

# INVESTMENT MEMORANDUM

## South of Mound

Multi-Family Investment Opportunity

Prepared: 9/24/2025

### EXECUTIVE SUMMARY

Total Units:	16
Acquisition Price:	\$1,350,000
Total Project Cost:	\$1,648,000
Equity Required:	\$414,250
Debt Amount:	\$1,233,750
LTC Ratio:	74.9%

### KEY INVESTMENT METRICS

Year 1 Cash-on-Cash Return:	5.4%
Levered IRR (5-Year):	29.0%
Equity Multiple:	3.34x
DSCR (Year 1):	1.22x

# 5-YEAR CASH FLOW PROJECTION

Year	NOI	Debt Service	Before-Tax CF	Cash-on-Cash
Year 1	\$125,000	\$102,757	\$22,243	5.4%
Year 2	\$128,750	\$102,757	\$25,993	6.3%
Year 3	\$132,613	\$102,757	\$29,855	7.2%
Year 4	\$136,591	\$102,757	\$33,834	8.2%
Year 5	\$140,689	\$102,757	\$37,931	9.2%

# CAPITAL STACK

Source	Amount	% of Total	Cost/Return
Senior Debt	\$1,233,750	74.9%	6.8%
LP Equity	\$393,538	23.9%	8.0%
GP Equity	\$20,713	1.3%	Residual