

1009 Mockingbird Ln

Investment Property - Buy & Hold

1009 Mockingbird Ln
San Marcos, CA 92078

\$ 518,000 Purchase Price · **\$ 518,000 ARV**

\$ 119,140 Cash Needed · **-\$ 808/mo Cash Flow** · **2.7% Cap Rate** · **-8.1% COC**



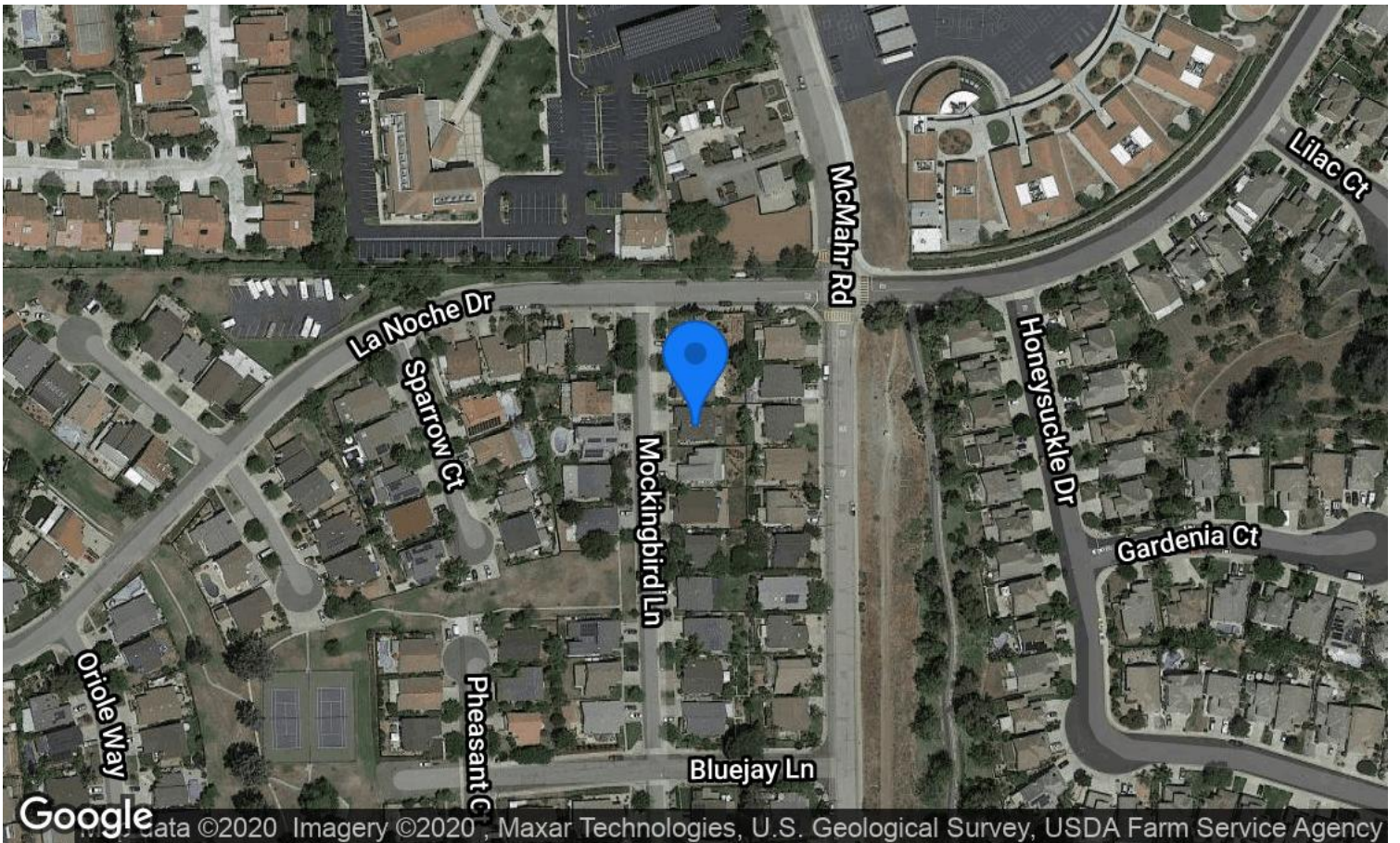
Property Description

ADDRESS

1009 Mockingbird Ln
San Marcos, CA 92078

DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 2.0 BA
Square Footage:	1,400
Year Built:	1978
Parking:	
Lot Size:	5,662 sq.ft.
Zoning:	
MLS Number:	



