

PINEHURST VILLAS

Opelika , AL 36801



For more information

DREW LANCASTER

Managing Partner

423-713-9788

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Price: \$4,700,000

Property Highlights

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DREW LANCASTER

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Analysis

Analysis Date June 2020

Property

Property Type MultiFamily
 Property Pinehurst Villas
 Property
 City, State Opelika , AL 36801
 Year Built 1996

Purchase Information

Purchase Price \$4,700,000
 Units 104
 Total Rentable Sq. Ft. 100,240
 Resale Valuation 7.000% (capitalization of noi)
 Resale Expenses 4.000%

Income & Expense

Gross Operating Income \$808,609
 Monthly GOI \$67,384
 Total Annual Expenses (\$436,800)
 Monthly Expenses (\$36,400)

Financial Information

Down Payment \$940,000
 Closing Costs \$50,000

Loans

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Fixed	\$3,760,000	20 years	20 years	6.25000%	\$27,483	

PROPERTY PHOTOS

Pinehurst Villas
Opelika, AL 36801



CASH FLOW ANALYSIS

Pinehurst Villas
Opelika , AL 36801

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Before Tax Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
GROSS SCHEDULED INCOME	\$869,472	\$886,861	\$904,599	\$922,691	\$941,144
Turnover Vacancy	(\$60,863)	(\$62,080)	(\$63,322)	(\$64,588)	(\$65,880)
Total Operating Expenses	(\$436,800)	(\$442,884)	(\$449,059)	(\$455,327)	(\$461,689)
NET OPERATING INCOME	\$371,809	\$381,897	\$392,218	\$402,775	\$413,575
Loan Payment	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)
NET CASH FLOW (B/T)	\$42,014	\$52,102	\$62,423	\$72,980	\$83,780
Cash-On-Cash Return b/t	4.24%	5.26%	6.31%	7.37%	8.46%

Before Tax Cash Flow	Year 6	Year 7	Year 8	Year 9	Year 10
GROSS SCHEDULED INCOME	\$959,967	\$979,167	\$998,750	\$1,018,725	\$1,039,100
Turnover Vacancy	(\$67,198)	(\$68,542)	(\$69,913)	(\$71,311)	(\$72,737)
Total Operating Expenses	(\$468,146)	(\$474,701)	(\$481,353)	(\$488,105)	(\$494,959)
NET OPERATING INCOME	\$424,623	\$435,924	\$447,484	\$459,309	\$471,404
Loan Payment	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)
NET CASH FLOW (B/T)	\$94,828	\$106,130	\$117,690	\$129,514	\$141,609
Cash-On-Cash Return b/t	9.58%	10.72%	11.89%	13.08%	14.30%

