

# 11178 Ironwood Rd

## Investment Property - Buy & Hold

11178 Ironwood Rd  
San Diego, CA 92131

**\$ 660,000 Purchase Price** · **\$ 660,000 ARV**

**\$ 151,800 Cash Needed** · **-\$ 1,354/mo Cash Flow** · **2.1% Cap Rate** · **-10.7% COC**



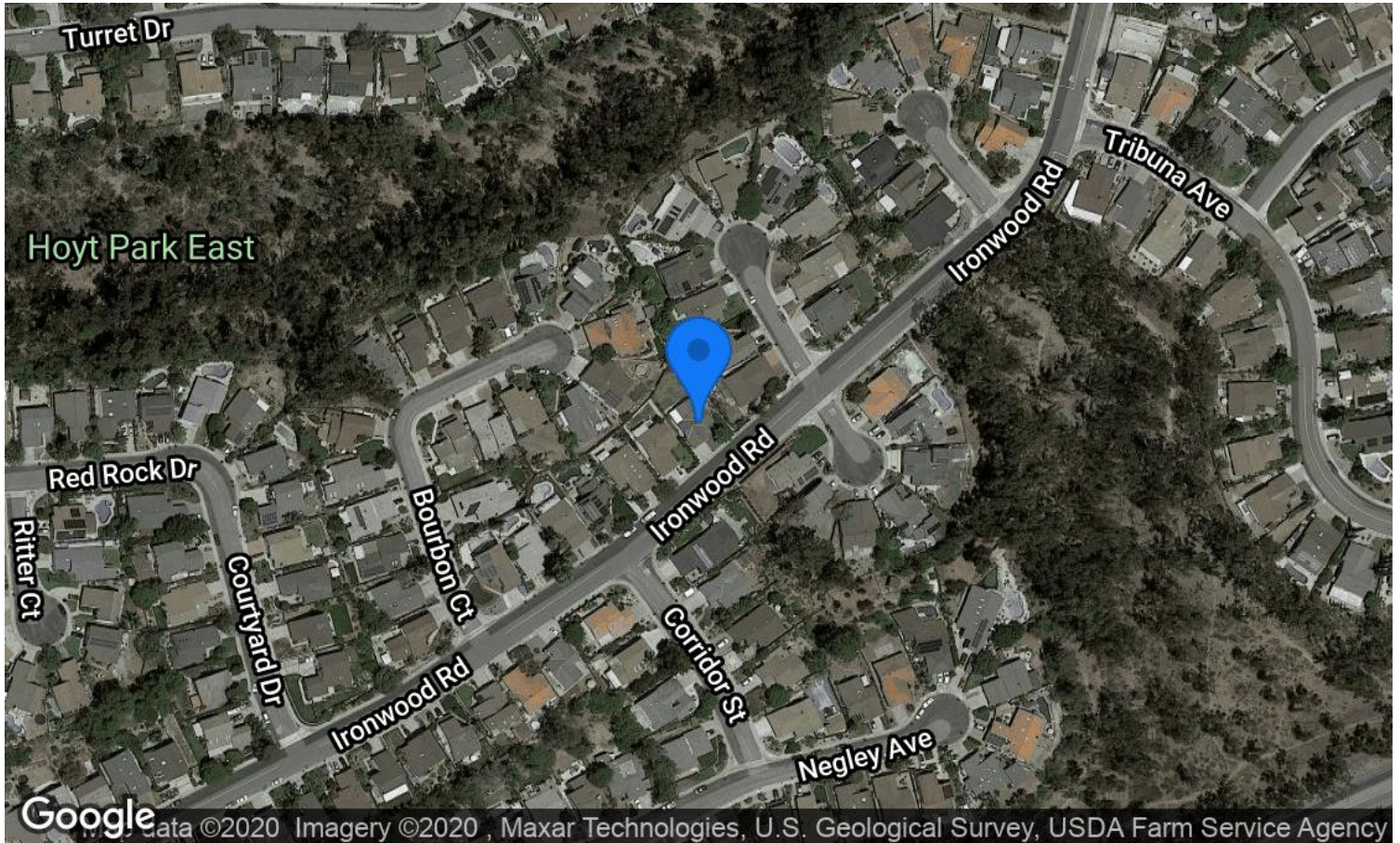
## Property Description

### ADDRESS

11178 Ironwood Rd  
San Diego, CA 92131

### DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 2.0 BA
Square Footage:	1,251
Year Built:	1972
Parking:	
Lot Size:	7,100 sq.ft.
Zoning:	
MLS Number:	





## Purchase Analysis & Returns

### PURCHASE

Purchase Price:		\$ 660,000
Amount Financed:	-	\$ 528,000
<b>Down Payment:</b>	<b>=</b>	<b>\$ 132,000</b>
Purchase Costs:	+	\$ 19,800
Rehab Costs:	+	\$ 0
<b>Total Cash Needed:</b>	<b>=</b>	<b>\$ 151,800</b>
After Repair Value:		\$ 660,000
Price Per Square Foot:		\$ 527.6

### RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.1% / 2.1%
Cash on Cash Return:	-10.7%
Return on Equity:	-9.7%
Return on Investment:	-27.4%
Internal Rate of Return:	-27.4%
Rent to Value:	0.4%
Gross Rent Multiplier:	21.19
Equity Multiple:	0.73
Break Even Ratio:	147.2%
Debt Coverage Ratio:	0.46
Debt Yield:	2.7%