Purchase Analysis & Returns

PURCHASE

Purchase Price:		\$ 518,000
Amount Financed:	-	\$ 414,400
Down Payment:	=	\$ 103,600
Purchase Costs:	+	\$ 15,540
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 119,140
After Repair Value:		\$ 518,000
Price Per Square Foot:		\$ 370

FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 414,400
Loan to Cost (LTC):	80%
Loan to Value (LTV):	80%
Loan Term:	30 Years
Interest Rate:	4%
Finance Rehab Costs:	No
Loan Payments:	\$ 1,978 Per Month \$ 23,741 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.7% / 2.7%
Cash on Cash Return:	-8.1%
Return on Equity:	-8%
Return on Investment:	-33%
Internal Rate of Return:	-33%
Rent to Value:	0.5%
Gross Rent Multiplier:	16.6
Equity Multiple:	0.67
Break Even Ratio:	126.1%
Debt Coverage Ratio:	0.59
Debt Yield:	3.4%

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy:	5%
Appreciation:	2% Per Year
Income Increase:	3% Per Year
Expenses Increase:	2% Per Year
Selling Costs:	6% of Sales Price
Land Value:	\$ 0

PURCHASE COSTS

Total (3% of Price):	\$ 15,540
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REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun:	\$ 0 (0%)
Total:	\$ 0

Cash Flow (Year 1)

	Monthly	Yearly
CASH FLOW		
Gross Rent:	\$ 2,600	\$ 31,200
Vacancy (5%):	- \$ 130	\$ 1,560
Other Income:	+ \$ 0	\$ 0
Operating Income:	= \$ 2,470	\$ 29,640
Operating Expenses (52.6%):	- \$ 1,300	\$ 15,600
Net Operating Income:	= \$ 1,170	\$ 14,040
Loan Payments:	- \$ 1,978	\$ 23,741
Cash Flow:	= -\$ 808	-\$ 9,701