* b/t = before taxes; a/t = after taxes

CASH FLOW ANALYSIS

Pinehurst Villas
Opelika , AL 36801

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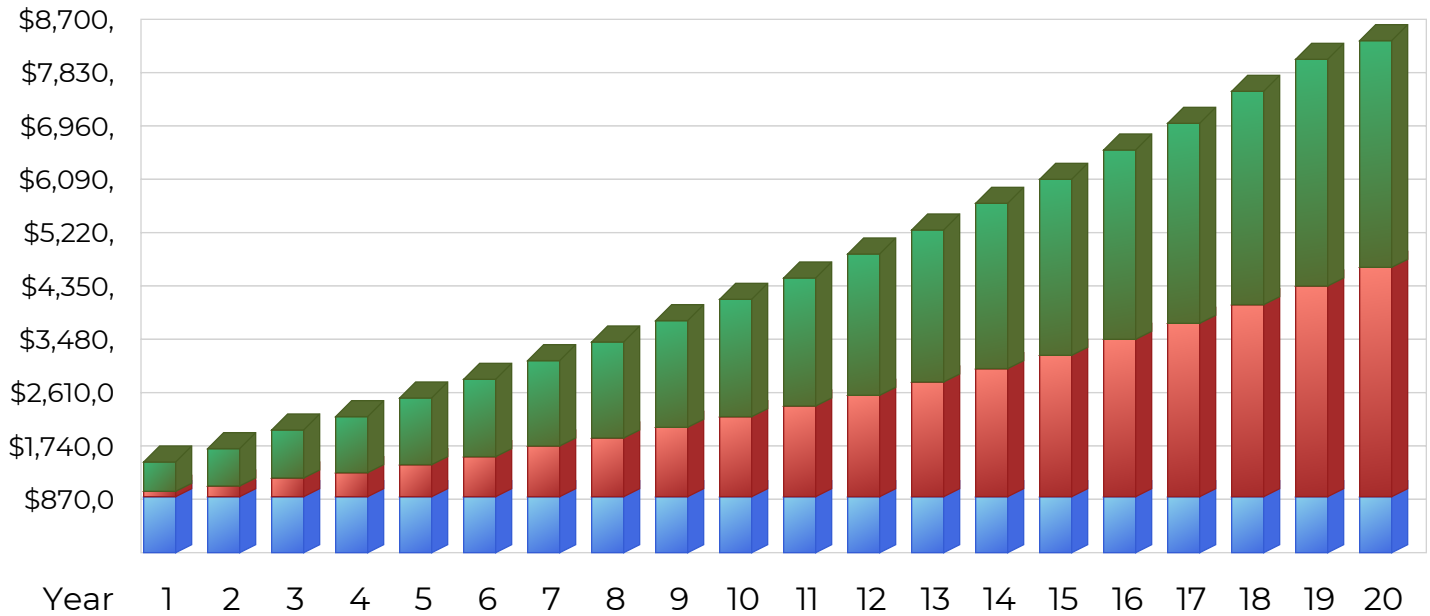
Before Tax Cash Flow	Year 11	Year 12	Year 13	Year 14	Year 15
GROSS SCHEDULED INCOME	\$1,059,882	\$1,081,079	\$1,102,701	\$1,124,755	\$1,147,250
Turnover Vacancy	(\$74,192)	(\$75,676)	(\$77,189)	(\$78,733)	(\$80,307)
Total Operating Expenses	(\$501,915)	(\$508,976)	(\$516,143)	(\$523,417)	(\$530,800)
NET OPERATING INCOME	\$483,774	\$496,428	\$509,369	\$522,605	\$536,142
Loan Payment	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)
NET CASH FLOW (B/T)	\$153,980	\$166,633	\$179,574	\$192,810	\$206,347
Cash-On-Cash Return b/t	15.55%	16.83%	18.14%	19.48%	20.84%

Before Tax Cash Flow	Year 16	Year 17	Year 18	Year 19	Year 20
GROSS SCHEDULED INCOME	\$1,170,195	\$1,193,599	\$1,217,471	\$1,241,820	\$1,266,657
Turnover Vacancy	(\$81,914)	(\$83,552)	(\$85,223)	(\$86,927)	(\$88,666)
Total Operating Expenses	(\$538,294)	(\$545,901)	(\$553,621)	(\$561,457)	(\$569,411)
NET OPERATING INCOME	\$549,987	\$564,146	\$578,627	\$593,435	\$608,579
Loan Payment	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)	(\$329,795)
NET CASH FLOW (B/T)	\$220,192	\$234,351	\$248,832	\$263,641	\$278,785
Cash-On-Cash Return b/t	22.24%	23.67%	25.13%	26.63%	28.16%

* b/t = before taxes; a/t = after taxes

PROPERTY EQUITY ANALYSIS

Pinehurst Villas
Opelika, AL 36801



Legend

■ Initial Equity	■ Equity (loan reduction)	■ Equity (appreciation)
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Year	Initial Equity	Equity (loan reduction)	Equity (appreciation)
1	\$940,000	\$97,558	\$755,673
2	\$940,000	\$201,391	\$903,107
3	\$940,000	\$311,903	\$1,053,931
4	\$940,000	\$429,523	\$1,208,218
5	\$940,000	\$554,709	\$1,366,046
6	\$940,000	\$687,947	\$1,527,492
7	\$940,000	\$829,755	\$1,692,635
8	\$940,000	\$980,684	\$1,861,555
9	\$940,000	\$1,141,321	\$2,034,337
10	\$940,000	\$1,312,291	\$2,211,064
11	\$940,000	\$1,494,258	\$2,391,822
12	\$940,000	\$1,687,929	\$2,576,699
13	\$940,000	\$1,894,058	\$2,765,786
14	\$940,000	\$2,113,445	\$2,959,175
15	\$940,000	\$2,346,944	\$3,156,958
16	\$940,000	\$2,595,461	\$3,359,233
17	\$940,000	\$2,859,964	\$3,566,096
18	\$940,000	\$3,141,480	\$3,777,648
19	\$940,000	\$3,441,104	\$3,993,991
20	\$940,000	\$3,760,000	\$3,993,991

