

Pro Forma – 615-617 Truly Ter, Vista, CA 92084

Income Summary

Unit	Monthly Income
615	\$2,860 Actual / \$2,860 Projected
617	\$2,430 Actual / \$2,530 Projected
615A	\$0 Actual / \$2,775 Projected

Total Monthly Income: \$5,290 Actual / \$8,165 Projected

Total Annual Income: \$63,480 Actual / \$97,980 Projected

Expense Summary Post Purchase

Expense	Amount
Property Taxes (1.2% @ \$1,200,000)	\$10,800 Actual / \$14,400 Post Sale
Insurance	\$2,000
Trash	\$840

Total Annual Expenses: \$13,640 Actual / 17,240.00 Post Sale

Financial Metrics

Net Operating Income (NOI)	\$49,840 Actual / \$80,740 Projected
Cap Rate	4.1% Actual / 6.7% Projected
Gross Rent Multiplier (GRM)	18.9 Actual / 12.3 Projected
ROI with 25% Down	3.6%
Total ROI (Leveraged)	~19-20%

5-Year Projection (3% Annual Rent Increase)

Projected Annual Income	\$113,580
Projected Annual Expenses	\$17,240
Projected Net Operating Income (NOI)	\$96,340
Projected Cap Rate (on \$1.2M)	8.0%
Projected GRM (on \$1.2M)	10.6

Value-Add Opportunity

Phase 1: ADU Conversion (Approved)

- Convert existing structure to 2 Bed / 1 Bath (820 sq ft)
- Estimated Cost: \$100,000
- Projected Rent: \$2,775/month
- Annual Income Increase: \$33,300
- Estimated Value Creation (6% cap): ~\$400,000

Key Insight: ~\$100K investment → ~\$400K+ in forced appreciation

Phase 2: Additional ADU (Future Potential)

- Zoning allows for additional ADU
- Estimated Rent: \$2,750-\$3,250/month
- Estimated Cost: ~\$150K-\$250K
- Potential Additional Value: ~\$500,000+

Key Insight: Property offers scalable upside beyond current projections

Total Value-Add Potential

- Total Estimated Cost: ~\$300,000
- Total Potential Value Creation: ~\$900,000+

Opportunity to increase property value from ~\$1.2M to ~\$2.1M+ through strategic unit expansion.