BiggerPockets®

# Salisbury

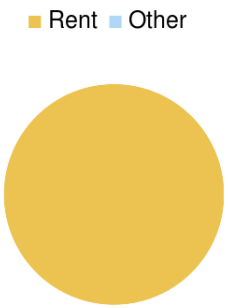
| Monthly Income: | Monthly Expenses: | Monthly Cash Flow: | Pro Forma Cap Rate: |
|---|---|---|---|
| $1,400.00 | $1,541 / $1,147 | -$141 / $253 | 5.79% |
| **NOI** | **Total Cash Needed** | **Cash on Cash ROI** | **Purchase Cap Rate** |
| $9,256.00 | $46,900.00 | -3.6% / 22.0% | 10.40% |

| **Purchase Price:** | **$89,000.00** |
|---|---|
| Purchase Closing Costs: | $3,000.00 |
| Estimated Repairs: | $35,000.00 |
| Total Project Cost: | $127,000.00 |
| After Repair Value: | $160,000.00 |
| Estimated Rehab Time: | 4 Months |
| Time to Refinance: | 6 Months |

| **Acquisition:** | |
|---|---|
| Down Payment: | $8,900.00 |
| Loan Amount: | $82,503.00 |
| Loan Points/Fees: | $2,403.00 |
| Amortized Over: | 30 years |
| Loan Interest Rate: | 12.99% |
| Monthly P&I: | $912.00 |
| Total Cash Needed At Purchase: | $46,900.00 |

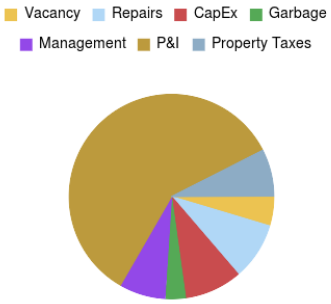
| **Refinance:** | |
|---|---|
| Loan Amount: | $115,500.00 |
| Loan Fees: | $3,500.00 |
| Amortized Over: | 30 years |
| Loan Interest Rate: | 3.50% |
| Monthly P&I: | $518.65 |
| Total Cash Invested: | $13,786.44 |

## Income



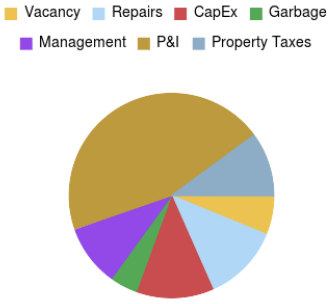

| | |
|---|---|
| Rent | $1,400.00 |
| Other | $0.00 |
| **Total** | **$1,400.00** |

## Pre-Refinance Expenses




| | |
|---|---|
| Vacancy | $70.00 (5%) |
| Repairs | $140.00 (10%) |
| CapEx | $140.00 (10%) |
| Garbage | $50.00 (4%) |
| Management | $112.00 (8%) |
| P&I | $912.00 (65%) |
| Property Taxes | $116.67 (8%) |
| **Total** | **$1,540.67 (110%)** |

## Post-Refinance Expenses




| | |
|---|---|
| Vacancy | $70.00 (5%) |
| Repairs | $140.00 (10%) |
| CapEx | $140.00 (10%) |
| Garbage | $50.00 (4%) |
| Management | $112.00 (8%) |
| P&I | $518.65 (37%) |
| Property Taxes | $116.67 (8%) |
| **Total** | **$1,147.31 (82%)** |

## Financial Projections

| | |
|---|---|
| Total Initial Equity: | $77,497.00 |
| Gross Rent Multiplier: | 5.30 |
| Income-Expense Ratio (2% Rule): | 1.10% |
| ARV based on Cap Rate: | - |

### 50% Rule Cash Flow Estimates Pre-Refinance

| | |
|---|---|
| Total Monthly Income: | $1,400 |
| x50% for Expenses: | $700 |
| Monthly Payment/Interest Payment: | $912 |
| **Total Monthly Cashflow using 50% Rule:** | **-$212** |

