

341 N Melrose Dr Unit E

Investment Property - Buy & Hold

341 N Melrose Dr Unit E
Vista, CA 92083

\$ 325,000 Purchase Price · **\$ 325,000 ARV**

\$ 74,750 Cash Needed · **-\$ 161/mo Cash Flow** · **4% Cap Rate** · **-2.6% COC**



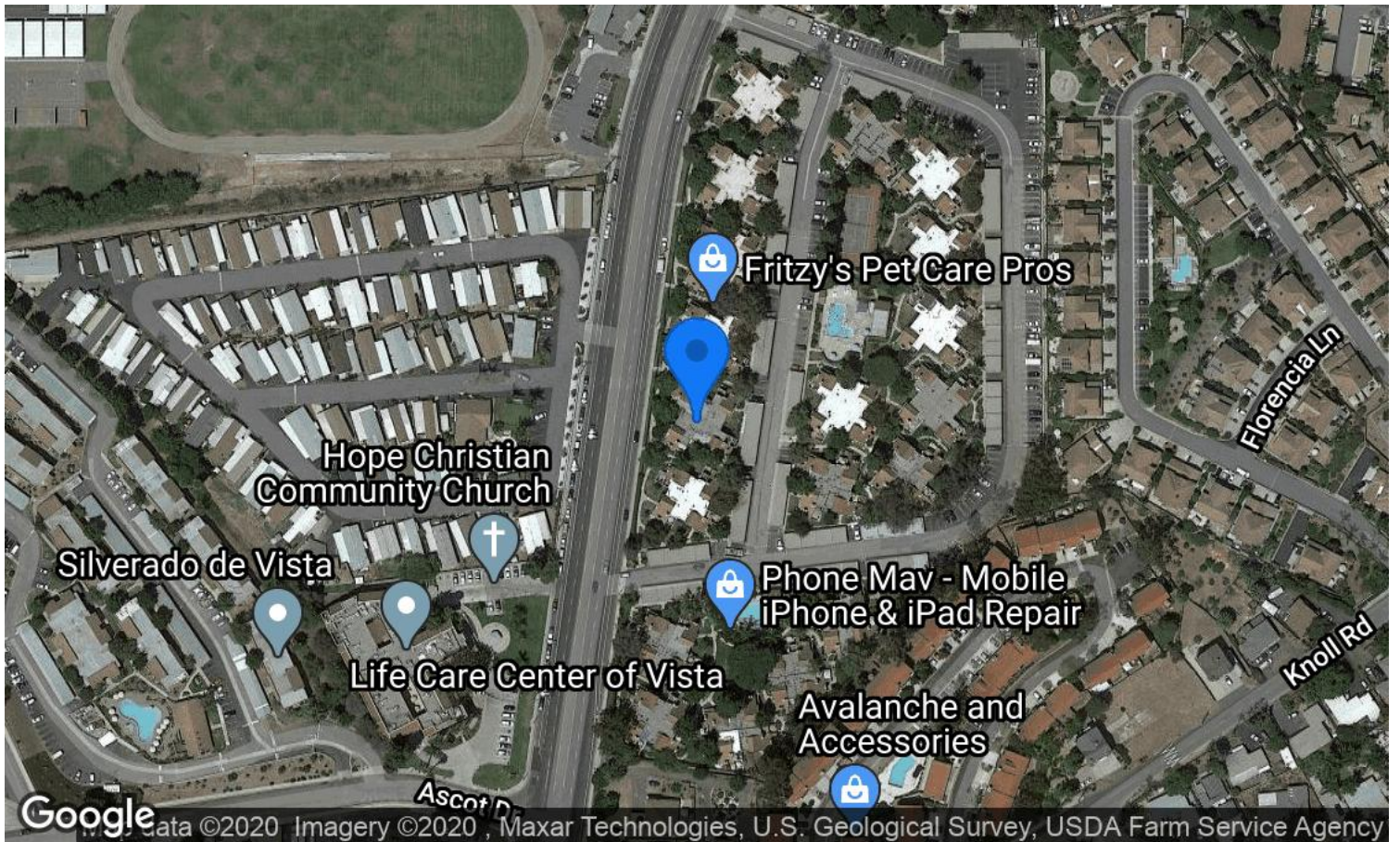
Property Description

ADDRESS

341 N Melrose Dr Unit E
Vista, CA 92083

DESCRIPTION

Property Type:	Condo
Beds / Baths:	3 BR / 2.0 BA
Square Footage:	1,298
Year Built:	1980
Parking:	
Zoning:	
MLS Number:	