LOAN 1

Debt Service Analysis	Year 1	Year 2	Year 3	Year 4	Year 5
Principal Payments	\$97,558	\$103,833	\$110,512	\$117,620	\$125,186
Interest Payments	\$232,237	\$225,962	\$219,283	\$212,175	\$204,609
Total Debt Service	\$329,795	\$329,795	\$329,795	\$329,795	\$329,795
Principal Balance Analysis					
Beginning Principal Balance	\$3,760,000	\$3,662,442	\$3,558,609	\$3,448,097	\$3,330,477
Principal Reductions	\$97,558	\$103,833	\$110,512	\$117,620	\$125,186
Ending Principal Balance	\$3,662,442	\$3,558,609	\$3,448,097	\$3,330,477	\$3,205,291

LOAN 1

Debt Service Analysis	Year 6	Year 7	Year 8	Year 9	Year 10
Principal Payments	\$133,238	\$141,808	\$150,929	\$160,637	\$170,970
Interest Payments	\$196,557	\$187,987	\$178,866	\$169,157	\$158,825
Total Debt Service	\$329,795	\$329,795	\$329,795	\$329,795	\$329,795
Principal Balance Analysis					
Beginning Principal Balance	\$3,205,291	\$3,072,053	\$2,930,245	\$2,779,316	\$2,618,679
Principal Reductions	\$133,238	\$141,808	\$150,929	\$160,637	\$170,970
Ending Principal Balance	\$3,072,053	\$2,930,245	\$2,779,316	\$2,618,679	\$2,447,709

LOAN 1

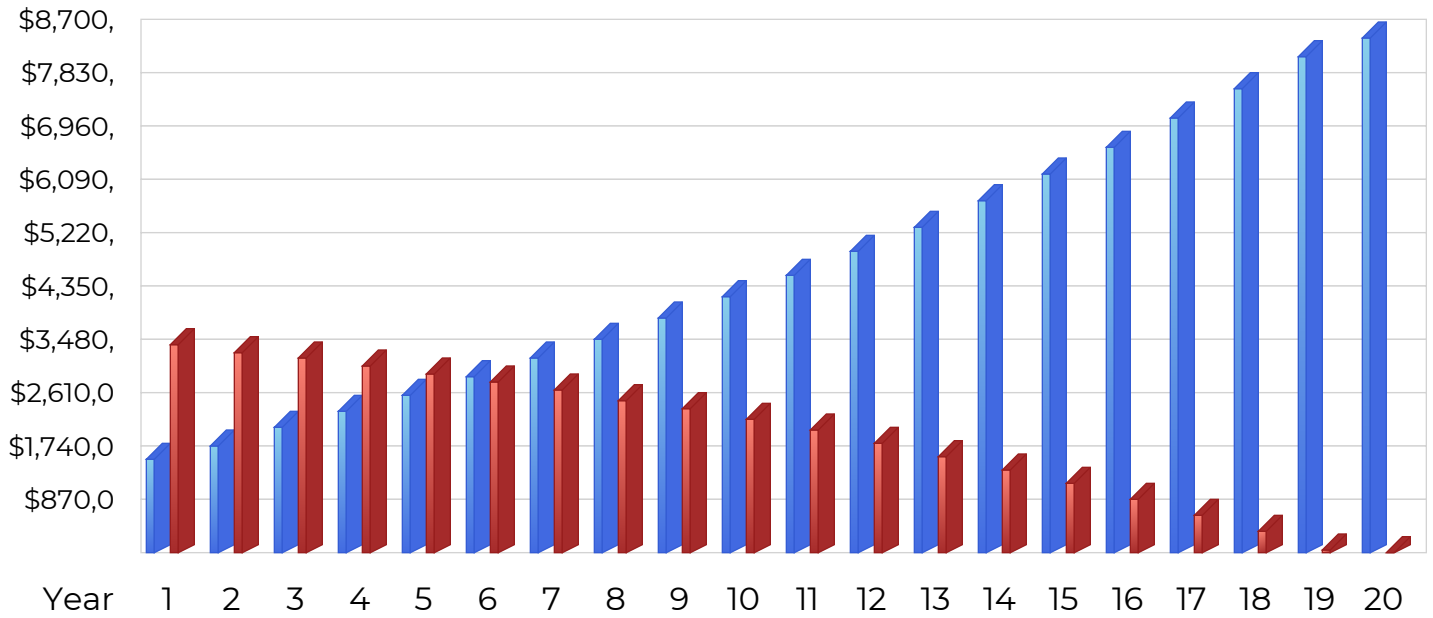
Debt Service Analysis	Year 11	Year 12	Year 13	Year 14	Year 15
Principal Payments	\$181,967	\$193,671	\$206,129	\$219,387	\$233,499
Interest Payments	\$147,828	\$136,123	\$123,666	\$110,408	\$96,296
Total Debt Service	\$329,795	\$329,795	\$329,795	\$329,795	\$329,795
Principal Balance Analysis					
Beginning Principal Balance	\$2,447,709	\$2,265,742	\$2,072,071	\$1,865,942	\$1,646,555
Principal Reductions	\$181,967	\$193,671	\$206,129	\$219,387	\$233,499
Ending Principal Balance	\$2,265,742	\$2,072,071	\$1,865,942	\$1,646,555	\$1,413,056

