

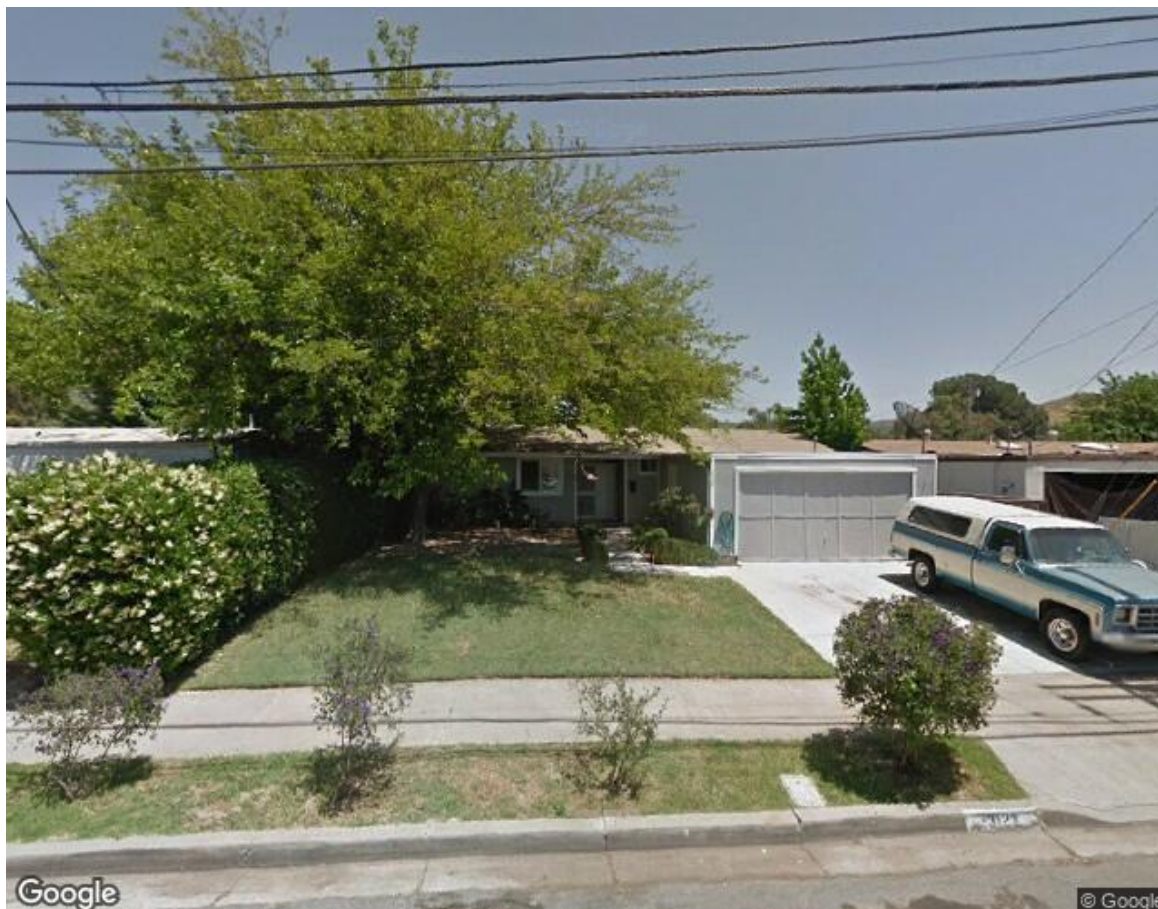
# 13123 Neddick Ave

## Investment Property - Buy & Hold

13123 Neddick Ave  
Poway, CA 92064

**\$ 565,000 Purchase Price · \$ 565,000 ARV**

**\$ 129,950 Cash Needed · -\$ 943/mo Cash Flow · 2.6% Cap Rate · -8.7% COC**



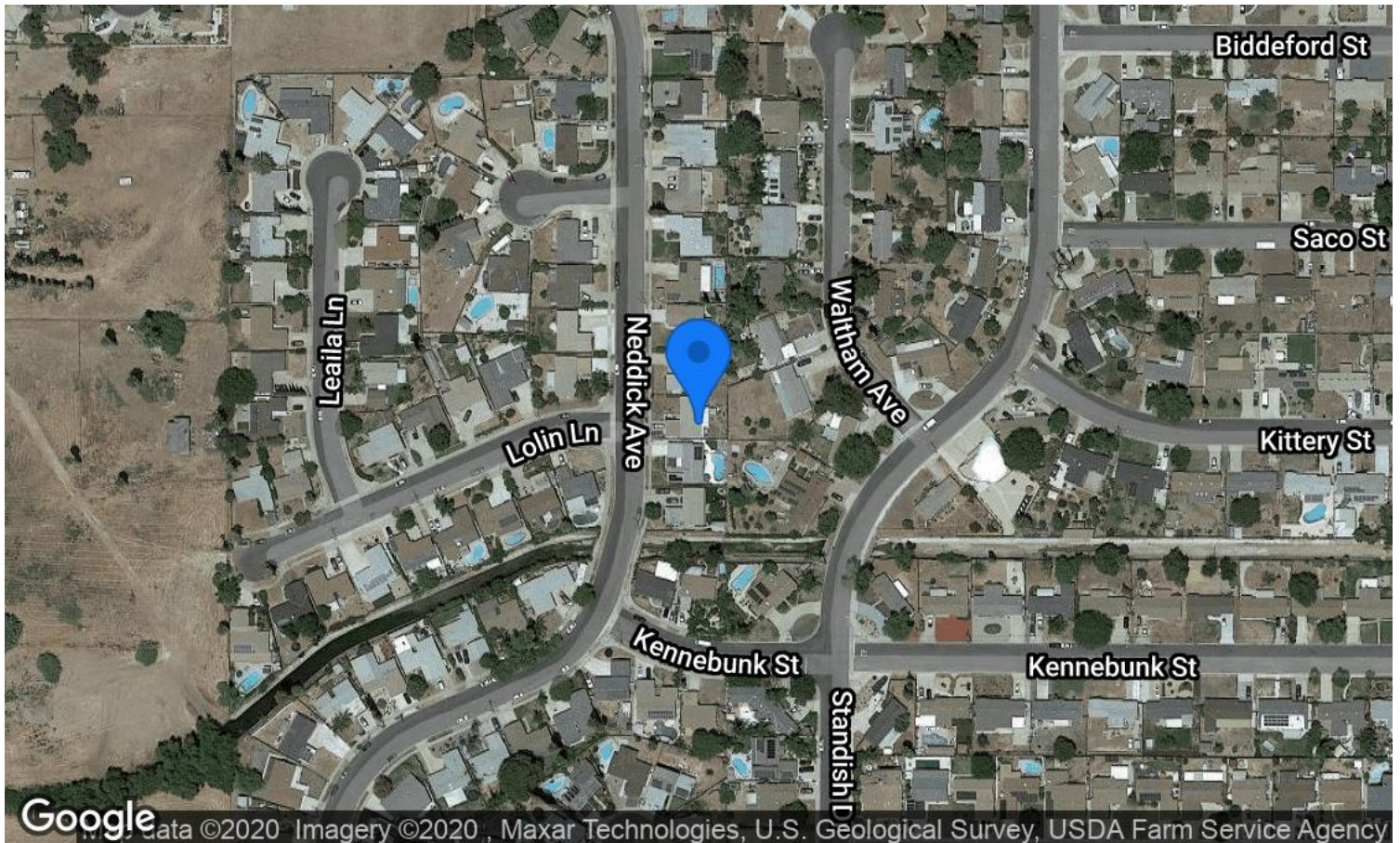
## Property Description

### ADDRESS

13123 Neddick Ave  
Poway, CA 92064

### DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 2.0 BA
Square Footage:	1,200
Year Built:	1963
Parking:	
Lot Size:	5,998 sq.ft.
Zoning:	
MLS Number:	