### PURCHASE COSTS

<b>Total (3% of Price):</b>	<b>\$ 19,800</b>
-----------------------------	------------------

### FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 528,000
Loan to Cost (LTC):	80%
Loan to Value (LTV):	80%
Loan Term:	30 Years
Interest Rate:	4%
Finance Rehab Costs:	No
Loan Payments:	\$ 2,521 Per Month \$ 30,249 Per Year

### ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy:	5%
Appreciation:	4% Per Year
Income Increase:	3% Per Year
Expenses Increase:	3% Per Year
Selling Costs:	6% of Sales Price
Land Value:	\$ 0

### REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun:	\$ 0 (0%)
<b>Total:</b>	<b>\$ 0</b>

## Cash Flow (Year 1)

	Monthly	Yearly
<b>CASH FLOW</b>		
Gross Rent:	\$ 2,595	\$ 31,140
Vacancy (5%):	- \$ 130	\$ 1,557
Other Income:	+ \$ 0	\$ 0
<b>Operating Income:</b>	<b>= \$ 2,465</b>	<b>\$ 29,583</b>
Operating Expenses (52.7%):	- \$ 1,298	\$ 15,570
<b>Net Operating Income:</b>	<b>= \$ 1,167</b>	<b>\$ 14,013</b>
Loan Payments:	- \$ 2,521	\$ 30,249
<b>Cash Flow:</b>	<b>= -\$ 1,354</b>	<b>-\$ 16,236</b>

	Monthly	Yearly
<b>OTHER INCOME</b>		
<b>Total:</b>	<b>\$ 0</b>	<b>\$ 0</b>

	Monthly	Yearly
<b>EXPENSES</b>		
<b>Total (50% of Rent):</b>	<b>\$ 1,298</b>	<b>\$ 15,570</b>