Purchase Analysis & Returns

PURCHASE

Purchase Price:		\$ 325,000
Amount Financed:	-	\$ 260,000
Down Payment:	=	\$ 65,000
Purchase Costs:	+	\$ 9,750
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 74,750
After Repair Value:		\$ 325,000
Price Per Square Foot:		\$ 250.4

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):		4% / 4%
Cash on Cash Return:		-2.6%
Return on Equity:		-2.4%
Return on Investment:		-23.3%
Internal Rate of Return:		-23.3%
Rent to Value:		0.7%
Gross Rent Multiplier:		11.28
Equity Multiple:		0.77
Break Even Ratio:		101.7%
Debt Coverage Ratio:		0.87
Debt Yield:		5%

PURCHASE COSTS

Total (3% of Price):		\$ 9,750
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FINANCING (PURCHASE)

Loan Type:		Amortizing
Loan Amount:		\$ 260,000
Loan to Cost (LTC):		80%
Loan to Value (LTV):		80%
Loan Term:		30 Years
Interest Rate:		4%
Finance Rehab Costs:		No
Loan Payments:		\$ 1,241 Per Month \$ 14,895 Per Year

ASSUMPTIONS & PROJECTIONS

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

REHAB COSTS

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

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		\$ 2,400	\$ 28,800
Vacancy (5%):	-	\$ 120	\$ 1,440
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 2,280	\$ 27,360
Operating Expenses (52.6%):	-	\$ 1,200	\$ 14,400
Net Operating Income:	=	\$ 1,080	\$ 12,960
Loan Payments:	-	\$ 1,241	\$ 14,895
Cash Flow:	=	-\$ 161	-\$ 1,935

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

		Monthly	Yearly
EXPENSES			
Total (50% of Rent):		\$ 1,200	\$ 14,400

Buy & Hold Projections

	APPRECIATION 3% Per Year	INCOME INCREASE 2% 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:	\$ 28,800	\$ 29,376	\$ 29,964	\$ 31,174	\$ 34,419	\$ 41,956	\$ 51,144	
Vacancy (5%):	- \$ 1,440	- \$ 1,469	- \$ 1,498	- \$ 1,559	- \$ 1,721	- \$ 2,098	- \$ 2,557	
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	
Operating Income:	= \$ 27,360	= \$ 27,907	= \$ 28,466	= \$ 29,615	= \$ 32,698	= \$ 39,858	= \$ 48,587	
EXPENSES								
Total Expenses:	\$ 14,400	\$ 14,688	\$ 14,982	\$ 15,587	\$ 17,210	\$ 20,978	\$ 25,572	
Operating Expenses:	= \$ 14,400	= \$ 14,688	= \$ 14,982	= \$ 15,587	= \$ 17,210	= \$ 20,978	= \$ 25,572	
CASH FLOW								
Operating Income:	\$ 27,360	\$ 27,907	\$ 28,466	\$ 29,615	\$ 32,698	\$ 39,858	\$ 48,587	
Operating Expenses:	- \$ 14,400	- \$ 14,688	- \$ 14,982	- \$ 15,587	- \$ 17,210	- \$ 20,978	- \$ 25,572	
Net Operating Income:	= \$ 12,960	= \$ 13,219	= \$ 13,484	= \$ 14,028	= \$ 15,488	= \$ 18,880	= \$ 23,015	
Loan Payments:	- \$ 14,895	- \$ 14,895	- \$ 14,895	- \$ 14,895	- \$ 14,895	- \$ 14,895	- \$ 14,895	
Cash Flow:	= -\$ 1,935	= -\$ 1,676	= -\$ 1,411	= -\$ 867	= \$ 593	= \$ 3,985	= \$ 8,120	
TAX BENEFITS & DEDUCTIONS								
Operating Expenses:	\$ 14,400	\$ 14,688	\$ 14,982	\$ 15,587	\$ 17,210	\$ 20,978	\$ 25,572	
Loan Interest:	+ \$ 10,317	+ \$ 10,130	+ \$ 9,936	+ \$ 9,524	+ \$ 8,337	+ \$ 5,117	+ \$ 318	
Depreciation:	+ \$ 12,173	+ \$ 12,173	+ \$ 12,173	+ \$ 12,173	+ \$ 12,173	+ \$ 12,173	+ \$ 0	
Total Deductions:	= \$ 36,889	= \$ 36,991	= \$ 37,091	= \$ 37,283	= \$ 37,719	= \$ 38,268	= \$ 25,890	
EQUITY ACCUMULATION								
Property Value:	\$ 334,750	\$ 344,793	\$ 355,136	\$ 376,764	\$ 436,773	\$ 586,986	\$ 788,860	
Loan Balance:	- \$ 255,421	- \$ 250,656	- \$ 245,697	- \$ 235,164	- \$ 204,838	- \$ 122,601	- \$ 0	
Total Equity:	= \$ 79,329	= \$ 94,137	= \$ 109,439	= \$ 141,600	= \$ 231,935	= \$ 464,385	= \$ 788,860	
SALE ANALYSIS								
Equity:	\$ 79,329	\$ 94,137	\$ 109,439	\$ 141,600	\$ 231,935	\$ 464,385	\$ 788,860	
Selling Costs (6%):	- \$ 20,085	- \$ 20,688	- \$ 21,308	- \$ 22,606	- \$ 26,206	- \$ 35,219	- \$ 47,332	
Sale Proceeds:	= \$ 59,244	= \$ 73,449	= \$ 88,131	= \$ 118,995	= \$ 205,728	= \$ 429,165	= \$ 741,528	
Cumulative Cash Flow:	+ -\$ 1,935	+ -\$ 3,611	+ -\$ 5,022	+ -\$ 7,031	+ -\$ 7,043	+ \$ 16,989	+ \$ 78,903	
Total Cash Invested:	- \$ 74,750	- \$ 74,750	- \$ 74,750	- \$ 74,750	- \$ 74,750	- \$ 74,750	- \$ 74,750	