LOAN 1

Debt Service Analysis	Year 16	Year 17	Year 18	Year 19	Year 20
Principal Payments	\$248,518	\$264,503	\$281,516	\$299,624	\$318,896
Interest Payments	\$81,277	\$65,292	\$48,279	\$30,171	\$10,899
Total Debt Service	\$329,795	\$329,795	\$329,795	\$329,795	\$329,795
Principal Balance Analysis					
Beginning Principal Balance	\$1,413,056	\$1,164,539	\$900,036	\$618,520	\$318,896
Principal Reductions	\$248,518	\$264,503	\$281,516	\$299,624	\$318,896
Ending Principal Balance	\$1,164,539	\$900,036	\$618,520	\$318,896	\$0

EQUITY VS. DEBT

Pinehurst Villas
Opelika, AL 36801



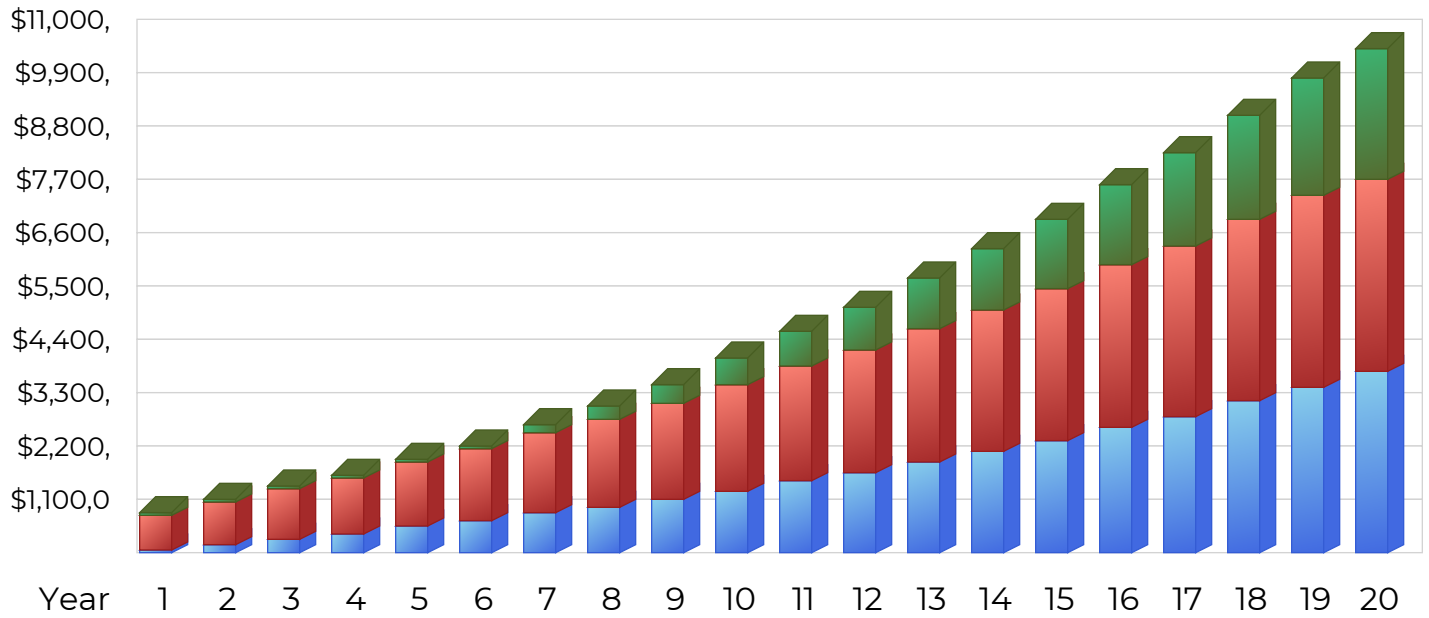
Legend

■ Equity	■ Loan Principal Balance
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Year	Equity	Loan Principal Balance
1	\$1,793,231	(\$3,662,442)
2	\$2,044,498	(\$3,558,609)
3	\$2,305,834	(\$3,448,097)
4	\$2,577,741	(\$3,330,477)
5	\$2,860,755	(\$3,205,291)
6	\$3,155,438	(\$3,072,053)
7	\$3,462,389	(\$2,930,245)
8	\$3,782,239	(\$2,779,316)
9	\$4,115,658	(\$2,618,679)
10	\$4,463,355	(\$2,447,709)
11	\$4,826,080	(\$2,265,742)
12	\$5,204,629	(\$2,072,071)
13	\$5,599,844	(\$1,865,942)
14	\$6,012,620	(\$1,646,555)
