

Multifamily Development at 206 S Beaumont Ave

Conservative Approach

No. of Units		20
Average Area/unit	SQFT	900
Construction Costs	SQFT	\$ 200.00
Cost Construction Units		\$ 3,600,000.00
Common Area	SQFT	\$ 10,000.00
Construction Costs Comon Areas		\$ 100.00
Plus Common Areas		\$ 1,000,000.00
Total estimated Cost		\$ 4,600,000.00

Net Operating Income

Average Rent		\$ 2,400.00	
Potential Gross Income		\$ 576,000.00	
Minus Vacancy	5%	\$ 28,800.00	
Effective Gross Income		\$ 547,200.00	
Operating Expenses	30%	\$ 164,160.00	
NOI		\$ 383,040.00	
Cap Rate	6.50%	\$ 5,892,923.08	\$ 1,292,923.08
	6.00%	\$ 6,384,000.00	\$ 1,784,000.00

Conservative Approach

No. of Units		25
Average Area/unit	SQFT	900
Construction Costs	SQFT	\$ 200.00
Cost Construction Units		\$4,500,000.00
Common Area	SQFT	\$ 10,000.00
Construction Costs Comon Areas		\$ 100.00
Plus Common Areas		\$1,000,000.00
Total estimated Cost		\$5,500,000.00

Net Operating Income

Average Rent		\$ 2,400.00	
Potential Gross Income		\$ 720,000.00	
Minus Vacancy	5%	\$ 36,000.00	
Effective Gross Income		\$ 684,000.00	
Operating Expenses	30%	\$ 205,200.00	
NOI		\$ 478,800.00	
Cap Rate	6.50%	\$7,366,153.85	\$1,866,153.85
	6.00%	\$7,980,000.00	\$2,480,000.00