	Monthly	Yearly
OTHER INCOME		
Total:	\$ 0	\$ 0

	Monthly	Yearly
EXPENSES		
Total (50% of Rent):	\$ 1,300	\$ 15,600

Buy & Hold Projections

	APPRECIATION 2% Per Year	INCOME INCREASE 3% Per Year	EXPENSES INCREASES 2% Per Year	SELLING COSTS 6% of Price				
	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30	
INCOME								
Gross Rent:	\$ 31,200	\$ 32,136	\$ 33,100	\$ 35,116	\$ 40,709	\$ 54,709	\$ 73,525	
Vacancy (5%):	- \$ 1,560	- \$ 1,607	- \$ 1,655	- \$ 1,756	- \$ 2,035	- \$ 2,735	- \$ 3,676	
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Operating Income:	= \$ 29,640	= \$ 30,529	= \$ 31,445	= \$ 33,360	= \$ 38,674	= \$ 51,974	= \$ 69,849	
EXPENSES								
Total Expenses:	\$ 15,600	\$ 16,068	\$ 16,550	\$ 17,558	\$ 20,355	\$ 27,355	\$ 36,763	
Operating Expenses:	= \$ 15,600	= \$ 16,068	= \$ 16,550	= \$ 17,558	= \$ 20,355	= \$ 27,355	= \$ 36,763	
CASH FLOW								
Operating Income:	\$ 29,640	\$ 30,529	\$ 31,445	\$ 33,360	\$ 38,674	\$ 51,974	\$ 69,849	
Operating Expenses:	- \$ 15,600	- \$ 16,068	- \$ 16,550	- \$ 17,558	- \$ 20,355	- \$ 27,355	- \$ 36,763	
Net Operating Income:	= \$ 14,040	= \$ 14,461	= \$ 14,895	= \$ 15,802	= \$ 18,319	= \$ 24,619	= \$ 33,086	
Loan Payments:	- \$ 23,741	- \$ 23,741	- \$ 23,741	- \$ 23,741	- \$ 23,741	- \$ 23,741	- \$ 23,741	
Cash Flow:	= -\$ 9,701	= -\$ 9,280	= -\$ 8,846	= -\$ 7,939	= -\$ 5,422	= \$ 878	= \$ 9,345	
TAX BENEFITS & DEDUCTIONS								
Operating Expenses:	\$ 15,600	\$ 16,068	\$ 16,550	\$ 17,558	\$ 20,355	\$ 27,355	\$ 36,763	
Loan Interest:	+ \$ 16,443	+ \$ 16,146	+ \$ 15,836	+ \$ 15,179	+ \$ 13,287	+ \$ 8,156	+ \$ 506	
Depreciation:	+ \$ 19,401	+ \$ 19,401	+ \$ 19,401	+ \$ 19,401	+ \$ 19,401	+ \$ 19,401	+ \$ 0	
Total Deductions:	= \$ 51,445	= \$ 51,615	= \$ 51,788	= \$ 52,139	= \$ 53,044	= \$ 54,912	= \$ 37,269	
EQUITY ACCUMULATION								
Property Value:	\$ 528,360	\$ 538,927	\$ 549,706	\$ 571,914	\$ 631,439	\$ 769,721	\$ 938,285	
Loan Balance:	- \$ 407,102	- \$ 399,507	- \$ 391,603	- \$ 374,814	- \$ 326,481	- \$ 195,408	- \$ 0	
Total Equity:	= \$ 121,258	= \$ 139,420	= \$ 158,103	= \$ 197,100	= \$ 304,958	= \$ 574,313	= \$ 938,285	
SALE ANALYSIS								
Equity:	\$ 121,258	\$ 139,420	\$ 158,103	\$ 197,100	\$ 304,958	\$ 574,313	\$ 938,285	
Selling Costs (6%):	- \$ 31,702	- \$ 32,336	- \$ 32,982	- \$ 34,315	- \$ 37,886	- \$ 46,183	- \$ 56,297	
Sale Proceeds:	= \$ 89,556	= \$ 107,084	= \$ 125,121	= \$ 162,785	= \$ 267,072	= \$ 528,130	= \$ 881,988	
Cumulative Cash Flow:	+ -\$ 9,701	+ -\$ 18,981	+ -\$ 27,827	+ -\$ 44,166	+ -\$ 76,460	+ -\$ 97,564	+ -\$ 44,277	
Total Cash Invested:	- \$ 119,140	- \$ 119,140	- \$ 119,140	- \$ 119,140	- \$ 119,140	- \$ 119,140	- \$ 119,140	

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Total Profit:	= -\$ 39,285	= -\$ 31,037	= -\$ 21,846	= -\$ 521	= \$ 71,472	= \$ 311,426	= \$ 718,571

INVESTMENT RETURNS

Cap Rate (Purchase Price):	2.7%	2.8%	2.9%	3.1%	3.5%	4.8%	6.4%
Cap Rate (Market Value):	2.7%	2.7%	2.7%	2.8%	2.9%	3.2%	3.5%
Cash on Cash Return:	-8.1%	-7.8%	-7.4%	-6.7%	-4.6%	0.7%	7.8%
Return on Equity:	-8%	-6.7%	-5.6%	-4%	-1.8%	0.2%	1%
Return on Investment:	-33%	-26.1%	-18.3%	-0.4%	60%	261.4%	603.1%
Internal Rate of Return:	-33%	-13.4%	-6%	-0.1%	3.9%	5.2%	5.5%

FINANCIAL RATIOS

Rent to Value:	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.7%
Gross Rent Multiplier:	16.93	16.77	16.61	16.29	15.51	14.07	12.76
Equity Multiple:	0.67	0.74	0.82	1	1.6	3.61	7.03
Break Even Ratio:	126.1%	123.9%	121.7%	117.6%	108.3%	93.4%	82.3%
Debt Coverage Ratio:	0.59	0.61	0.63	0.67	0.77	1.04	1.39
Debt Yield:	3.4%	3.6%	3.8%	4.2%	5.6%	12.6%	-

