

1010 AVE D Fredericksburg TX 76824

BNB Home & Build Out Basement, Pro Forma Annual Financial Model

#	Category	Description	\$/#
1	Sale Price	List \$	\$ 439,000
2	Basement Build Out	\$50 SF * 2,289 SF	\$ 114,450
3	Total Cost	Sale Price + Basement Build Out	\$ 553,450
4	2 Basement Units	\$159 average for 2 bedroom units Air BnB	\$ 318
5	Upstairs Home	\$437 average for 3 Bedroom Homes Air BnB	\$ 437
6	Occupancy Rate	Same for all 3 units	33%
7		Annual Rental Revenues	\$ 90,940
8	Taxes	1.802 Tax Rate * Total Cost	\$ 9,973
9	Insurance	2016 Estimate	\$ 2,400
10	Air BNB Operating Expenses	20% of Annual Rental Revenues	\$ 18,188
	Maintenance/Reserve	10% of Annual Rental Revenues (Note 1)	\$ 9,094
11	Annual Operating Expenses		\$ 39,655
12	Net Operating Income	Annual Rental Revenues - Annual Operating Expenses	\$ 51,285
13	Annual Debt Service	(Note 2)	\$ 25,366
14	Net Cash Flow	Net Operating Income - Annual Debt Service	\$ 25,919
15	Estimated Cap Rate	Net Operating Income / Sale Price	11.7%
16	Cash on Cash	Net Cash Flow / (Down Payment + 1% Closing Cost)	21.29%

NOTES

Note 1:

AirBnB and sister sites include a cleaning expense. It is not recognized in revenues or expenses but considered a neutral impact.

Note 2: P&I only, 5/1

ARM, 80% 1st Ioan. 4% APR interest, 30-year amortization. No PMI. National lender. Payment from Bank Rate Monitor.

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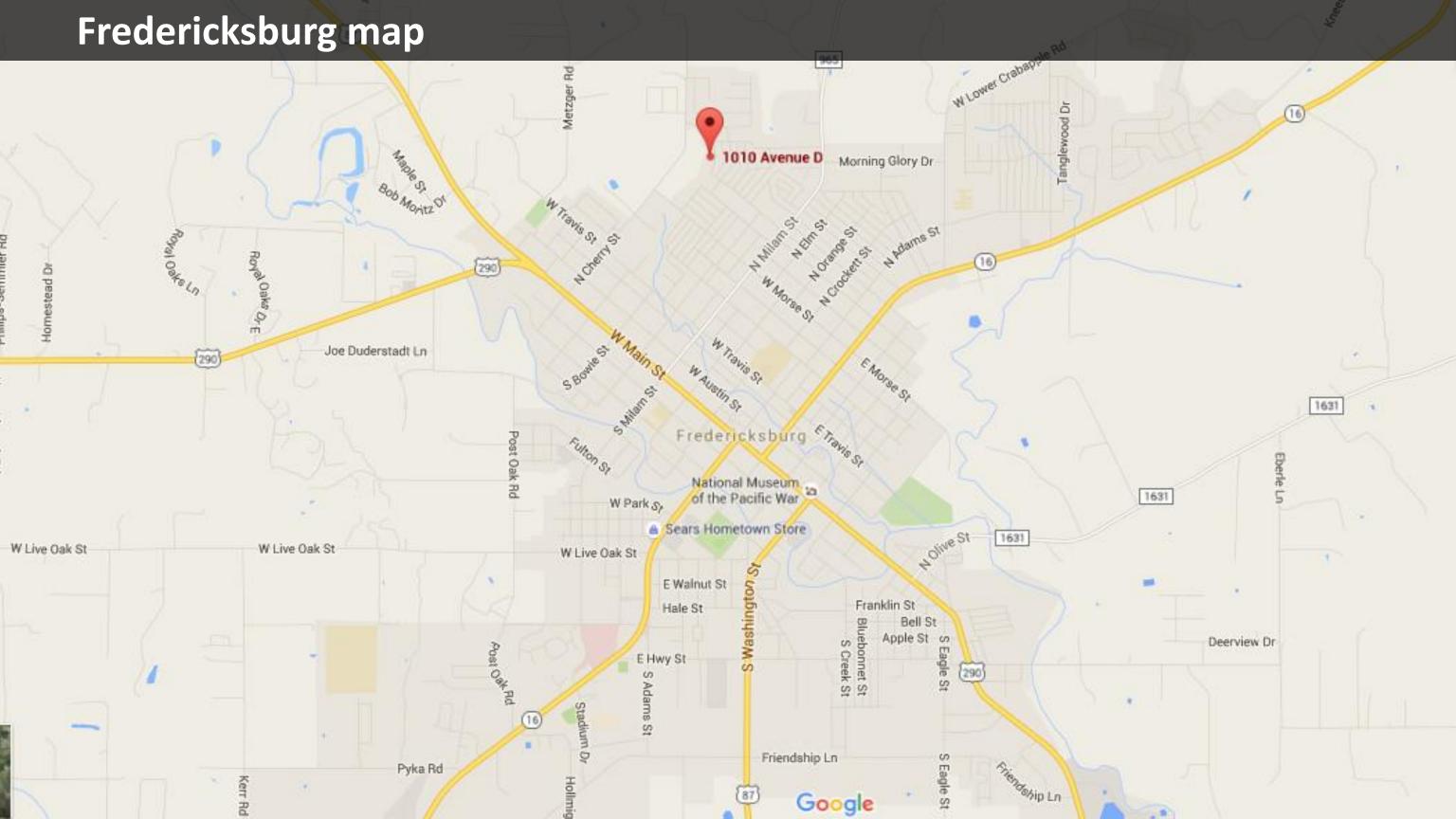
Live in Home, BNB Build Out Basement, Pro Forma Annual Financial Model