## Purchase Analysis & Returns

### PURCHASE

Purchase Price:		\$ 565,000
Amount Financed:	-	\$ 452,000
<b>Down Payment:</b>	<b>=</b>	<b>\$ 113,000</b>
Purchase Costs:	+	\$ 16,950
Rehab Costs:	+	\$ 0
<b>Total Cash Needed:</b>	<b>=</b>	<b>\$ 129,950</b>
After Repair Value:		\$ 565,000
Price Per Square Foot:		\$ 470.8

### FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 452,000
Loan to Cost (LTC):	80%
Loan to Value (LTV):	80%
Loan Term:	30 Years
Interest Rate:	4%
Finance Rehab Costs:	No
Loan Payments:	\$ 2,158 Per Month \$ 25,895 Per Year

### RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.6% / 2.6%
Cash on Cash Return:	-8.7%
Return on Equity:	-7.6%
Return on Investment:	-21.3%
Internal Rate of Return:	-21.3%
Rent to Value:	0.5%
Gross Rent Multiplier:	17.44
Equity Multiple:	0.79
Break Even Ratio:	129.9%
Debt Coverage Ratio:	0.56
Debt Yield:	3.2%

### ASSUMPTIONS & PROJECTIONS

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

### PURCHASE COSTS

<b>Total (3% of Price):</b>	<b>\$ 16,950</b>
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### 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:		\$ 2,700	\$ 32,400
Vacancy (5%):	-	\$ 135	\$ 1,620
Other Income:	+	\$ 0	\$ 0
<b>Operating Income:</b>	<b>=</b>	<b>\$ 2,565</b>	<b>\$ 30,780</b>
Operating Expenses (52.6%):	-	\$ 1,350	\$ 16,200
<b>Net Operating Income:</b>	<b>=</b>	<b>\$ 1,215</b>	<b>\$ 14,580</b>
Loan Payments:	-	\$ 2,158	\$ 25,895
<b>Cash Flow:</b>	<b>=</b>	<b>-\$ 943</b>	<b>-\$ 11,315</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>\$ 1,350</b>	<b>\$ 16,200</b>

