

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

| NOI Calculation | |
|----------------------|----------------|
| Annual Revenue | 67860 |
| Vacancy Rate | 3% |
| Vacancy Loss | 2035.8 |
| Expenses | 18443 |
| Net Operating Income | 47381.2 |

| Revenue | | | | | |
|----------------------|--------------|------------|----------------------|--------------|--|
| Monthly Rent | Annual Rent | Unit Count | Unit Mix | Market Rents | |
| 936 | 56160 | 5 | 1 bed / 1 bath | 1050 | |
| 975 | 11700 | 1 | 2 bed / 1 bath | 1150 | |
| Total Revenue | 67860 | 6 | Total Revenue | 76800 | |

| Cap Rates | Price | Notes |
|-----------|------------|-------------------|
| 5.57% | \$ 850,000 | As is |
| 5.81% | \$ 850,000 | As is, no vacancy |
| 6.49% | \$ 850,000 | Pro Forma |
| 6.78% | \$ 850,000 | PF, no vacancy |
| 7.50% | \$ 850,000 | PF, no vac, no PM |

| 2025 Expenses | |
|---------------------|--------------|
| City bill | 6355 |
| Gas | 1405 |
| Dumpster | 1236 |
| Pest | 300 |
| Property Management | 0 |
| Taxes | 5802 |
| Insurance | 1637 |
| Maintenance | 1708 |
| Total | 18443 |

| Pro Forma Expenses | |
|---------------------|--------------|
| City bill | 6355 |
| Gas | 1405 |
| Dumpster | 1236 |
| Pest | 300 |
| Property Management | 6144 |
| Taxes | 5802 |
| Insurance | 1637 |
| Maintenance | 1708 |
| Total | 24587 |

| Unit #s | Rents |
|----------------|-------------|
| 457 | 975 |
| 459 | 875 |
| 461 | 880 |
| 463 | 900 |
| 465 | 1050 |
| 467 (2-bed) | 975 |
| Total | 5655 |
| Average | 943 |

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

*Tenant payment is Pro Forma

| Pro Forma Analysis | |
|----------------------|--------------|
| Rent Revenue | 76800 |
| Utility Revenue | 5400 |
| Total Revenue | 82200 |
| Total Expenses | 24587 |
| Less Vacancy | 2466 |
| Pro Forma NOI | 55147 |

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.

Assumes property management of 8%.
 Utilities are separately metered.