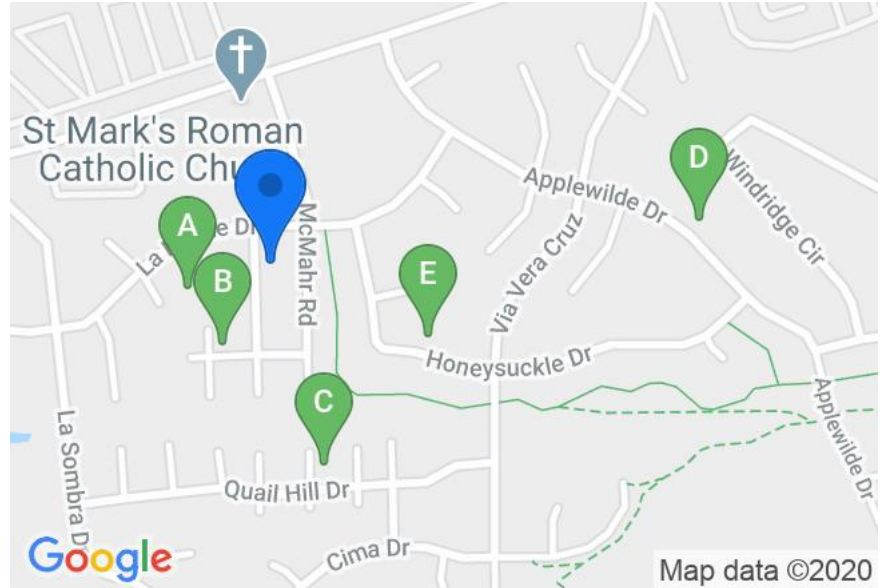
Recent Comparable Sales

Average Sale Price

\$ 567,800 (\$ 366/sq.ft.)







\$ 525,000 - \$ 649,000

\$ 298/sq.ft. - \$ 438/sq.ft.



Estimated ARV Based on Average Price/
Sq.Ft.

\$ 511,840

Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
 1009 Mockingbird Ln San Marcos, CA 92078	0 mi	House Built 1978	3	2.0	1,400	\$ 518,000 \$ 370/sq.ft.	10/31/2019
 1018 Sparrow Ct San Marcos, CA 92078	0.08 mi	House Built 1977	3	2.0	1,495	\$ 525,000 \$ 351/sq.ft.	01/03/2020
 1047 Pheasant Ct San Marcos, CA 92078	0.09 mi	House Built 1978	4	3.0	1,794	\$ 535,000 \$ 298/sq.ft.	08/27/2019
 996 Goldfinch Way San Marcos, CA 92078	0.19 mi	House Built 1977	3	2.0	1,400	\$ 580,000 \$ 414/sq.ft.	07/03/2019
 831 Applewilde Dr San Marcos, CA 92078	0.4 mi	House Built 1993	3	2.5	1,680	\$ 550,000 \$ 327/sq.ft.	03/26/2020
 1016 Honeysuckle Dr San Marcos, CA 92078	0.16 mi	House Built 1993	3	2.0	1,482	\$ 649,000 \$ 438/sq.ft.	01/27/2020

Recent Comparable Rental Listings

Average Listed Rent

\$ 2,770 (\$ 1.72/sq.ft.)

\$ 2,600 - \$ 2,950

\$ 1.37/sq.ft. - \$ 2.11/sq.ft.



Estimated Rent Based on Average Rent/
Sq.Ft.

\$ 2,405

Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
● 1009 Mockingbird Ln San Marcos, CA 92078	0 mi	House Built 1978	3	2.0	1,400	-	-
A 1152 Canary Ct San Marcos, CA 92078	0.26 mi	House	3	2	1,400	\$ 2,950 \$ 2.11/sq.ft.	09/24/2019
B 618 Buckhorn Ave San Marcos, CA 92078	0.88 mi	House	3	2	1,541	\$ 2,700 \$ 1.75/sq.ft.	02/25/2019
C 760 Santa Barbara Dr San Marcos, CA 92078	1.07 mi	House	3	2	1,487	\$ 2,800 \$ 1.88/sq.ft.	08/04/2019
D 1263 Discovery St San Marcos, CA 92078	0.36 mi	House	3	2	1,897	\$ 2,600 \$ 1.37/sq.ft.	03/26/2020
E 1275 Discovery St San Marcos, CA 92078	0.4 mi	House	3	2	1,897	\$ 2,800 \$ 1.48/sq.ft.	12/11/2019

Property Photos



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