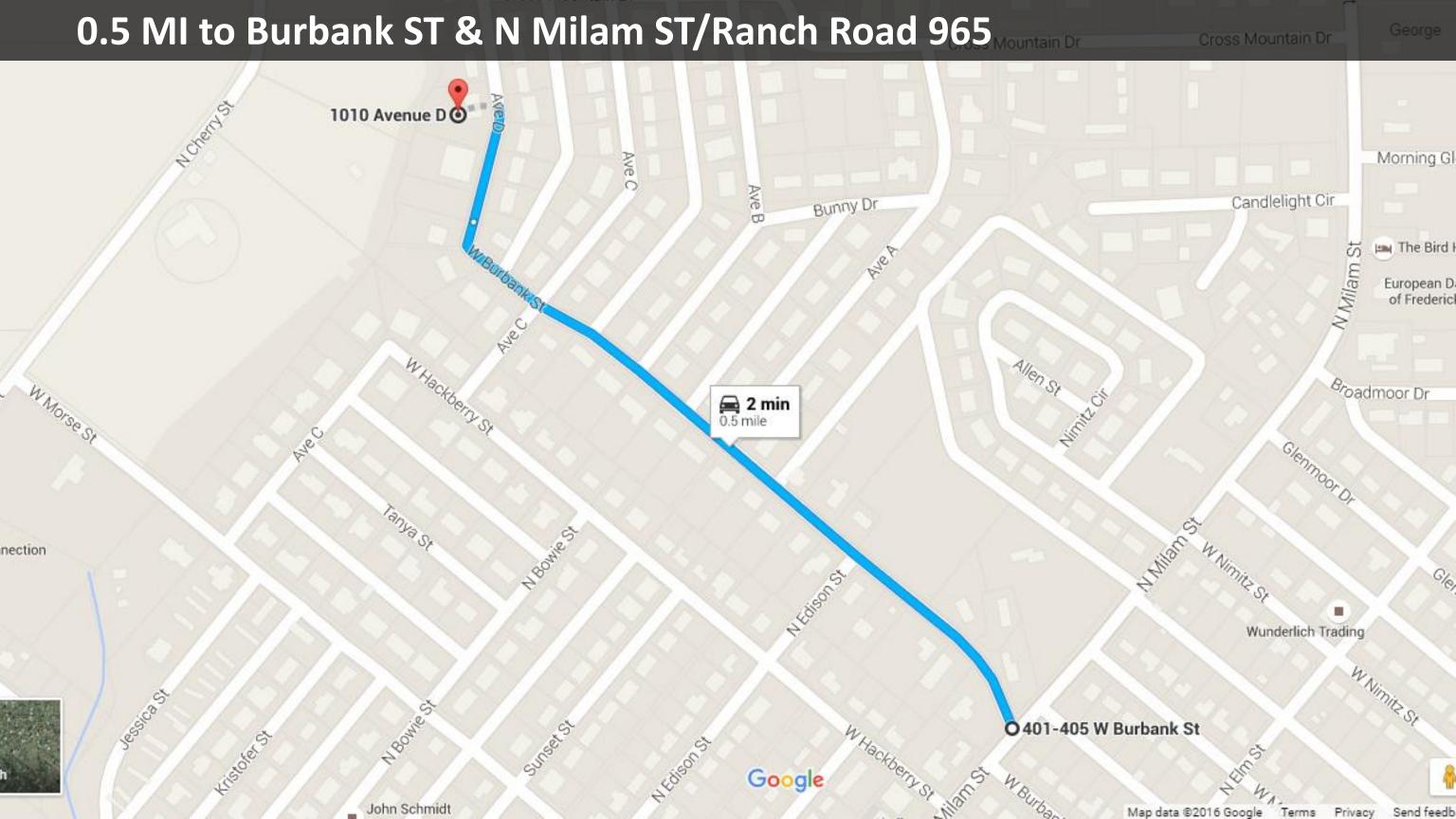
#	Category	Description	\$/#
1	Sale Price	List \$	\$ 439,000
2	Basement Build Out	\$50 SF * 2,289 SF	\$ 114,450
3	Total Cost	Sale Price + Basement Build Out	\$ 553,450
4	2 Basement Units	\$159 average for 2 bedroom units Air BnB	\$ 318
5	Occupancy Rate	Same for both units	33%
6		Annual Rental Revenues	\$ 38,303
7	Taxes	1.802 Tax Rate * Total Cost	\$ 9,973
8	Insurance	2016 Estimate	\$ 2,400
9	Air BNB Operating Expenses	Annual Rental Revenues * 20%	\$ 7,661
10	Maintenance/Reserve	10% of Annual Rental Revenues (Note 1)	\$ 3,830
10	Annual Operating Expenses		\$ 23,864
11	Net Operating Income	Annual Rental Revenues - Annual Operating Expenses	\$ 14,439
12	Annual Debt Service	(Note 2)	\$ 25,366
13	Net Cash Flow	Net Operating Income - Annual Debt Service	\$ (10,927)
14	Estimated Cap Rate	Net Operating Income / Sale Price	3.3%
15	Cash on Cash	Net Cash Flow / (Down Payment + 1% Closing Cost)	-8.97%

