

**PATTERSON REALTY**  
INVESTMENT PROPERTY WORKSHEET

Property	1615 N. Russell
City	Santa Maria-Orcutt
MLS #	162021
Year Built	1979
# of Units	1
Zoning	SFR
Status	REO
# of Bedrooms/ # of Bathrooms	5/3
Building Size (Square feet)	1,300
Price per Square foot	\$ 135
Lot Size (Square feet)	5,001
Asking Price	\$ 175,000
Purchase Price	\$ 175,000
Closing Costs- % (Title, Escrow, Loan Cost)	1%
Closing Costs- \$	\$ 1,750
Credit to buyer (closing cost, loan buydown, etc.)	\$ -
Total Purchase Amount	\$ 176,750
Downpayment- % (Minimum of 25%= 1.75 point loan cost)	25%
Downpayment- \$	\$ 44,188
Repair Costs (Estimate)	\$ 5,000
Initial Investment (downpayment+repairs-credit to buyers)	\$ 49,188
Financing Amount (Total Purchase Amount - Downpayment)	\$ 132,563

INCOME:	# of Units	Rent/Unit	Monthly	Annual
Studios	0	\$ -	\$ -	\$ -
1 Bedrooms	0	\$ -	\$ -	\$ -
2 Bedrooms	0	\$ -	\$ -	\$ -
3 Bedrooms	0	\$ -	\$ -	\$ -
4 Bedrooms	0	\$ -	\$ -	\$ -
5 Bedrooms	1	\$ 2,250	\$ 2,250	\$ 27,000
Other Income (Laundry, etc.)	0	\$ -	\$ -	\$ -
Total Gross Rents			\$ 2,250	\$ 27,000
Vacancy Factor	5.00%		\$ 113	\$ 1,350
Effective Gross Income (EGI or GOI)			\$ 2,138	\$ 25,650

Building Depreciation	Value	Monthly	Annual
Straight-line depreciation (Residential depreciation @ 27.5 years)	\$ 123,725	\$ 375	\$ 4,499

OPERATING EXPENSES:	Total	Monthly	Annual
RE Taxes	1.10%	\$ 160	\$ 1,925
Insurance	Estimate	\$ 30	\$ 360
Maintenance/Repairs	Estimate	\$ -	\$ -
Landscaping/Other	Estimate	\$ -	\$ -
Utilities (Garbage)	Estimate	\$ -	\$ -
Advertising	Estimate	\$ -	\$ -
HOA Fees	Actual	\$ -	\$ -
Management	8.00%	\$ 171	\$ 2,052
Total Operating Expenses (% of EGI)	16.91%	\$ 361	\$ 4,337
NOI (EGI-TOE)		\$ 1,776	\$ 21,313

DEBT SERVICE:	Interest Rate	P/I Payment	Term
Mortgage (Principal + Interest)	5.50%	\$753	30

Investment Analysis	Monthly	Annual
Gross Operating Income	\$ 2,138	\$ 25,650
Minus: Operating Expenses	\$ 361	\$ 4,337
Equals: NOI	\$ 1,776	\$ 21,313
Minus: Debt Service	\$ 753	\$ 9,032
BTCF	\$ 1,023	\$ 12,281

Estimated Annual Appreciation (Per Year):	2.50%	\$ 4,375
Holding Period (Years and \$ Amount multiplied by Years):	5	\$ 21,875
Projected Resale Price after Holding Period:	\$ 197,996	
LTV after Holding Period, No Principal Reduction	67%	
Return on Investment after Holding Period	12%	

Debt Service Coverage Ratio (NOI/DS = DSCR)	2.36	
Capitilization Rate (NOI/Purchase Price)	12.18%	
Gross Rent Multiplier (Purchase Price/Gross Rents= GRM)	6.48	
Cash on Cash Return (BTCF/Initial Investment)	24.97%	
Yield (Gross Annual Income/Purchase Price)	15.43%	