

4453 Governor Dr

Investment Property - Buy & Hold

4453 Governor Dr
San Diego, CA 92122

\$ 916,000 Purchase Price · \$ 916,000 ARV

\$ 210,680 Cash Needed · -\$ 1,788/mo Cash Flow · 2.2% Cap Rate · -10.2% COC



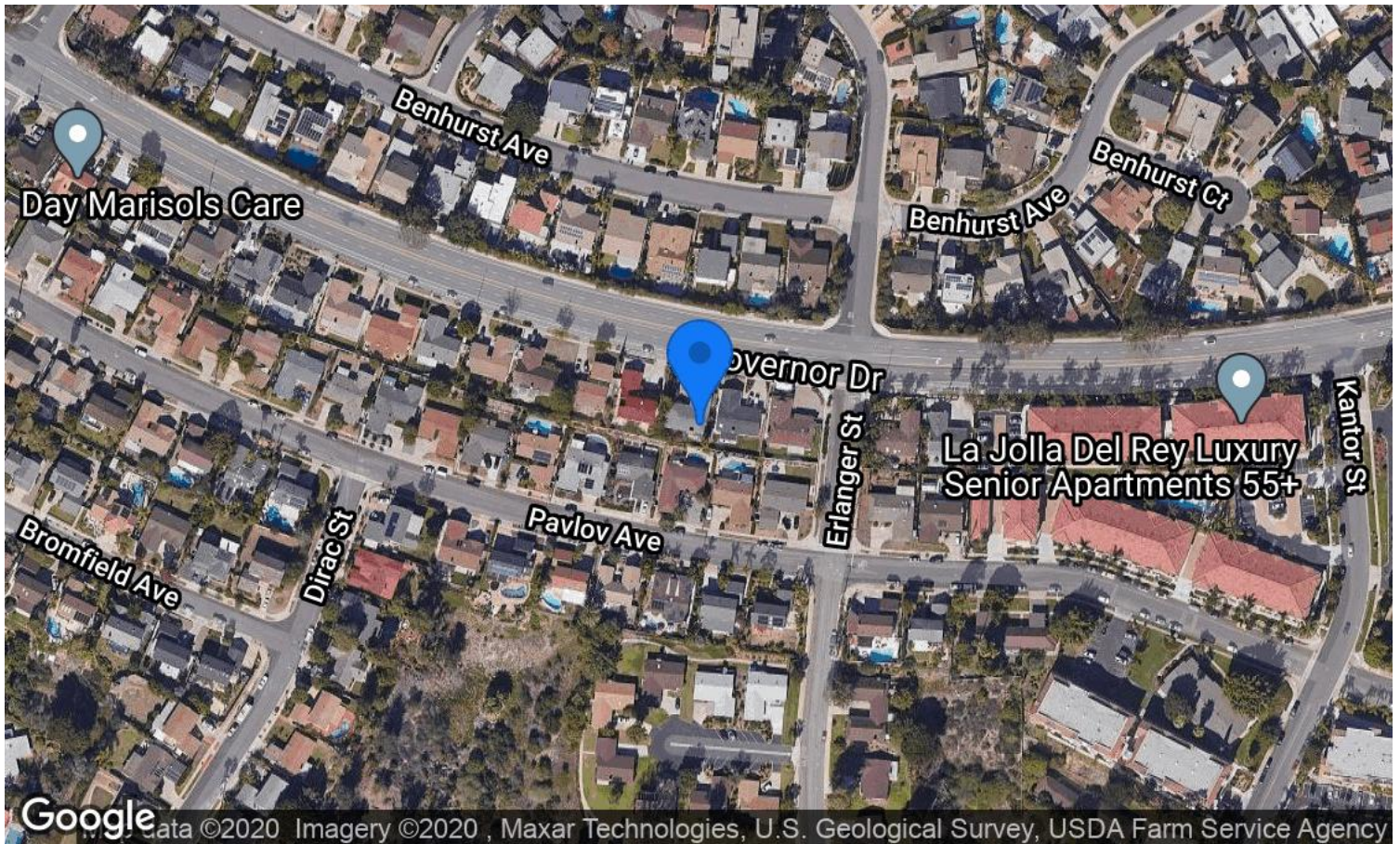
Property Description

ADDRESS

4453 Governor Dr
San Diego, CA 92122

DESCRIPTION

Property Type:	House
Beds / Baths:	5 BR / 2.0 BA
Square Footage:	1,666
Year Built:	1963
Parking:	
Lot Size:	7,000 sq.ft.
Zoning:	
MLS Number:	



