



520 Bay Grove Rd, Loganville (Fin)

520 Bay Grove Rd,
Loganville, GA 30052

Presented by:

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Overview

520 Bay Grove Rd, Loganville (Fin)

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Loganville, GA 30052



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Purchase Info

Square Feet	4 991
Purchase Price	US\$278 000
Initial Cash Invested	US\$147 950

Income Analysis

	Monthly	Annual
Net Operating Income	US\$1 230	US\$14 754
Cash Flow	(US\$439)	(US\$5 265)

Financial Metrics

Cap Rate (Purchase Price)	5.3%
Cash on Cash Return (Year 1)	-3.6%
Internal Rate of Return (Year 10)	8.0%
Sale Price (Year 10)	US\$497 856



Purchase Analysis

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Purchase Info	
Purchase Price	US\$278 000
- First Mortgage	(US\$139 000)
- Second Mortgage	(US\$0)
= Downpayment	US\$139 000
+ Buying Costs	US\$8 950
+ Initial Improvements	US\$0
= Initial Cash Invested	US\$147 950
Square Feet	4 991
Cost per Square Foot	US\$56
Monthly Rent per Square Foot	US\$0.36

Mortgages	First	Second
Loan-To-Cost Ratio	50%	0%
Loan-To-Value Ratio	50%	0%
Loan Amount	US\$139 000	US\$0
Loan Type	Amortizing	
Term	15 Years	
Interest Rate	12%	
Payment	US\$1 668.23	US\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	12.9
Operating Expense Ratio	31.7%
Debt Coverage Ratio	0.74
Cap Rate (Purchase Price)	5.3%
Cash on Cash Return	-3.6%

Assumptions	
Appreciation Rate	6.0%
Vacancy Rate	0.0%
Income Inflation Rate	1.0%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	US\$16 680

Income	Monthly	Annual
Gross Rent	US\$1 800	US\$21 600
Vacancy Loss	(US\$0)	(US\$0)
Operating Income	US\$1 800	US\$21 600

Expenses (% of Income)	Monthly	Annual
Insurance (5%)	(US\$83)	(US\$1 000)
Management Fees (10%)	(US\$180)	(US\$2 160)
Taxes (17%)	(US\$307)	(US\$3 686)
Association Fees (0%)	(US\$0)	(US\$0)
Operating Expenses (32%)	(US\$570)	(US\$6 846)

Net Performance	Monthly	Annual
Net Operating Income	US\$1 230	US\$14 754
- Mortgage Payments	(US\$1 668)	(US\$20 019)
- Year 1 Improvements	(US\$0)	(US\$0)
= Cash Flow	(US\$439)	(US\$5 265)

Buy and Hold Projection

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Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Gross Rent	US\$21 600	US\$21 816	US\$22 034	US\$22 477	US\$23 624	US\$26 095	US\$28 825
Vacancy Loss	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)
Operating Income	US\$21 600	US\$21 816	US\$22 034	US\$22 477	US\$23 624	US\$26 095	US\$28 825

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Insurance	(US\$1 000)	(US\$1 030)	(US\$1 061)	(US\$1 126)	(US\$1 305)	(US\$1 754)	(US\$2 357)
Management Fees	(US\$2 160)	(US\$2 182)	(US\$2 203)	(US\$2 248)	(US\$2 362)	(US\$2 610)	(US\$2 883)
Taxes	(US\$3 686)	(US\$3 797)	(US\$3 910)	(US\$4 149)	(US\$4 809)	(US\$6 463)	(US\$8 686)
Association Fees	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)
Operating Expenses	(US\$6 846)	(US\$7 008)	(US\$7 175)	(US\$7 522)	(US\$8 477)	(US\$10 826)	(US\$13 925)

