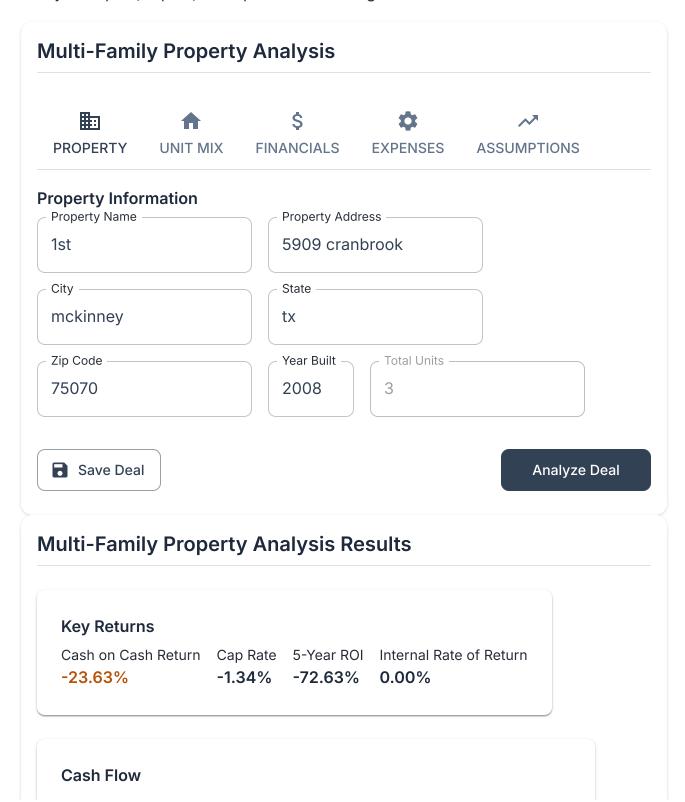






Multi-Family Property Analysis

Analyze duplex, triplex, and apartment buildings from 2 to 32+ units



Monthly Cash Flow Annual Cash Flow Cash Flow Per Unit Price Per Unit \$-4,135 \$-49,553 \$-16,542 \$250,000

Income

Gross Potential Rent Vacancy Loss Effective Gross Income Other Income

\$28,800 **-\$1,440** \$27,360 \$0

Expenses

Total Operating Expenses NOI Debt Service Expense Ratio \$37,415 \$-10,055 \$39,570 136.75%

Expense Breakdown

Property Management \$1,915 (5.4%)

Property Tax \$15,300 (43.2%)

Insurance \$6,000 (16.9%)

Repairs & Maintenance\$5,000 (14.1%)

Capital Expenditures \$5,000 (14.1%)

Utilities \$2,100 (5.9%)

Other \$100 (0.3%)

Unit Mix Analysis

1BR/BA (3 units)

Units: 3 units

Annual Income: \$28,80

Cash Flow Projection

	Year	Cash Flow	Visualization
	Year 1	\$-49,553	∨ ₃
	Year 2	\$-49,471	∨ ₃
	Year 3	\$-49,379	₩.
	Year 4	\$-49,276	₩.
	Year 5	\$-49,162	₩.

Detailed Financial Metrics

Metric	Value
Purchase Price	\$750,000
Down Payment	\$200,000
Loan Amount	\$550,000
Monthly Mortgage Payment	\$3,298
Total Investment	\$210,000
Debt Service Coverage Ratio	-0.25
Operating Expense Ratio	136.75%
Price per Square Foot	\$227
Gross Rent Multiplier	26.04
Annual ROI	0.00%
Average Rent per Square Foot	\$1/month
Average Income per Unit	\$9,600/year
Average Expense per Unit	\$12,472/year
Projected 5-Year Value	\$869,456
Projected 5-Year Equity	\$356,493

Al Investment Analysis

Investment Score



Below Average Investment

Recommended Hold: Reevaluate the investment after 3 years to assess the imp...

Investment Summary

The multi-family investment at 5909 Cranbrook in McKinney, TX faces significant cash flow challenges with negative monthly and annual cash flows, resulting in a low Cap Rate and Cash on Cash Return. The current operating expenses are high compared to the income, impacting the investment's viability.

曲 Unit Mix Analysis

The current unit mix of 3× 1BR/BA units is relatively balanced, but considering the property's size, diversifying the unit mix with different bedroom configurations could potentially attract a wider tenant base and optimize rental income.

★ Market Position

The property is positioned in a suburban area of McKinney with potential for rental demand due to its newer construction and proximity to amenities. However, the high operating expenses may impact its competitiveness in the market.

Strengths

- + Relatively low vacancy rate assumption at 5%
- + Year built in 2008 suggests newer property in good condition
- Property size and unit mix offer potential for rental growth

Weaknesses

- Negative cash flow indicates financial loss
- High expenses compared to income affecting profitability
- Low Cap Rate and Cash on Cash Return suggest poor investment return potential

Recommendations

- Consider renegotiating property management fee or self-management to reduce expenses
- Explore ways to increase rental income through rental increases or additional revenue streams such as parking fees
- Reevaluate the property's expenses to identify cost-saving opportunities and optimize operational efficiency

✓ Value-Add Opportunities

Consider upgrading units or common areas to increase rental rates

Implement energy-efficient upgrades to reduce utility costs and attract environmentally-...