15	\$6,443,902	(\$1,413,056)
16	\$6,894,694	(\$1,164,539)
17	\$7,366,060	(\$900,036)
18	\$7,859,128	(\$618,520)
19	\$8,375,095	(\$318,896)
20	\$8,693,991	\$0

CUMULATIVE WEALTH ANALYSIS

Pinehurst Villas
Opelika, AL 36801



Legend

■ Equity (loan reduction)	■ Equity (appreciation)	■ Cash Flow (a/t)
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Year	Equity (loan reduction)	Equity (appreciation)	Cash Flow (a/t)
1	\$97,558	\$755,673	\$42,014
2	\$201,391	\$903,107	\$94,116
3	\$311,903	\$1,053,931	\$156,539
4	\$429,523	\$1,208,218	\$229,520
5	\$554,709	\$1,366,046	\$313,300
6	\$687,947	\$1,527,492	\$408,128
7	\$829,755	\$1,692,635	\$514,258
8	\$980,684	\$1,861,555	\$631,948
9	\$1,141,321	\$2,034,337	\$761,462
10	\$1,312,291	\$2,211,064	\$903,071
11	\$1,494,258	\$2,391,822	\$1,057,050
12	\$1,687,929	\$2,576,699	\$1,223,683
13	\$1,894,058	\$2,765,786	\$1,403,257
14	\$2,113,445	\$2,959,175	\$1,596,067
15	\$2,346,944	\$3,156,958	\$1,802,415
16	\$2,595,461	\$3,359,233	\$2,022,607
17	\$2,859,964	\$3,566,096	\$2,256,958
18	\$3,141,480	\$3,777,648	\$2,505,790
19	\$3,441,104	\$3,993,991	\$2,769,431
20	\$3,760,000	\$3,993,991	\$3,048,215