NOTES

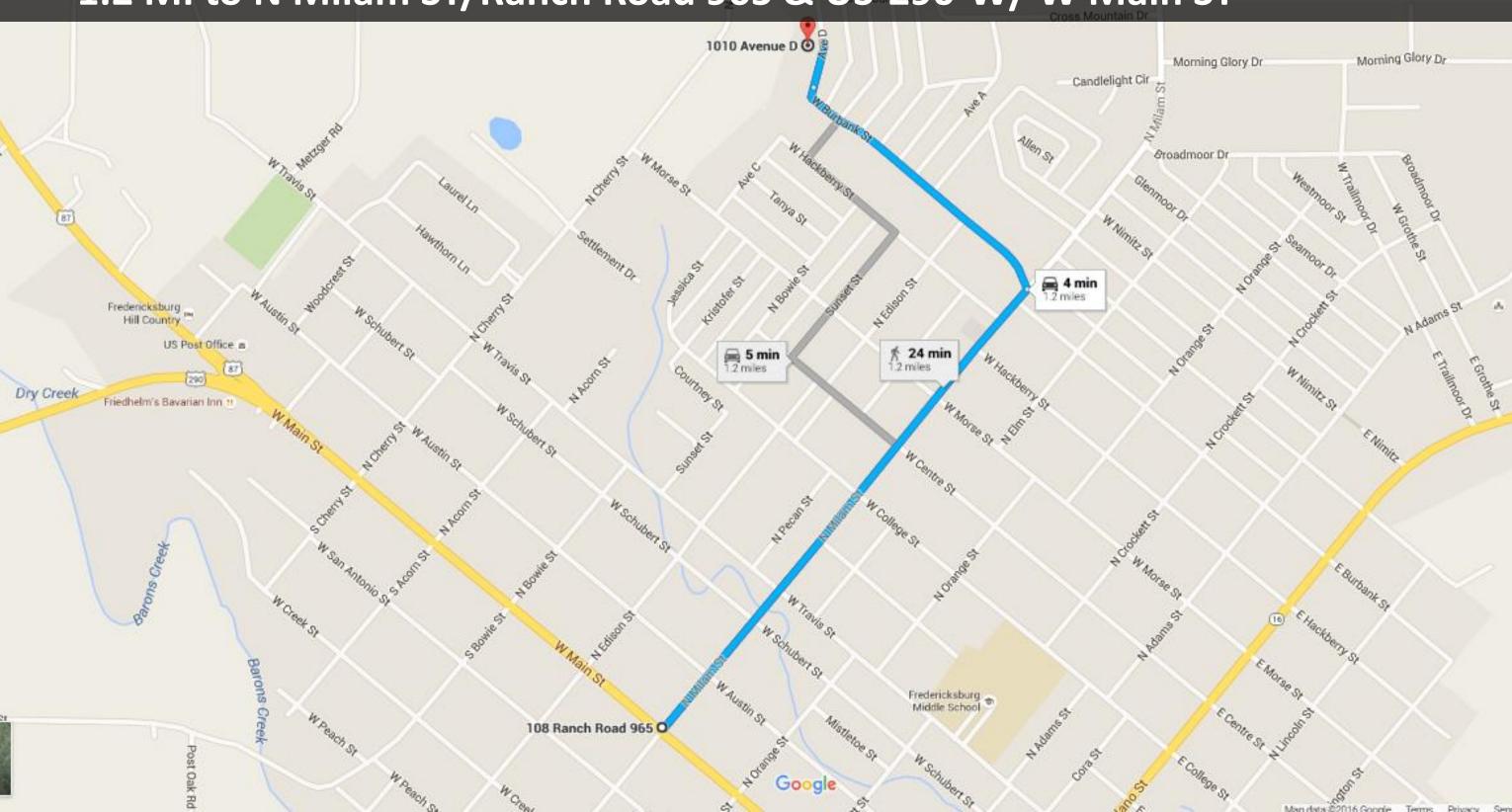
Note 1: AirBnB and sister sites include a cleaning expense. It is not recognized in revenues or expenses but considered a neutral impact. Note 2: P&I only, 5/1

