

# INVESTMENT MEMORANDUM

## South of Mound

Multi-Family Investment Opportunity

Prepared: 9/26/2025

### EXECUTIVE SUMMARY

Total Units:	16
Acquisition Price:	\$1,375,000
Total Project Cost:	\$1,675,500
Equity Required:	\$502,650
Debt Amount:	\$1,172,850
LTC Ratio:	70.0%

### KEY INVESTMENT METRICS

Year 1 Cash-on-Cash Return:	5.3%
Levered IRR (5-Year):	25.1%
Equity Multiple:	2.87x
DSCR (Year 1):	1.27x

# 5-YEAR CASH FLOW PROJECTION

Year	NOI	Debt Service	Before-Tax CF	Cash-on-Cash
Year 1	\$124,109	\$97,685	\$26,424	5.3%
Year 2	\$127,832	\$97,685	\$30,147	6.0%
Year 3	\$131,667	\$97,685	\$33,982	6.8%
Year 4	\$135,617	\$97,685	\$37,932	7.5%
Year 5	\$139,686	\$97,685	\$42,001	8.4%

# CAPITAL STACK

Source	Amount	% of Total	Cost/Return
Senior Debt	\$1,172,850	70.0%	6.8%
LP Equity	\$477,518	28.5%	6.3%
GP Equity	\$25,133	1.5%	Residual