

Investment Property For Sale

\$1,250,000



1234 Wilderness Lane Madison WI 53704

Calico Properties

Number of units	8
# of 1 bedrooms	2
# of 2 bedrooms	4
# of 3 bedrooms	2
Building Square Footage	12,000
Lot Size (square feet)	20,000
Year Built	1986
Zoning	Residential

REVENUES

Potential Rental Income	\$129,840
Other Non-Interest Operating Income	0
Total Potential Gross Income	129,840
less Vacancy 5.00%	6,492
Total Effective Gross Income	123,348

OPERATING EXPENSES

Maintenance	2,163
Utilities	1,082
Insurance	1,082
Administrative & General	1,622
Advertising	541
Supplies	541
Property Management	3,245
Outside Services	541
Salaries and Commissions	1,082
Property tax	17,306
Other Operating Expense	0
Total Operating Expenses	29,205

Net Operating Income (NOI) \$94,143

Operating Ratio	23.7%
Gross Operating Profit Margin	76.3%
Gross Income (rent) Multiplier	10.1
Capitalization Rate	7.5%

Comments

All units are equipped with ranges & refriderators.

Close to schools
Close to highway
Low crime rate area

This property is ideal for those who can visualize how to add value through judicious use of capital improvements. The property has significant acreage, a country setting and easy access. But, it needs some work - i.e. it has no curb appeal and could benefit greatly from some modest landscaping. In addition, some roof work is needed and possibly some siding. Ideal for student housing.

Mortgage Analysis

Max. Debt Service (yrly) Given Req. DCR	\$75,314
Max. Loan Given Required DCR	943,360
Implied Down Payment 24.5%	306,640
Pre-Tax Cash Flow	\$18,829
Pre-Tax Cash-on-Cash Return	6.1%

ASSUMPTIONS

Interest Rate (annual)	7.00%
Term (in months)	360
Minimum Required DCR	1.25

Prepared by J. P. Fitzgerald, JerDen Realty