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	US\$14 754	US\$14 808	US\$14 859	US\$14 955	US\$15 147	US\$15 269	US\$14 900
- Mortgage Payments	(US\$20 019)	(US\$20 019)	(US\$20 019)	(US\$20 019)	(US\$20 019)	(US\$0)	(US\$0)
- Improvements	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)
= Cash Flow	(US\$5 265)	(US\$5 211)	(US\$5 159)	(US\$5 064)	(US\$4 872)	US\$15 269	US\$14 900
Cap Rate (Purchase Price)	5.3%	5.3%	5.3%	5.4%	5.4%	5.5%	5.4%
Cap Rate (Market Value)	5.0%	4.7%	4.5%	4.0%	3.0%	1.7%	0.9%
Cash on Cash Return	-3.6%	-3.5%	-3.5%	-3.4%	-3.3%	10.3%	10.1%
Return on Equity	-3.3%	-2.9%	-2.5%	-2.0%	-1.2%	1.7%	0.9%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	US\$294 680	US\$312 361	US\$331 102	US\$372 027	US\$497 856	US\$891 584	US\$1 596 691
- Loan Balance	(US\$135 471)	(US\$131 495)	(US\$127 015)	(US\$116 277)	(US\$74 996)	(US\$0)	(US\$0)
= Equity	US\$159 209	US\$180 866	US\$204 088	US\$255 750	US\$422 859	US\$891 584	US\$1 596 691
Loan-to-Value Ratio	46.0%	42.1%	38.4%	31.3%	15.1%	0.0%	0.0%
Potential Cash-Out Refi	US\$70 805	US\$87 157	US\$104 757	US\$144 142	US\$273 503	US\$624 109	US\$1 117 683

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	US\$159 209	US\$180 866	US\$204 088	US\$255 750	US\$422 859	US\$891 584	US\$1 596 691
- Selling Costs	(US\$17 681)	(US\$18 742)	(US\$19 866)	(US\$22 322)	(US\$29 871)	(US\$53 495)	(US\$95 801)
= Proceeds After Sale	US\$141 528	US\$162 124	US\$184 222	US\$233 428	US\$392 988	US\$838 089	US\$1 500 889
+ Cumulative Cash Flow	(US\$5 265)	(US\$10 476)	(US\$15 635)	(US\$25 809)	(US\$50 522)	US\$1 853	US\$152 998
- Initial Cash Invested	(US\$147 950)	(US\$147 950)	(US\$147 950)	(US\$147 950)	(US\$147 950)	(US\$147 950)	(US\$147 950)
= Net Profit	(US\$11 687)	US\$3 698	US\$20 636	US\$59 669	US\$194 516	US\$691 992	US\$1 505 938
Internal Rate of Return	-7.9%	1.2%	4.3%	6.6%	8.0%	8.2%	8.0%
Return on Investment	-8%	2%	14%	40%	131%	468%	1 018%