## Buy & Hold Projections

	APPRECIATION 4% Per Year	INCOME INCREASE 3% Per Year	EXPENSES INCREASES 3% Per Year	SELLING COSTS 6% of Price		
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
<b>INCOME</b>						
Gross Rent:	\$ 31,140	\$ 33,036	\$ 35,048	\$ 40,631	\$ 54,604	\$ 73,383
Vacancy (5%):	- \$ 1,557	- \$ 1,652	- \$ 1,752	- \$ 2,032	- \$ 2,730	- \$ 3,669
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
<b>Operating Income:</b>	<b>= \$ 29,583</b>	<b>= \$ 31,384</b>	<b>= \$ 33,296</b>	<b>= \$ 38,599</b>	<b>= \$ 51,874</b>	<b>= \$ 69,714</b>
<b>EXPENSES</b>						
Total Expenses:	\$ 15,570	\$ 16,518	\$ 17,524	\$ 20,316	\$ 27,302	\$ 36,692
<b>Operating Expenses:</b>	<b>= \$ 15,570</b>	<b>= \$ 16,518</b>	<b>= \$ 17,524</b>	<b>= \$ 20,316</b>	<b>= \$ 27,302</b>	<b>= \$ 36,692</b>
<b>CASH FLOW</b>						
Operating Income:	\$ 29,583	\$ 31,384	\$ 33,296	\$ 38,599	\$ 51,874	\$ 69,714
Operating Expenses:	- \$ 15,570	- \$ 16,518	- \$ 17,524	- \$ 20,316	- \$ 27,302	- \$ 36,692
<b>Net Operating Income:</b>	<b>= \$ 14,013</b>	<b>= \$ 14,866</b>	<b>= \$ 15,772</b>	<b>= \$ 18,283</b>	<b>= \$ 24,572</b>	<b>= \$ 33,022</b>
Loan Payments:	- \$ 30,249	- \$ 30,249	- \$ 30,249	- \$ 30,249	- \$ 30,249	- \$ 30,249
<b>Cash Flow:</b>	<b>= -\$ 16,236</b>	<b>= -\$ 15,383</b>	<b>= -\$ 14,477</b>	<b>= -\$ 11,966</b>	<b>= -\$ 5,677</b>	<b>= \$ 2,773</b>
<b>TAX BENEFITS &amp; DEDUCTIONS</b>						
Operating Expenses:	\$ 15,570	\$ 16,518	\$ 17,524	\$ 20,316	\$ 27,302	\$ 36,692
Loan Interest:	+ \$ 20,951	+ \$ 20,178	+ \$ 19,340	+ \$ 16,930	+ \$ 10,392	+ \$ 645
Depreciation:	+ \$ 24,720	+ \$ 24,720	+ \$ 24,720	+ \$ 24,720	+ \$ 24,720	+ \$ 0
<b>Total Deductions:</b>	<b>= \$ 61,241</b>	<b>= \$ 61,416</b>	<b>= \$ 61,584</b>	<b>= \$ 61,966</b>	<b>= \$ 62,414</b>	<b>= \$ 37,337</b>
<b>EQUITY ACCUMULATION</b>						
Property Value:	\$ 686,400	\$ 742,410	\$ 802,991	\$ 976,961	\$ 1,446,141	\$ 2,140,642
Loan Balance:	- \$ 518,702	- \$ 498,953	- \$ 477,563	- \$ 415,979	- \$ 248,975	- \$ 0
<b>Total Equity:</b>	<b>= \$ 167,698</b>	<b>= \$ 243,457</b>	<b>= \$ 325,428</b>	<b>= \$ 560,982</b>	<b>= \$ 1,197,166</b>	<b>= \$ 2,140,642</b>
<b>SALE ANALYSIS</b>						
Equity:	\$ 167,698	\$ 243,457	\$ 325,428	\$ 560,982	\$ 1,197,166	\$ 2,140,642
Selling Costs (6%):	- \$ 41,184	- \$ 44,545	- \$ 48,179	- \$ 58,618	- \$ 86,768	- \$ 128,439
<b>Sale Proceeds:</b>	<b>= \$ 126,514</b>	<b>= \$ 198,912</b>	<b>= \$ 277,249</b>	<b>= \$ 502,364</b>	<b>= \$ 1,110,397</b>	<b>= \$ 2,012,203</b>
<b>Cumulative Cash Flow:</b>	<b>+ -\$ 16,236</b>	<b>+ -\$ 47,435</b>	<b>+ -\$ 76,848</b>	<b>+ -\$ 141,848</b>	<b>+ -\$ 228,450</b>	<b>+ -\$ 240,804</b>
<b>Total Cash Invested:</b>	<b>- \$ 151,800</b>	<b>- \$ 151,800</b>	<b>- \$ 151,800</b>	<b>- \$ 151,800</b>	<b>- \$ 151,800</b>	<b>- \$ 151,800</b>