Purchase Analysis & Returns

PURCHASE

Purchase Price:		\$ 916,000
Amount Financed:	-	\$ 732,800
Down Payment:	=	\$ 183,200
Purchase Costs:	+	\$ 27,480
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 210,680
After Repair Value:		\$ 916,000
Price Per Square Foot:		\$ 549.8

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.2% / 2.2%
Cash on Cash Return:	-10.2%
Return on Equity:	-8.9%
Return on Investment:	-22.8%
Internal Rate of Return:	-22.8%
Rent to Value:	0.4%
Gross Rent Multiplier:	20.09
Equity Multiple:	0.77
Break Even Ratio:	142.1%
Debt Coverage Ratio:	0.49
Debt Yield:	2.8%

PURCHASE COSTS

Total (3% of Price):	\$ 27,480
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FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 732,800
Loan to Cost (LTC):	80%
Loan to Value (LTV):	80%
Loan Term:	30 Years
Interest Rate:	4%
Finance Rehab Costs:	No
Loan Payments:	\$ 3,498 Per Month \$ 41,982 Per Year

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy:	5%
Appreciation:	5% Per Year
Income Increase:	3% 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:		\$ 3,800	\$ 45,600
Vacancy (5%):	-	\$ 190	\$ 2,280
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 3,610	\$ 43,320
Operating Expenses (52.6%):	-	\$ 1,900	\$ 22,800
Net Operating Income:	=	\$ 1,710	\$ 20,520
Loan Payments:	-	\$ 3,498	\$ 41,982
Cash Flow:	=	-\$ 1,788	-\$ 21,462

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

		Monthly	Yearly
EXPENSES			
Total (50% of Rent):		\$ 1,900	\$ 22,800

Buy & Hold Projections

	APPRECIATION 5% Per Year	INCOME INCREASE 3% Per Year	EXPENSES INCREASES 2% Per Year	SELLING COSTS 6% of Price		
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
INCOME						
Gross Rent:	\$ 45,600	\$ 48,377	\$ 51,323	\$ 59,498	\$ 79,960	\$ 107,459
Vacancy (5%):	- \$ 2,280	- \$ 2,419	- \$ 2,566	- \$ 2,975	- \$ 3,998	- \$ 5,373
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Income:	= \$ 43,320	= \$ 45,958	= \$ 48,757	= \$ 56,523	= \$ 75,962	= \$ 102,086
EXPENSES						
Total Expenses:	\$ 22,800	\$ 24,189	\$ 25,662	\$ 29,749	\$ 39,980	\$ 53,730
Operating Expenses:	= \$ 22,800	= \$ 24,189	= \$ 25,662	= \$ 29,749	= \$ 39,980	= \$ 53,730
CASH FLOW						
Operating Income:	\$ 43,320	\$ 45,958	\$ 48,757	\$ 56,523	\$ 75,962	\$ 102,086
Operating Expenses:	- \$ 22,800	- \$ 24,189	- \$ 25,662	- \$ 29,749	- \$ 39,980	- \$ 53,730
Net Operating Income:	= \$ 20,520	= \$ 21,769	= \$ 23,095	= \$ 26,774	= \$ 35,982	= \$ 48,356
Loan Payments:	- \$ 41,982	- \$ 41,982	- \$ 41,982	- \$ 41,982	- \$ 41,982	- \$ 41,982
Cash Flow:	= -\$ 21,462	= -\$ 20,213	= -\$ 18,887	= -\$ 15,208	= -\$ 6,000	= \$ 6,374
TAX BENEFITS & DEDUCTIONS						
Operating Expenses:	\$ 22,800	\$ 24,189	\$ 25,662	\$ 29,749	\$ 39,980	\$ 53,730
Loan Interest:	+ \$ 29,077	+ \$ 28,004	+ \$ 26,842	+ \$ 23,496	+ \$ 14,423	+ \$ 896
Depreciation:	+ \$ 34,308	+ \$ 34,308	+ \$ 34,308	+ \$ 34,308	+ \$ 34,308	+ \$ 0
Total Deductions:	= \$ 86,185	= \$ 86,502	= \$ 86,812	= \$ 87,553	= \$ 88,711	= \$ 54,626
EQUITY ACCUMULATION						
Property Value:	\$ 961,800	\$ 1,060,385	\$ 1,169,074	\$ 1,492,067	\$ 2,430,421	\$ 3,958,899
Loan Balance:	- \$ 719,895	- \$ 692,487	- \$ 662,799	- \$ 577,329	- \$ 345,547	- \$ 0
Total Equity:	= \$ 241,905	= \$ 367,898	= \$ 506,275	= \$ 914,738	= \$ 2,084,874	= \$ 3,958,899
SALE ANALYSIS						
Equity:	\$ 241,905	\$ 367,898	\$ 506,275	\$ 914,738	\$ 2,084,874	\$ 3,958,899
Selling Costs (6%):	- \$ 57,708	- \$ 63,623	- \$ 70,144	- \$ 89,524	- \$ 145,825	- \$ 237,534
Sale Proceeds:	= \$ 184,197	= \$ 304,275	= \$ 436,130	= \$ 825,214	= \$ 1,939,048	= \$ 3,721,365
Cumulative Cash Flow:	+ -\$ 21,462	+ -\$ 62,521	+ -\$ 100,967	+ -\$ 184,582	+ -\$ 288,265	+ -\$ 283,222
Total Cash Invested:	- \$ 210,680	- \$ 210,680	- \$ 210,680	- \$ 210,680	- \$ 210,680	- \$ 210,680