	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Total Profit:	= -\$ 17,441	= -\$ 4,912	= \$ 8,359	= \$ 37,214	= \$ 123,935	= \$ 371,404	= \$ 745,681

INVESTMENT RETURNS

Cap Rate (Purchase Price):	4%	4.1%	4.1%	4.3%	4.8%	5.8%	7.1%
Cap Rate (Market Value):	3.9%	3.8%	3.8%	3.7%	3.5%	3.2%	2.9%
Cash on Cash Return:	-2.6%	-2.2%	-1.9%	-1.2%	0.8%	5.3%	10.9%
Return on Equity:	-2.4%	-1.8%	-1.3%	-0.6%	0.3%	0.9%	1%
Return on Investment:	-23.3%	-6.6%	11.2%	49.8%	165.8%	496.9%	997.6%
Internal Rate of Return:	-23.3%	-3.3%	3.5%	8.1%	9.8%	9.1%	8.4%

FINANCIAL RATIOS

Rent to Value:	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.5%
Gross Rent Multiplier:	11.62	11.74	11.85	12.09	12.69	13.99	15.42
Equity Multiple:	0.77	0.93	1.11	1.5	2.66	5.97	10.98
Break Even Ratio:	101.7%	100.7%	99.7%	97.8%	93.3%	85.5%	79.1%
Debt Coverage Ratio:	0.87	0.89	0.91	0.94	1.04	1.27	1.55
Debt Yield:	5.1%	5.3%	5.5%	6%	7.6%	15.4%	-

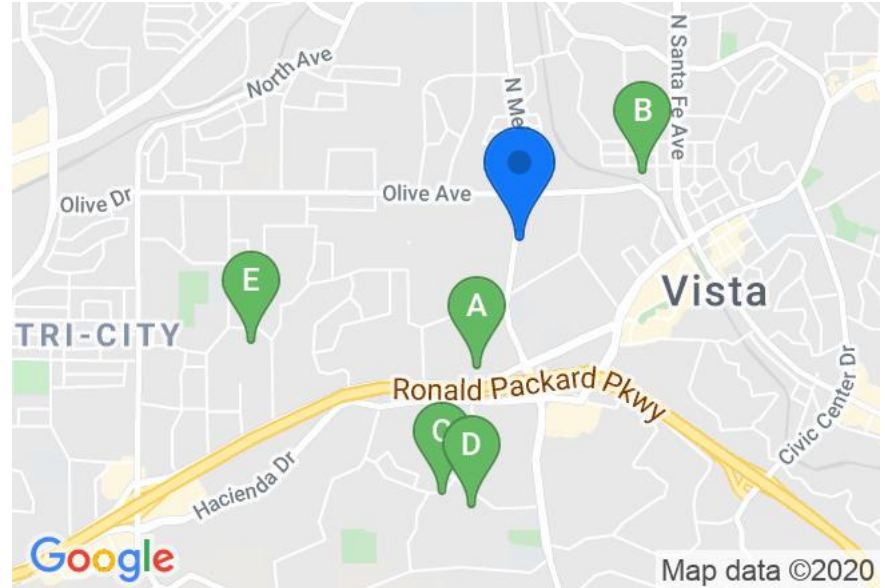
Recent Comparable Sales

Average Sale Price

\$ 366,800 (\$ 337/sq.ft.)

