




# Multi-Family Property Analysis


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


## Multi-Family Property Analysis

PROPERTY

UNIT MIX

FINANCIALS

EXPENSES

ASSUMPTIONS

### Property Information

Property Name

1st

Property Address

5909 cranbrook

City

mckinney

State

tx

Zip Code


75070

Year Built

2008

Total Units

3

 Save Deal

Analyze Deal

## Multi-Family Property Analysis Results

Key Returns			
Cash on Cash Return	Cap Rate	5-Year ROI	Internal Rate of Return
-23.63%	-1.34%	-72.63%	0.00%

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






<b>Income</b>			
Gross Potential Rent	Vacancy Loss	Effective Gross Income	Other Income
<b>\$28,800</b>	<b>-\$1,440</b>	<b>\$27,360</b>	<b>\$0</b>

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

<b>Expense Breakdown</b>	
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%)

<b>Unit Mix Analysis</b>	
1BR/BA (3 units)	
Units:	3 units
Annual Income:	\$28,800

<b>Cash Flow Projection</b>
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Year	Cash Flow	Visualization
Year 1	<b>\$-49,553</b>	
Year 2	<b>\$-49,471</b>	
Year 3	<b>\$-49,379</b>	
Year 4	<b>\$-49,276</b>	
Year 5	<b>\$-49,162</b>	

### 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

## AI Investment Analysis

### Investment Score

45

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.




#### 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...