## Buy & Hold Projections

	APPRECIATION 5% 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:	\$ 32,400	\$ 34,373	\$ 36,466	\$ 42,275	\$ 56,814	\$ 76,353
Vacancy (5%):	- \$ 1,620	- \$ 1,719	- \$ 1,823	- \$ 2,114	- \$ 2,841	- \$ 3,818
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
<b>Operating Income:</b>	<b>= \$ 30,780</b>	<b>= \$ 32,654</b>	<b>= \$ 34,643</b>	<b>= \$ 40,161</b>	<b>= \$ 53,973</b>	<b>= \$ 72,535</b>
<b>EXPENSES</b>						
Total Expenses:	\$ 16,200	\$ 17,187	\$ 18,233	\$ 21,138	\$ 28,407	\$ 38,177
<b>Operating Expenses:</b>	<b>= \$ 16,200</b>	<b>= \$ 17,187</b>	<b>= \$ 18,233</b>	<b>= \$ 21,138</b>	<b>= \$ 28,407</b>	<b>= \$ 38,177</b>
<b>CASH FLOW</b>						
Operating Income:	\$ 30,780	\$ 32,654	\$ 34,643	\$ 40,161	\$ 53,973	\$ 72,535
Operating Expenses:	- \$ 16,200	- \$ 17,187	- \$ 18,233	- \$ 21,138	- \$ 28,407	- \$ 38,177
<b>Net Operating Income:</b>	<b>= \$ 14,580</b>	<b>= \$ 15,467</b>	<b>= \$ 16,410</b>	<b>= \$ 19,023</b>	<b>= \$ 25,566</b>	<b>= \$ 34,358</b>
Loan Payments:	- \$ 25,895	- \$ 25,895	- \$ 25,895	- \$ 25,895	- \$ 25,895	- \$ 25,895
<b>Cash Flow:</b>	<b>= -\$ 11,315</b>	<b>= -\$ 10,428</b>	<b>= -\$ 9,485</b>	<b>= -\$ 6,872</b>	<b>= -\$ 329</b>	<b>= \$ 8,463</b>
<b>TAX BENEFITS &amp; DEDUCTIONS</b>						
Operating Expenses:	\$ 16,200	\$ 17,187	\$ 18,233	\$ 21,138	\$ 28,407	\$ 38,177
Loan Interest:	+ \$ 17,935	+ \$ 17,273	+ \$ 16,556	+ \$ 14,493	+ \$ 8,896	+ \$ 552
Depreciation:	+ \$ 21,162	+ \$ 21,162	+ \$ 21,162	+ \$ 21,162	+ \$ 21,162	+ \$ 0
<b>Total Deductions:</b>	<b>= \$ 55,297</b>	<b>= \$ 55,622</b>	<b>= \$ 55,951</b>	<b>= \$ 56,793</b>	<b>= \$ 58,465</b>	<b>= \$ 38,729</b>
<b>EQUITY ACCUMULATION</b>						
Property Value:	\$ 593,250	\$ 654,058	\$ 721,099	\$ 920,325	\$ 1,499,113	\$ 2,441,897
Loan Balance:	- \$ 444,040	- \$ 427,134	- \$ 408,823	- \$ 356,103	- \$ 213,138	- \$ 0
<b>Total Equity:</b>	<b>= \$ 149,210</b>	<b>= \$ 226,924</b>	<b>= \$ 312,276</b>	<b>= \$ 564,222</b>	<b>= \$ 1,285,975</b>	<b>= \$ 2,441,897</b>
<b>SALE ANALYSIS</b>						
Equity:	\$ 149,210	\$ 226,924	\$ 312,276	\$ 564,222	\$ 1,285,975	\$ 2,441,897
Selling Costs (6%):	- \$ 35,595	- \$ 39,243	- \$ 43,266	- \$ 55,220	- \$ 89,947	- \$ 146,514
<b>Sale Proceeds:</b>	<b>= \$ 113,615</b>	<b>= \$ 187,680</b>	<b>= \$ 269,010</b>	<b>= \$ 509,002</b>	<b>= \$ 1,196,028</b>	<b>= \$ 2,295,383</b>
<b>Cumulative Cash Flow:</b>	<b>+ -\$ 11,315</b>	<b>+ -\$ 32,621</b>	<b>+ -\$ 52,069</b>	<b>+ -\$ 91,809</b>	<b>+ -\$ 126,135</b>	<b>+ -\$ 83,207</b>
<b>Total Cash Invested:</b>	<b>- \$ 129,950</b>	<b>- \$ 129,950</b>	<b>- \$ 129,950</b>	<b>- \$ 129,950</b>	<b>- \$ 129,950</b>	<b>- \$ 129,950</b>

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
<b>Total Profit:</b>	<b>= -\$ 27,650</b>	<b>= \$ 25,109</b>	<b>= \$ 86,991</b>	<b>= \$ 287,243</b>	<b>= \$ 939,943</b>	<b>= \$ 2,082,226</b>

**INVESTMENT RETURNS**

Cap Rate (Purchase Price):	2.6%	2.7%	2.9%	3.4%	4.5%	6.1%
Cap Rate (Market Value):	2.5%	2.4%	2.3%	2.1%	1.7%	1.4%
Cash on Cash Return:	-8.7%	-8%	-7.3%	-5.3%	-0.3%	6.5%
Return on Equity:	-7.6%	-4.6%	-3%	-1.2%	0%	0.3%
Return on Investment:	-21.3%	19.3%	66.9%	221%	723.3%	1,602.3%
Internal Rate of Return:	-21.3%	5.6%	9.6%	10.5%	9.3%	8.5%