PROPERTY RESALE ANALYSIS

Pinehurst Villas
Opelika , AL 36801

Description	Year 1	Year 2	Year 3	Year 4	Year 5
RESALE PROCEEDS					
Projected Property Value	\$5,455,673	\$5,603,107	\$5,753,931	\$5,908,218	\$6,066,046
Resale Expenses	(\$218,227)	(\$224,124)	(\$230,157)	(\$236,329)	(\$242,642)
Proceeds b/f Debt Payoff	\$5,237,446	\$5,378,983	\$5,523,773	\$5,671,890	\$5,823,404
TAX BASIS					
Basis at Acquisition	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000
Depreciation	(\$165,490)	(\$338,200)	(\$510,910)	(\$683,620)	(\$856,330)
Adjusted Tax Basis	\$4,584,510	\$4,411,800	\$4,239,090	\$4,066,380	\$3,893,670
TAX FROM SALE					
Resale Tax Gain (Loss)	\$652,936	\$967,183	\$1,284,683	\$1,605,510	\$1,929,734
Resale Tax Benefit (Cost)	\$0	\$0	\$0	\$0	\$0
AFTER TAX CASHFLOW FROM SALE					
Loan Principal Balance	(\$3,662,442)	(\$3,558,609)	(\$3,448,097)	(\$3,330,477)	(\$3,205,291)
Replacement Reserves Remaining	\$31,200	\$62,400	\$93,600	\$124,800	\$156,000
NET RESALE PROCEEDS	\$1,606,204	\$1,882,774	\$2,169,276	\$2,466,213	\$2,774,113
Description	Year 6	Year 7	Year 8	Year 9	Year 10
RESALE PROCEEDS					
Projected Property Value	\$6,227,492	\$6,392,635	\$6,561,555	\$6,734,337	\$6,911,064
Resale Expenses	(\$249,100)	(\$255,705)	(\$262,462)	(\$269,373)	(\$276,443)
Proceeds b/f Debt Payoff	\$5,978,392	\$6,136,929	\$6,299,093	\$6,464,963	\$6,634,621
TAX BASIS					
Basis at Acquisition	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000
Depreciation	(\$1,029,040)	(\$1,201,750)	(\$1,374,460)	(\$1,547,170)	(\$1,719,880)
Adjusted Tax Basis	\$3,720,960	\$3,548,250	\$3,375,540	\$3,202,830	\$3,030,120
TAX FROM SALE					
Resale Tax Gain (Loss)	\$2,257,432	\$2,588,679	\$2,923,553	\$3,262,133	\$3,604,501
Resale Tax Benefit (Cost)	\$0	\$0	\$0	\$0	\$0
AFTER TAX CASHFLOW FROM SALE					
Loan Principal Balance	(\$3,072,053)	(\$2,930,245)	(\$2,779,316)	(\$2,618,679)	(\$2,447,709)
Replacement Reserves Remaining	\$187,200	\$218,400	\$249,600	\$280,800	\$312,000
NET RESALE PROCEEDS	\$3,093,539	\$3,425,084	\$3,769,377	\$4,127,085	\$4,498,912

* b/f = before

PROPERTY RESALE ANALYSIS

Pinehurst Villas
Opelika , AL 36801

Description	Year 11	Year 12	Year 13	Year 14	Year 15
RESALE PROCEEDS					
Projected Property Value	\$7,091,822	\$7,276,699	\$7,465,786	\$7,659,175	\$7,856,958
Resale Expenses	(\$283,673)	(\$291,068)	(\$298,631)	(\$306,367)	(\$314,278)
Proceeds b/f Debt Payoff	\$6,808,149	\$6,985,631	\$7,167,155	\$7,352,808	\$7,542,680
TAX BASIS					
Basis at Acquisition	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000
Depreciation	(\$1,892,590)	(\$2,065,300)	(\$2,238,010)	(\$2,410,720)	(\$2,583,430)
Adjusted Tax Basis	\$2,857,410	\$2,684,700	\$2,511,990	\$2,339,280	\$2,166,570
TAX FROM SALE					
Resale Tax Gain (Loss)	\$3,950,739	\$4,300,931	\$4,655,165	\$5,013,528	\$5,376,110
Resale Tax Benefit (Cost)	\$0	\$0	\$0	\$0	\$0
AFTER TAX CASHFLOW FROM SALE					
Loan Principal Balance	(\$2,265,742)	(\$2,072,071)	(\$1,865,942)	(\$1,646,555)	(\$1,413,056)
Replacement Reserves Remaining	\$343,200	\$374,400	\$405,600	\$436,800	\$468,000
NET RESALE PROCEEDS	\$4,885,607	\$5,287,961	\$5,706,813	\$6,143,053	\$6,597,624

