

# Cap Rate Analysis - Provo 6-Plex, 457 S 500 E

NOI Calculation	
Annual Revenue	66960
Vacancy Rate	3%
Vacancy Loss	2008.8
Expenses	18443
Net Operating Income	<b>46508.2</b>

Revenue					
Monthly Rent	Annual Rent	Unit Count	Unit Mix	Market Rents	
921	55260	5	1 bed / 1 bath	1025	
975	11700	1	2 bed / 1 bath	1100	
<b>Total Revenue</b>	<b>66960</b>	<b>6</b>	<b>Total Revenue</b>	<b>74700</b>	

Cap Rates	Price	Notes
5.17%	\$ 900,000	As is
5.39%	\$ 900,000	As is, no vacancy
5.92%	\$ 900,000	Pro Forma
6.19%	\$ 900,000	PF, no vacancy

2025 Expenses	
City bill	6355
Gas	1405
Dumpster	1236
Pest	300
Property Management	0
Taxes	5802
Insurance	1637
Maintenance	1708
<b>Total</b>	<b>18443</b>

Pro Forma Expenses	
City bill	6355
Gas	1405
Dumpster	1236
Pest	300
Property Management	5976
Taxes	5802
Insurance	1637
Maintenance	1708
<b>Total</b>	<b>24419</b>

Unit #s	Rents
457	975
459	875
461	880
463	900
465	975
467	975
<b>Total</b>	<b>5580</b>
<b>Average</b>	<b>930</b>

Utility Analysis	
Ave cost/unit/mo	125
Tenant payment	75

\*Tenant payment is Pro Forma

Pro Forma Analysis	
Rent Revenue	74700
Utility Revenue	5400
Total Revenue	80100
Total Expenses	24419
Less Vacancy	2403
<b>Pro Forma NOI</b>	<b>53278</b>

## Notes

City bill includes power, sewer, water.

Gas bill: 45% of combined gas bill.

1 dumpster, cost 206/mo, split between 2 6-plex buildings.

Internet: paid by tenants.

Taxes: might be year 2024.

Insurance: half of the bill since current policy includes both 6-plexes.

Competing units: tenants pay electric, sometimes gas, sometimes trash.

Utilities are separately metered.

Pro forma rents still likely LOW. Possible \$1050 (1-bed), \$1150 (2-bed).

Assumes property management of 8%.