

Multifamily Development at 206 S Beaumont Ave

Conservative Approach

No. of Units		30
Average Area/unit	SQFT	900
Construction Costs	SQFT	\$ 150.00
Cost Construction Units		\$ 4,050,000.00
Common Area	SQFT	\$ 10,000.00
Construction Costs Comon Areas		\$ 100.00
Plus Common Areas		\$ 1,000,000.00
Total estimated Cost		\$ 5,050,000.00

Net Operating Income

Average Rent		\$ 1,800.00	
Potential Gross Income		\$ 648,000.00	
Minus Vacancy	5%	\$ 32,400.00	
Effective Gross Income		\$ 615,600.00	
Operating Expenses	30%	\$ 184,680.00	
NOI		\$ 430,920.00	
Cap Rate	6.50%	\$ 6,629,538.46	\$ 1,579,538.46
	6.00%	\$ 7,182,000.00	\$ 2,132,000.00
Land Value		\$ 2,132,000.00	

Optimistic Approach

No. of Units			60
Average Area/unit	SQFT		900
Construction Costs	SQFT	\$	150.00
Cost Construction Units		\$	8,100,000.00
Common Area	SQFT	\$	10,000.00
Construction Costs Comon Areas		\$	100.00
Plus Common Areas		\$	1,000,000.00
Total estimated Cost		\$	9,100,000.00

Net Operating Income

Average Rent		\$	1,800.00	
Potential Gross Income		\$	1,296,000.00	
Minus Vacancy	5%	\$	64,800.00	
Effective Gross Income		\$	1,231,200.00	
Operating Expenses	30%	\$	369,360.00	
NOI		\$	861,840.00	
Cap Rate	6.50%	\$	13,259,076.92	\$4,159,076.92
	6.00%	\$	14,364,000.00	\$5,264,000.00
Land Value		\$	5,264,000.00	