\$ 339,000 - \$ 396,000

\$ 296/sq.ft. - \$ 388/sq.ft.



Estimated ARV Based on Average Price/
Sq.Ft.

\$ 437,686

Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
● 341 N Melrose Dr Unit E Vista, CA 92083	0 mi	Condo Built 1980	3	2.0	1,298	\$ 325,000 \$ 250/sq.ft.	12/16/2019
A 117 Bronze Way Vista, CA 92083	0.5 mi	House Built 1982	2	2.0	1,260	\$ 396,000 \$ 314/sq.ft.	04/21/2020
B 439 Avenida De La Luna Vista, CA 92083	0.52 mi	House Built 2006	3	2.0	1,282	\$ 380,000 \$ 296/sq.ft.	06/28/2019
C 750 Breeze Hill Rd Apt 122 Vista, CA 92081	0.99 mi	House Built 1989	2	2.0	874	\$ 339,000 \$ 388/sq.ft.	11/12/2019
D 740 Breeze Hill Rd Apt 162 Vista, CA 92081	1.01 mi	House Built 1990	2	2.0	914	\$ 339,000 \$ 371/sq.ft.	12/20/2019
E 332 Flower Ln Vista, CA 92083	1.07 mi	House Built 1986	2	2.0	1,197	\$ 380,000 \$ 317/sq.ft.	04/30/2020

Recent Comparable Rental Listings

Average Listed Rent

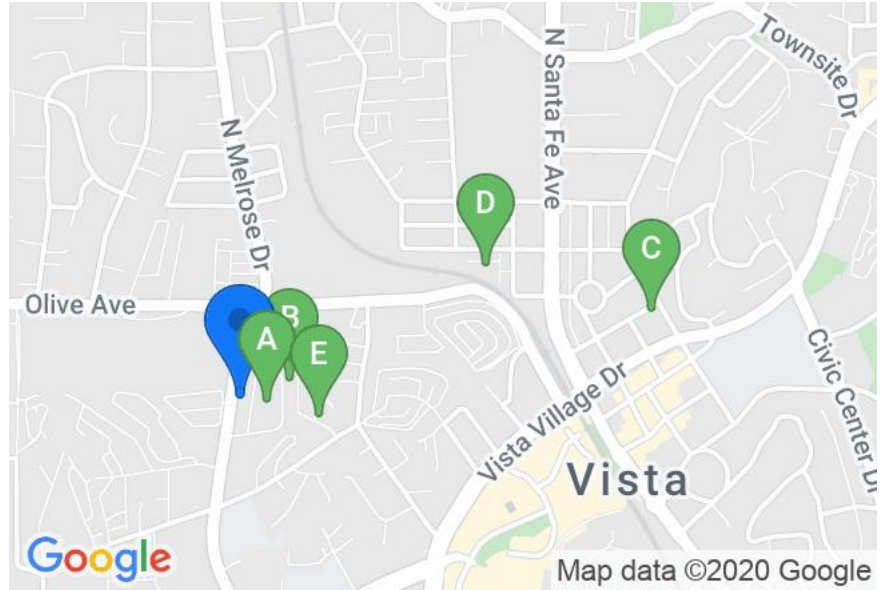
\$ 2,484 (\$ 1.98/sq.ft.)

\$ 2,300 - \$ 2,675

\$ 1.77/sq.ft. - \$ 2.22/sq.ft.

Estimated Rent Based on Average Rent/
Sq.Ft.

\$ 2,570



Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
● 341 N Melrose Dr Unit E Vista, CA 92083	0 mi	Condo Built 1980	3	2.0	1,298	-	-
A 345 N Melrose Dr, Unit A Vista, CA 92083	0.06 mi	Condo	3	2	1,298	\$ 2,300 \$ 1.77/sq.ft.	05/09/2020
B 376 Ferrara Way Vista, CA 92083	0.11 mi	Condo	3	2	-	\$ 2,675	03/29/2020
C 230 N Citrus Ave Apt B Vista, CA 92084	0.79 mi	Condo	3	2	-	\$ 2,400	06/17/2020
D 238 Calle Del Sol, Unit 16 Vista, CA 92083	0.54 mi	Condo	3	3	1,282	\$ 2,495 \$ 1.95/sq.ft.	02/25/2019
E 442 Florencia Ln Vista, CA 92083	0.15 mi	Condo	3	3	1,150	\$ 2,550 \$ 2.22/sq.ft.	10/07/2019

Property Photos



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