**FINANCIAL RATIOS**

Rent to Value:	0.5%	0.4%	0.4%	0.4%	0.3%	0.3%
Gross Rent Multiplier:	18.31	19.03	19.77	21.77	26.39	31.98
Equity Multiple:	0.79	1.19	1.67	3.21	8.23	17.02
Break Even Ratio:	129.9%	125.3%	121%	111.3%	95.6%	83.9%
Debt Coverage Ratio:	0.56	0.6	0.63	0.73	0.99	1.33
Debt Yield:	3.3%	3.6%	4%	5.3%	12%	-

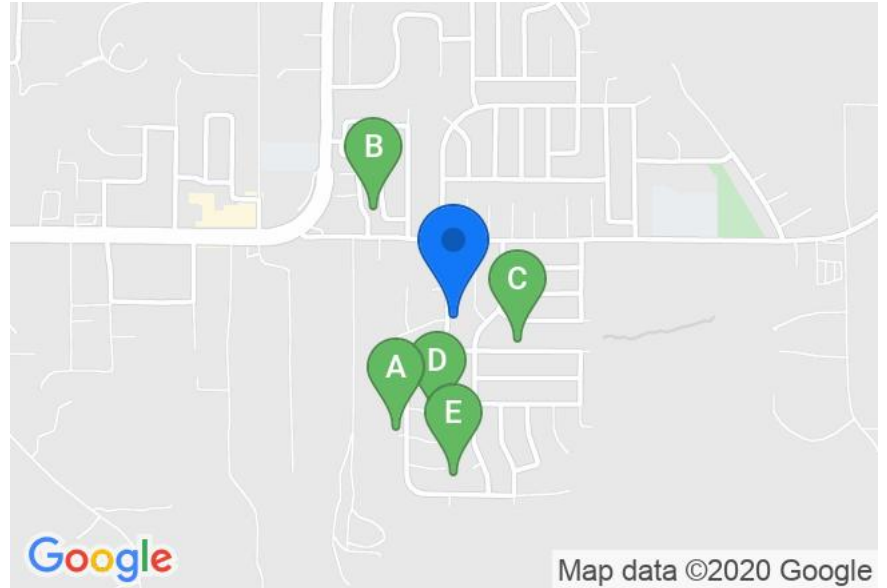
## Recent Comparable Sales

Average Sale Price

**\$ 605,780 (\$ 511/sq.ft.)**







\$ 556,900 - \$ 655,000

\$ 481/sq.ft. - \$ 542/sq.ft.



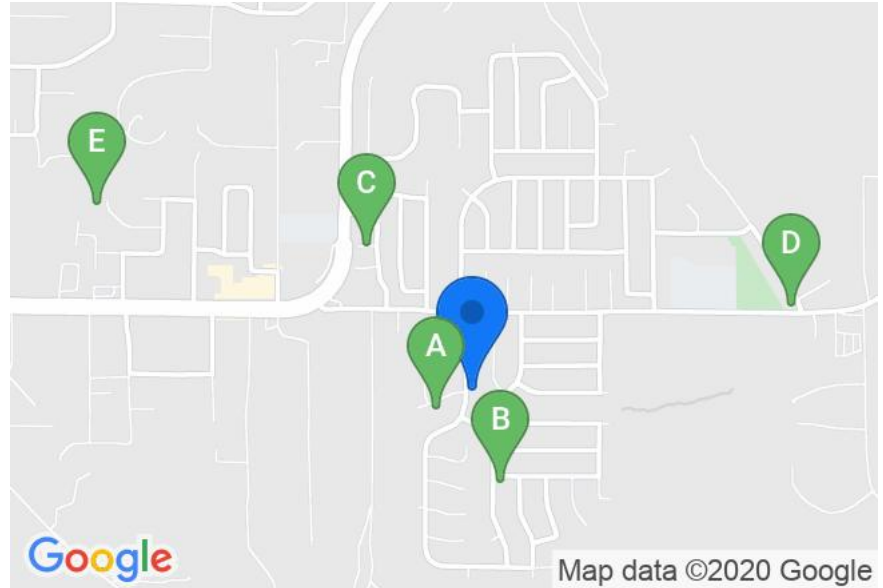
Estimated ARV Based on Average Price/  
Sq.Ft.