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
Total Profit:	= -\$ 47,945	= \$ 31,074	= \$ 124,483	= \$ 429,952	= \$ 1,440,103	= \$ 3,227,463

INVESTMENT RETURNS

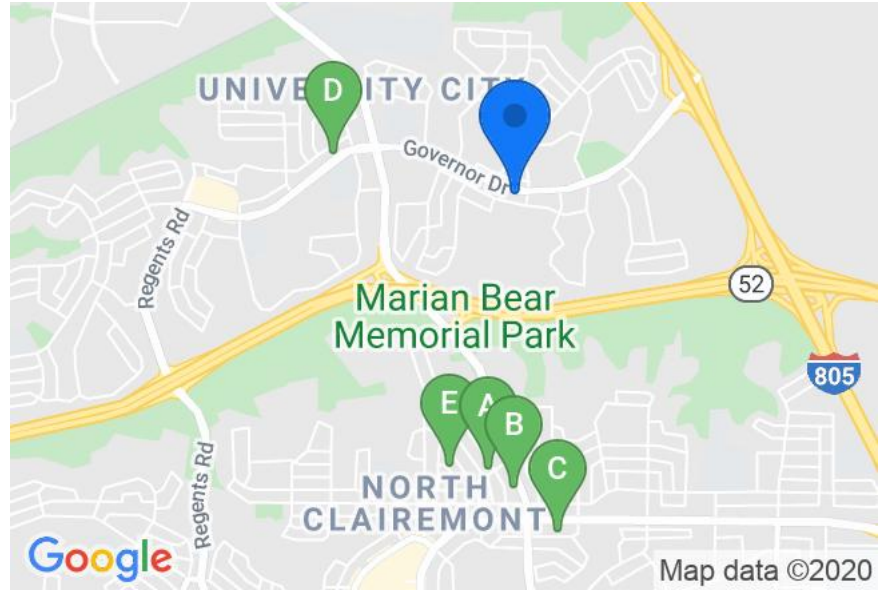
Cap Rate (Purchase Price):	2.2%	2.4%	2.5%	2.9%	3.9%	5.3%
Cap Rate (Market Value):	2.1%	2.1%	2%	1.8%	1.5%	1.2%
Cash on Cash Return:	-10.2%	-9.6%	-9%	-7.2%	-2.8%	3%
Return on Equity:	-8.9%	-5.5%	-3.7%	-1.7%	-0.3%	0.2%
Return on Investment:	-22.8%	14.7%	59.1%	204.1%	683.6%	1,531.9%
Internal Rate of Return:	-22.8%	4.3%	8.4%	9.6%	8.7%	8%

FINANCIAL RATIOS

Rent to Value:	0.4%	0.4%	0.4%	0.3%	0.3%	0.2%
Gross Rent Multiplier:	21.09	21.92	22.78	25.08	30.4	36.84
Equity Multiple:	0.77	1.15	1.59	3.04	7.84	16.32
Break Even Ratio:	142.1%	136.8%	131.8%	120.6%	102.5%	89.1%
Debt Coverage Ratio:	0.49	0.52	0.55	0.64	0.86	1.15
Debt Yield:	2.9%	3.1%	3.5%	4.6%	10.4%	-

Recent Comparable Sales

Average Sale Price
\$ 770,600 (\$ 479/sq.ft.)
 \$ 688,000 - \$ 925,000
 \$ 403/sq.ft. - \$ 647/sq.ft.