Graphs

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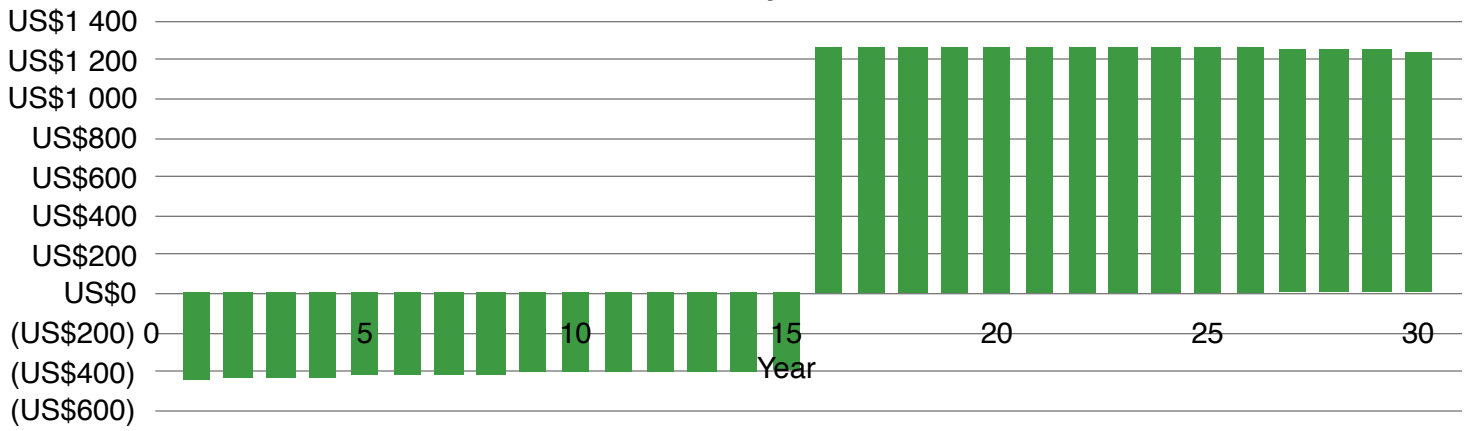
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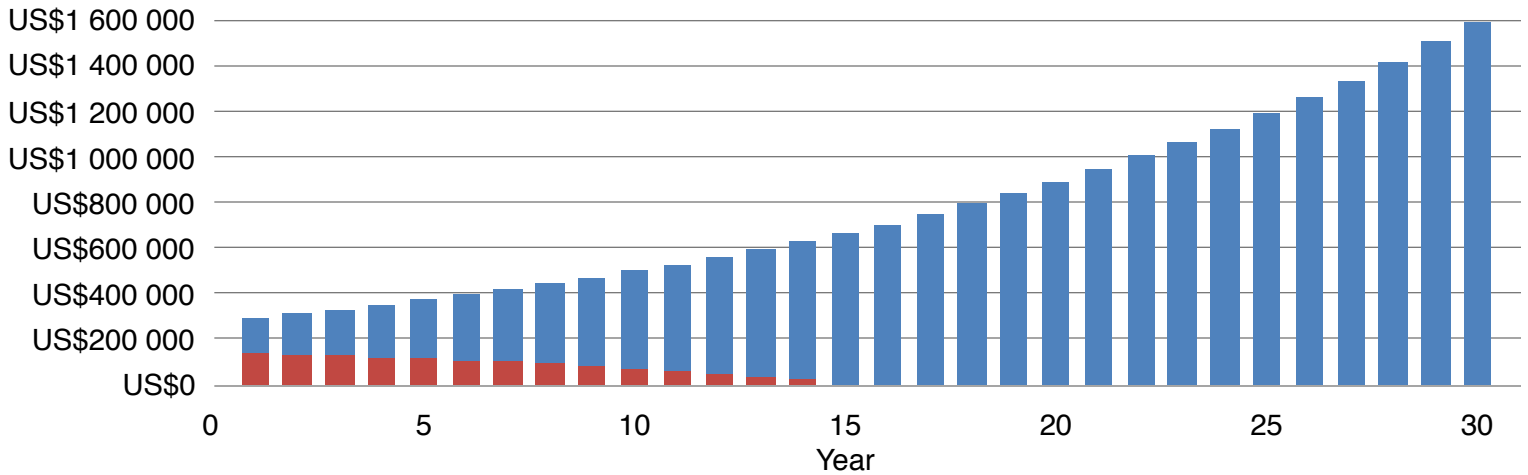
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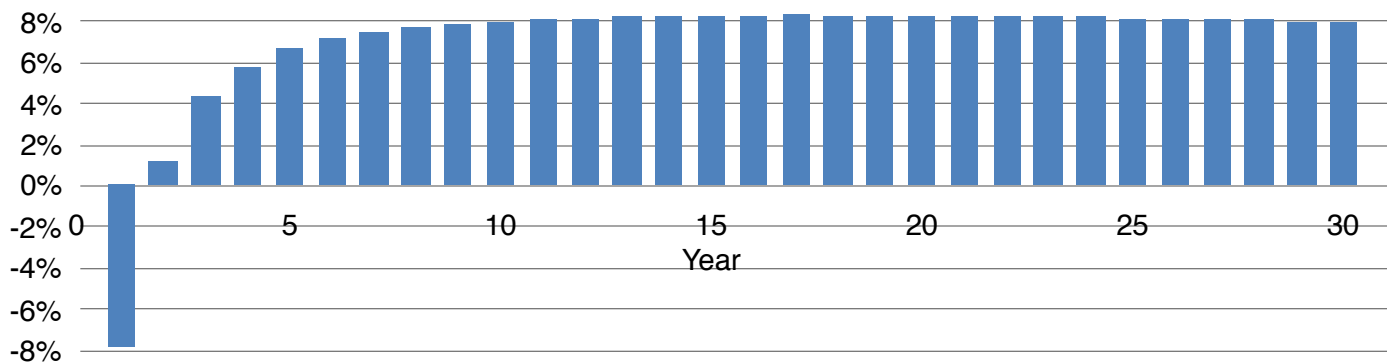
Monthly Cash Flow



■ Loan Balance + ■ Equity = Market Value



Internal Rate of Return (IRR)



Itemized Closing Costs

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Buying Costs

Loan Origination Fee	US\$6 950
Recording Fee	US\$2 000
Total	US\$8 950