Description	Year 16	Year 17	Year 18	Year 19	Year 20
RESALE PROCEEDS					
Projected Property Value	\$8,059,233	\$8,266,096	\$8,477,648	\$8,693,991	\$8,693,991
Resale Expenses	(\$322,369)	(\$330,644)	(\$339,106)	(\$347,760)	(\$347,760)
Proceeds b/f Debt Payoff	\$7,736,863	\$7,935,452	\$8,138,542	\$8,346,231	\$8,346,231
TAX BASIS					
Basis at Acquisition	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000
Depreciation	(\$2,756,140)	(\$2,928,850)	(\$3,101,560)	(\$3,274,270)	(\$3,439,836)
Adjusted Tax Basis	\$1,993,860	\$1,821,150	\$1,648,440	\$1,475,730	\$1,310,164
TAX FROM SALE					
Resale Tax Gain (Loss)	\$5,743,003	\$6,114,302	\$6,490,102	\$6,870,501	\$7,036,067
Resale Tax Benefit (Cost)	\$0	\$0	\$0	\$0	\$0
AFTER TAX CASHFLOW FROM SALE					
Loan Principal Balance	(\$1,164,539)	(\$900,036)	(\$618,520)	(\$318,896)	\$0
Replacement Reserves Remaining	\$499,200	\$530,400	\$561,600	\$592,800	\$624,000
NET RESALE PROCEEDS	\$7,071,525	\$7,565,816	\$8,081,622	\$8,620,135	\$8,970,231

* b/f = before

UNIT MIX BASE RENT REPORT

Pinehurst Villas
Opelika , AL 36801

Description	Year 1	Year 2	Year 3	Year 4	Year 5
1B/1B 60% LIHTC 16 Units \$620.00 per unit	\$119,040	\$121,421	\$123,849	\$126,326	\$128,853
2B/2B 60% LIHTC 64 Units \$685.00 per unit	\$526,080	\$536,602	\$547,334	\$558,280	\$569,446
3B/2B 60% LIHTC 24 Units \$779.00 per unit	\$224,352	\$228,839	\$233,416	\$238,084	\$242,846
Total Income	\$869,472	\$886,861	\$904,599	\$922,691	\$941,144

Description	Year 6	Year 7	Year 8	Year 9	Year 10
1B/1B 60% LIHTC 16 Units \$620.00 per unit	\$131,430	\$134,058	\$136,740	\$139,474	\$142,264
2B/2B 60% LIHTC 64 Units \$685.00 per unit	\$580,835	\$592,452	\$604,301	\$616,387	\$628,714
3B/2B 60% LIHTC 24 Units \$779.00 per unit	\$247,703	\$252,657	\$257,710	\$262,864	\$268,121
Total Income	\$959,967	\$979,167	\$998,750	\$1,018,725	\$1,039,100

UNIT MIX BASE RENT REPORT

Pinehurst Villas
Opelika , AL 36801

Description	Year 11	Year 12	Year 13	Year 14	Year 15
1B/1B 60% LIHTC 16 Units \$620.00 per unit	\$145,109	\$148,011	\$150,972	\$153,991	\$157,071
2B/2B 60% LIHTC 64 Units \$685.00 per unit	\$641,289	\$654,114	\$667,197	\$680,541	\$694,151
3B/2B 60% LIHTC 24 Units \$779.00 per unit	\$273,484	\$278,954	\$284,533	\$290,223	\$296,028
Total Income	\$1,059,882	\$1,081,079	\$1,102,701	\$1,124,755	\$1,147,250

Description	Year 16	Year 17	Year 18	Year 19	Year 20
1B/1B 60% LIHTC 16 Units \$620.00 per unit	\$160,212	\$163,416	\$166,685	\$170,018	\$173,419
2B/2B 60% LIHTC 64 Units \$685.00 per unit	\$708,034	\$722,195	\$736,639	\$751,372	\$766,399
3B/2B 60% LIHTC 24 Units \$779.00 per unit	\$301,948	\$307,987	\$314,147	\$320,430	\$326,839
Total Income	\$1,170,195	\$1,193,599	\$1,217,471	\$1,241,820	\$1,266,657