Estimated ARV Based on Average Price/
 Sq.Ft.
\$ 798,680

Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
D 4453 Governor Dr San Diego, CA 92122	0 mi	House Built 1963	5	2.0	1,666	\$ 916,000 \$ 550/sq.ft.	01/28/2020
A 5002 New Haven Rd San Diego, CA 92117	1.03 mi	House Built 1958	3	2.0	1,575	\$ 775,000 \$ 492/sq.ft.	02/10/2020
B 4970 Genesee Ave San Diego, CA 92117	1.1 mi	House Built 1958	5	2.0	1,860	\$ 750,000 \$ 403/sq.ft.	07/26/2019
C 4564 Manitou Way San Diego, CA 92117	1.27 mi	House Built 1956	3	4.0	2,125	\$ 925,000 \$ 435/sq.ft.	02/28/2020
D 3748 Governor Dr San Diego, CA 92122	0.7 mi	House Built 1963	3	2.0	1,064	\$ 688,000 \$ 647/sq.ft.	05/04/2020
E 5061 Ovid Pl San Diego, CA 92117	1.04 mi	House Built 1958	4	3.0	1,704	\$ 715,000 \$ 420/sq.ft.	05/22/2020

Recent Comparable Rental Listings

Average Listed Rent

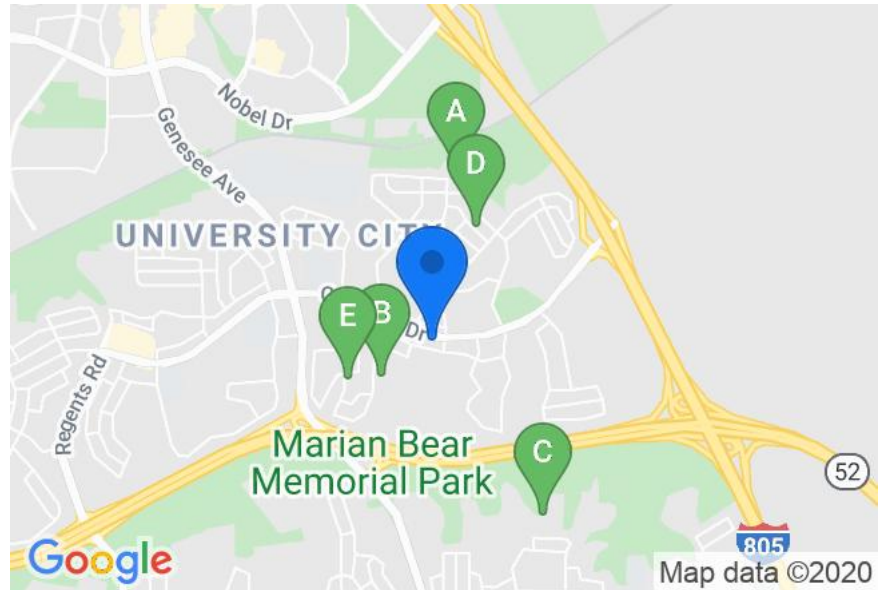
\$ 3,939 (\$ 2.18/sq.ft.)







\$ 3,595 - \$ 4,200

\$ 2.05/sq.ft. - \$ 2.32/sq.ft.

Estimated Rent Based on Average Rent/
Sq.Ft.

\$ 3,629



Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
 4453 Governor Dr San Diego, CA 92122	0 mi	House Built 1963	5	2.0	1,666	-	-
 4650 Huggins St San Diego, CA 92122	0.63 mi	House	5	2	1,710	\$ 3,800 \$ 2.22/sq.ft.	03/04/2020
 4310 Valoma Pl San Diego, CA 92122	0.23 mi	House	5	3	1,893	\$ 4,000 \$ 2.11/sq.ft.	05/21/2020
 5365 Crisp Ct San Diego, CA 92117	0.77 mi	House	5	3	1,771	\$ 4,100 \$ 2.32/sq.ft.	01/12/2020
 4750 Pauling Ave San Diego, CA 92122	0.46 mi	House	4	2	1,752	\$ 3,595 \$ 2.05/sq.ft.	06/13/2020
 5977 Agee St San Diego, CA 92122	0.35 mi	House	4	2	1,920	\$ 4,200 \$ 2.19/sq.ft.	03/07/2019

Property Photos



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