

# Multifamily Property Purchase Analysis <sup>®</sup> | Courtesy of Sound Realty Group

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## PROPERTY INFO

Property Address: **1757 S 305th Pl, Federal Way**

Current Asking Price: **\$795,000**  
 Total Rentable SQ. FT: **4800**  
 Lot SQ. FT: **10454**  
 Year Built: **1977**  
 Number of Units: **8**  
 Days on Market: **28**

Price Per SQ. FT: **\$165.63**  
 Price Per Unit: **\$99,375**  
 Cap. Rate: **9.23%**  
 Gross Rent Multiplier: **8.28**  
 Debt Svc. Coverage Ratio: **2.17**  
 Year 1 Cash-On-Cash ROI: **15.92%**

## OPERATING INCOME

<u>Stated</u>	<u>Info</u>
Gross Scheduled Annual Rent: <b>\$96,000.00</b>	<i>(Monthly Rents x # of units x 12 months)</i>
Additional Income: <b>\$0.00</b>	<i>(Laundry, Storage, Parking, etc)</i>
Vacancy Rate: <b>3%</b>	<i>(Vacancy Loss; Avg. in most NW Markets = 3%)</i>
<b>Gross Operating Income: \$93,120.00</b>	<i>(Gross Sched. Rents - Vacancy + Addl Income)</i>

## OPERATING EXPENSES

*If Not Currently Available, Use Market Estimates:*

Property Tax: <b>\$9,237.00</b>	<i>\$7,950.00 1% Value</i>
Insurance: <b>\$2,500.00</b>	<i>\$2,385.00 .3% of Value</i>
Utilities: <b>\$8,000.00</b>	<i>\$8,000.00 \$1000/unit (W,S,G)</i>
Maintenance / Repairs: <b>\$0.00</b>	<i>\$4,800.00 5% of Gross Income</i>
Property Management:	<i>\$7,680.00 8% of Gross Income</i>

**Total Operating Expenses: \$19,737.00**

**Net Operating Income: \$73,383.00** *(Gross Operating Income - Operating Expense)*

## ESTIMATED FINANCING

Purchase Price: <b>\$795,000.00</b>	<u>Down Payment Amount</u>	<u>Estimated Closing Costs</u>
Down Payment (%): <b>30%</b>	<b>\$238,500.00</b>	<b>\$9,950.00</b>

**Loan Amount: \$556,500.00**

Interest Rate: **4.500%**

Number of Years: **30**

**Monthly Payment Principal & Interest: \$2,819.70**

Annual Debt Service

**\$33,836.44**

Initial Cash Investment

**\$248,450.00**

## CASH FLOW

	<u>Monthly</u>	<u>Annual</u>
<b>Estimated Cash Flow Before Taxes:</b>	<b>\$3,295.55</b>	<b>\$39,546.56</b>

\*Interest rate and down payment amount are based on current market averages and used for analysis purposes only. We recommend consulting with a mortgage professional.



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