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
<b>Total Profit:</b>	= -\$ 41,522	= -\$ 323	= \$ 48,601	= \$ 208,716	= \$ 730,147	= \$ 1,619,599

**INVESTMENT RETURNS**

Cap Rate (Purchase Price):	2.1%	2.3%	2.4%	2.8%	3.7%	5%
Cap Rate (Market Value):	2%	2%	2%	1.9%	1.7%	1.5%
Cash on Cash Return:	-10.7%	-10.1%	-9.5%	-7.9%	-3.7%	1.8%
Return on Equity:	-9.7%	-6.3%	-4.4%	-2.1%	-0.5%	0.1%
Return on Investment:	-27.4%	-0.2%	32%	137.5%	481%	1,066.9%
Internal Rate of Return:	-27.4%	-0.1%	4.8%	7.1%	7%	6.6%

**FINANCIAL RATIOS**

Rent to Value:	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%
Gross Rent Multiplier:	22.04	22.47	22.91	24.04	26.48	29.17
Equity Multiple:	0.73	1	1.32	2.37	5.81	11.67
Break Even Ratio:	147.1%	141.6%	136.3%	124.4%	105.4%	91.2%
Debt Coverage Ratio:	0.46	0.49	0.52	0.6	0.81	1.09
Debt Yield:	2.7%	3%	3.3%	4.4%	9.9%	-

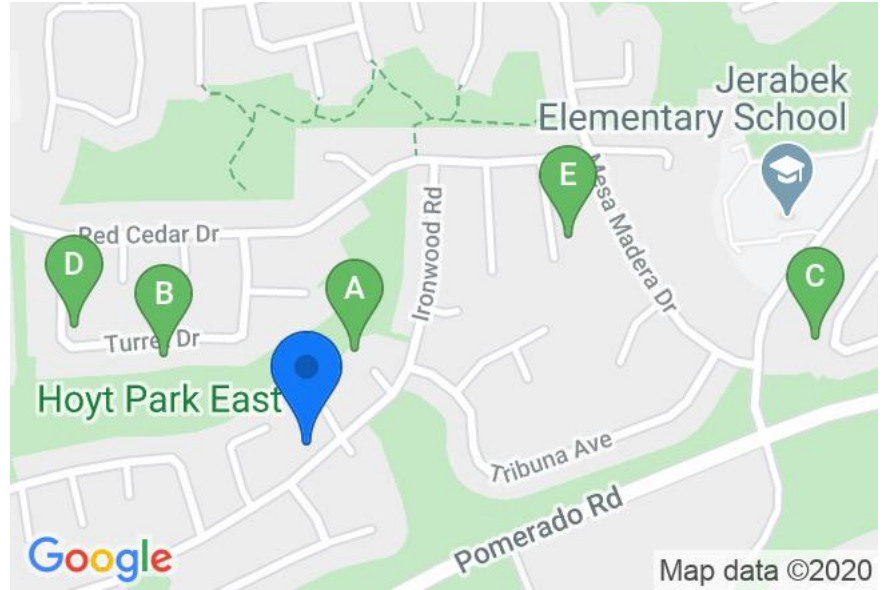
## Recent Comparable Sales

Average Sale Price

**\$ 732,900 (\$ 518/sq.ft.)**







\$ 685,000 - \$ 775,000

\$ 414/sq.ft. - \$ 590/sq.ft.



