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**

Cap Rates	**Price**	Notes
5.92%	$ 799,900	As is
6.18%	$ 799,900	As is, no vacancy
6.89%	$ 799,900	Pro Forma
7.20%	$ 799,900	PF, no vacancy
7.97%	$ 799,900	PF, no vac, no PM

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

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**

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

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

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.