$7,475	\$9,920	\$12,555	\$28,743
Cummulative Equity Gain	\$5,229	\$10,652	\$16,277	\$22,114	\$28,170	\$62,103
Total Cummulative Income & Equity	\$8,375	\$15,870	\$23,753	\$32,033	\$40,726	\$90,846
Income & Equity ROI	32.5%	29.1%	30.6%	32.1%	33.7%	42.5%

\$200,
\$180,
\$160,
\$140,
\$120,
\$100,
\$80,
\$60,
\$40,
\$20,

10 Year Cummulative Return