### 50% Rule Cash Flow Estimates Post-Refinance

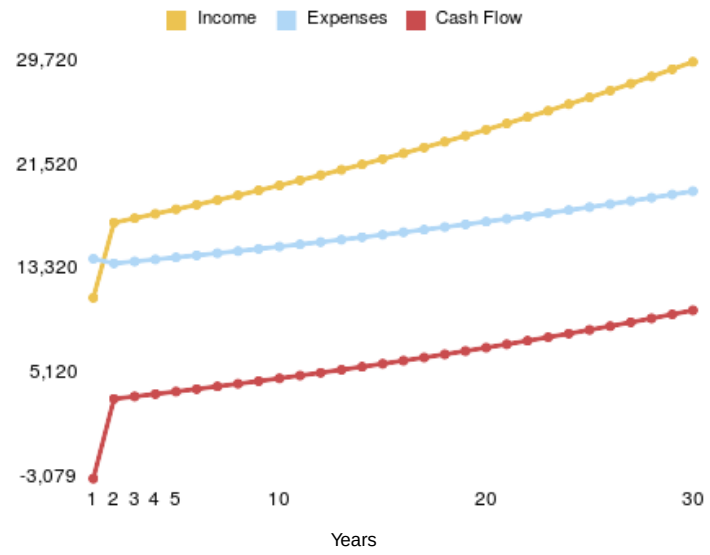
| | |
|---|---|
| Total Monthly Income: | $1,400 |
| x50% for Expenses: | $700 |
| Monthly Payment/Interest Payment: | $519 |
| **Total Monthly Cashflow using 50% Rule:** | **$181** |

## Analysis Over Time

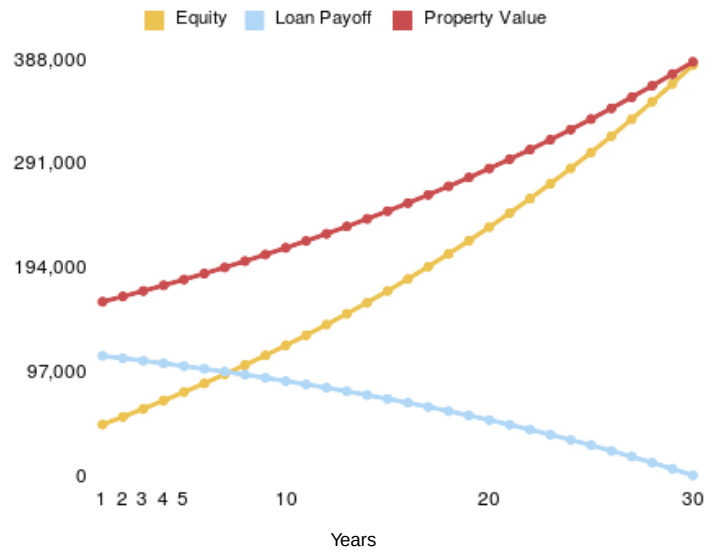
| Annual Growth Assumptions | 2% Expenses | 2% Income | 3% Property Value |
|---|---|---|---|

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 10 | Year 20 | Year 30 |
|---|---|---|---|---|---|---|---|
| Total Annual Income | $11,200 | $17,136 | $17,479 | $17,828 | $20,078 | $24,474 | $29,834 |
| Total Annual Expenses | $14,280 | $13,919 | $14,073 | $14,230 | $15,240 | $17,214 | $19,621 |
| Total Annual Cashflow | -$3,080 | $3,217 | $3,406 | $3,599 | $4,838 | $7,260 | $10,213 |
| Cash on Cash ROI | -22.34% | 23.34% | 24.71% | 26.10% | 35.09% | 52.66% | 74.08% |
| Property Value | $164,800 | $169,744 | $174,836 | $180,081 | $215,027 | $288,978 | $388,362 |
| Equity | $50,399 | $57,598 | $65,026 | $72,691 | $124,067 | $234,357 | $385,282 |
| Loan Balance | $114,401 | $112,146 | $109,810 | $107,391 | $90,959 | $54,621 | $3,080 |
| Total Profit if Sold | $33,532 | $43,949 | $54,784 | $66,047 | $143,282 | $314,880 | $554,168 |
| Annualized Total Return | 243% | 105% | 71% | 55% | 28% | 17% | 13% |

### Income, Expenses and Cash Flow (in $)




### Loan Balance, Value and Equity (in $)



| | |
|---|---|
| **House Size (sq. ft)** | 2066 |
| **Stories** | 2 |
| **Property Type** | Single Family |

Calculations based on a 31-day month. The calculators found on BiggerPockets are designed to be used for informational and educational purposes only, and when used alone, do not constitute investment advice. BiggerPockets recommends that you seek the advice of a real estate professional before making any type of investment. The results presented may not reflect the actual return of your own investments. BiggerPockets is not responsible for the consequences of any decisions or actions taken in reliance upon or as a result of the information provided by these tools. Furthermore, BiggerPockets is not responsible for any human or mechanical errors or omissions.