Estimated ARV Based on Average Price/  
Sq.Ft.

**\$ 648,518**

Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
 11178 Ironwood Rd San Diego, CA 92131	0 mi	House Built 1972	3	2.0	1,251	\$ 660,000 \$ 528/sq.ft.	10/09/2019
 9988 Ironwood Ct San Diego, CA 92131	0.1 mi	House Built 1973	3	2.0	1,251	\$ 737,500 \$ 590/sq.ft.	10/04/2019
 11051 Turret Dr San Diego, CA 92131	0.16 mi	House Built 1971	3	2.0	1,656	\$ 685,000 \$ 414/sq.ft.	08/05/2019
 9944 Connell Rd San Diego, CA 92131	0.48 mi	House Built 1974	3	2.0	1,251	\$ 728,000 \$ 582/sq.ft.	07/08/2019
 11010 Turret Dr San Diego, CA 92131	0.24 mi	House Built 1971	3	2.0	1,656	\$ 739,000 \$ 446/sq.ft.	10/25/2019
 11331 Red Cedar Ln San Diego, CA 92131	0.31 mi	House Built 1974	3	2.0	1,384	\$ 775,000 \$ 560/sq.ft.	06/01/2020

## Recent Comparable Rental Listings

Average Listed Rent

**\$ 2,728 (\$ 1.77/sq.ft.)**







\$ 2,600 - \$ 2,895

\$ 1.61/sq.ft. - \$ 1.92/sq.ft.

Estimated Rent Based on Average Rent/  
Sq.Ft.

**\$ 2,212**



Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
 11178 Ironwood Rd San Diego, CA 92131	0 mi	House Built 1972	3	2.0	1,251	-	-
 10205 Caminito Covewood San Diego, CA 92131	0.99 mi	House	3	2	1,352	\$ 2,600 \$ 1.92/sq.ft.	02/15/2020
 11736 Handrich Dr San Diego, CA 92131	0.76 mi	House	3	2	1,800	\$ 2,895 \$ 1.61/sq.ft.	08/21/2019
 10827 Cloverfield Pt San Diego, CA 92131	1.5 mi	House	3	2	1,540	\$ 2,650 \$ 1.72/sq.ft.	10/14/2019
 9748 Caminito Doha San Diego, CA 92131	0.84 mi	House	3	2.5	1,513	\$ 2,700 \$ 1.78/sq.ft.	10/30/2019
 10337 Caminito Surabaya San Diego, CA 92131	0.87 mi	House	3	2.5	1,547	\$ 2,795 \$ 1.81/sq.ft.	09/17/2019



## Property Photos



## Disclaimer

This Report is provided solely for general business information purposes. No advisory, fiduciary or other relationship is created by any acceptance or use of this Report.

The inclusion of this Report with any other materials does not constitute an endorsement by DealCheck of any third party or any third party's products or services. The projected valuation, financial and investment return information, conclusions and other information contained in this Report are based upon tested methodologies for accuracy. However, such information and conclusions are not definitive forecasts, appraisals or opinions of valuations. All such information and conclusions are stated in terms of probability of likelihood based on market factors and information submitted to DealCheck, and such information and conclusions are not guaranteed by DealCheck and should not be construed as a certified appraisal or valuation, or investment advice.

DealCheck uses or has used public and/or confidential data and assumptions provided to DealCheck by third parties, and DealCheck has not independently verified the data and assumptions used in these analyses or data sets. Attributes for properties may be inaccurate because county assessor and property data does not always include recent additions and/or modifications to property structures. Changes in the underlying data or operating assumptions, or any loss of access to any one or more sources will clearly impact the analyses, information and conclusions set forth in this Report.

### DATA SOURCES

Comparable sale information is provided by © Zillow, Inc., 2006-2020. Use is subject to Zillow's [Terms of Use](#).

Comparable rental listing information is provided by third-party vendors, and is compiled from public rental listings.