**\$ 612,960**







Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
 13123 Neddick Ave Poway, CA 92064	0 mi	House Built 1963	3	2.0	1,200	\$ 565,000 \$ 471/sq.ft.	10/16/2019
 12830 Neddick Ave Poway, CA 92064	0.23 mi	House Built 1961	3	2.0	1,248	\$ 637,000 \$ 510/sq.ft.	06/09/2020
 13326 Racquet Ct Poway, CA 92064	0.25 mi	House Built 1976	3	2.0	1,170	\$ 580,000 \$ 496/sq.ft.	09/04/2019
 14532 Kennebunk St Poway, CA 92064	0.13 mi	House Built 1961	3	2.0	1,028	\$ 556,900 \$ 542/sq.ft.	08/09/2019
 14333 Louetta Ln Poway, CA 92064	0.2 mi	House Built 1964	3	2.0	1,248	\$ 655,000 \$ 525/sq.ft.	09/30/2019
 14343 Minya Ln Poway, CA 92064	0.29 mi	House Built 1964	3	2.0	1,248	\$ 600,000 \$ 481/sq.ft.	10/24/2019

## Recent Comparable Rental Listings

Average Listed Rent  
**\$ 3,219 (\$ 2.47/sq.ft.)**  
 \$ 2,600 - \$ 3,895  
 \$ 1.90/sq.ft. - \$ 3/sq.ft.

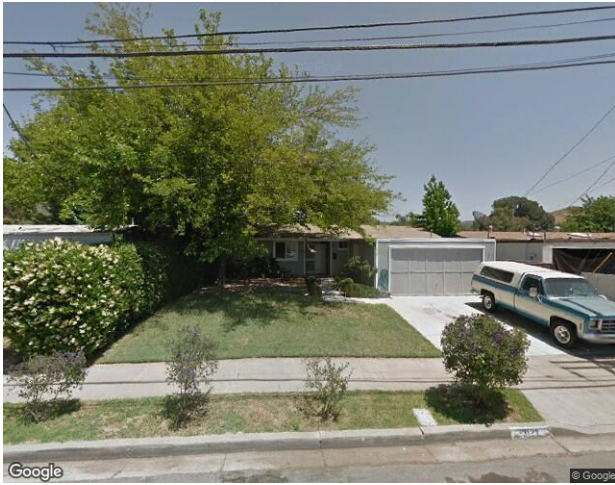


Estimated Rent Based on Average Rent/  
 Sq.Ft.  
**\$ 2,966**

Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
 13123 Neddick Ave Poway, CA 92064	0 mi	House Built 1963	3	2.0	1,200	-	-
 14315 Lolin Ln Poway, CA 92064	0.08 mi	House	3	2	1,194	\$ 3,400 \$ 2.85/sq.ft.	03/04/2020
 13011 Standish Dr Poway, CA 92064	0.18 mi	House	3	2	1,365	\$ 2,600 \$ 1.90/sq.ft.	06/22/2019
 13409 Sutter Mill Rd San Diego, CA 92064	0.33 mi	House	3	2	1,360	\$ 3,400 \$ 2.50/sq.ft.	08/21/2019
 13206 Whitewater Dr Poway, CA 92064	0.61 mi	House	3	2	1,330	\$ 2,800 \$ 2.11/sq.ft.	08/09/2019
 13813 Otis Pl Poway, CA 92064	0.78 mi	House	3	2	1,300	\$ 3,895 \$ 3/sq.ft.	09/17/2019



## Property Photos



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