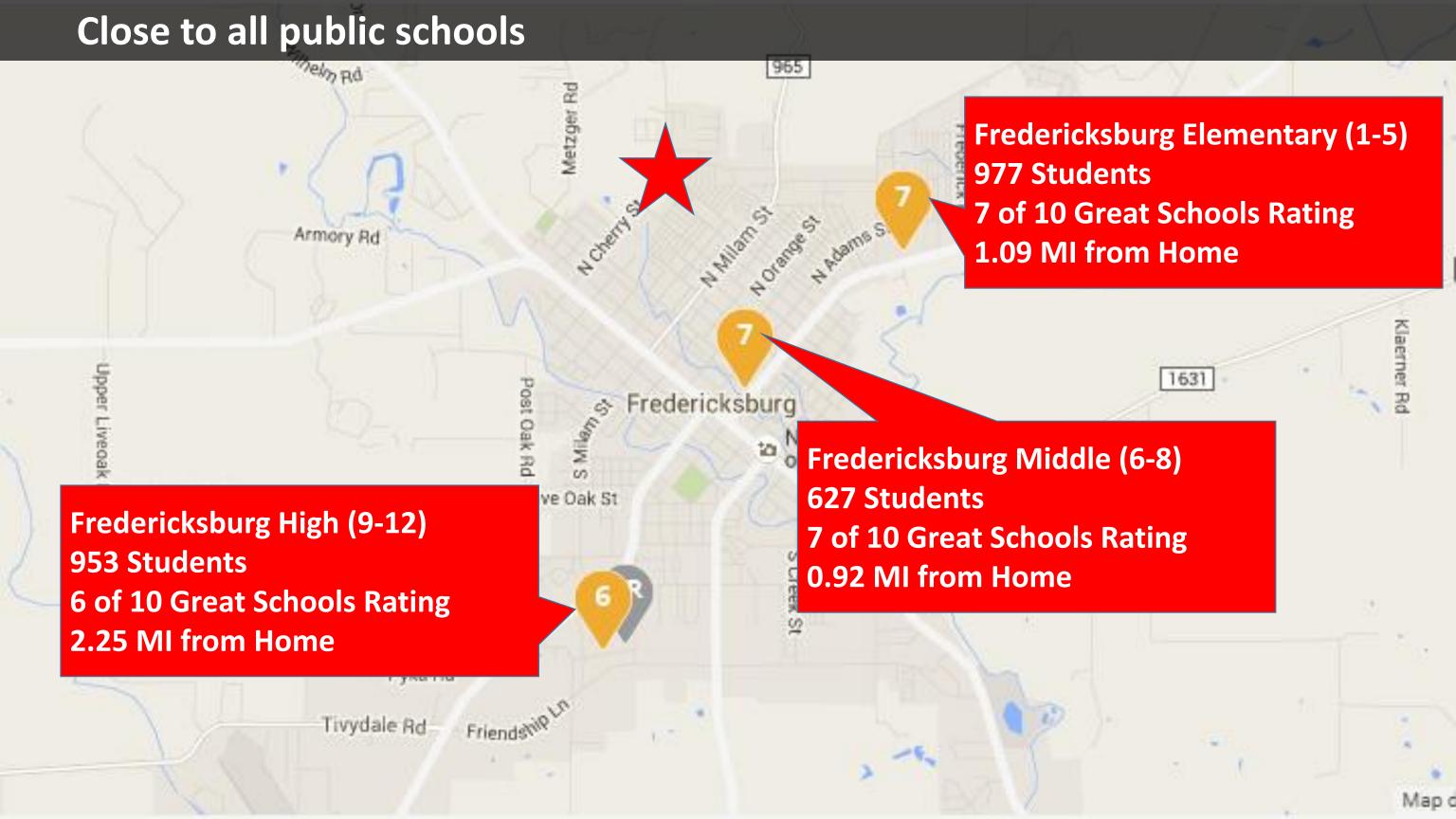
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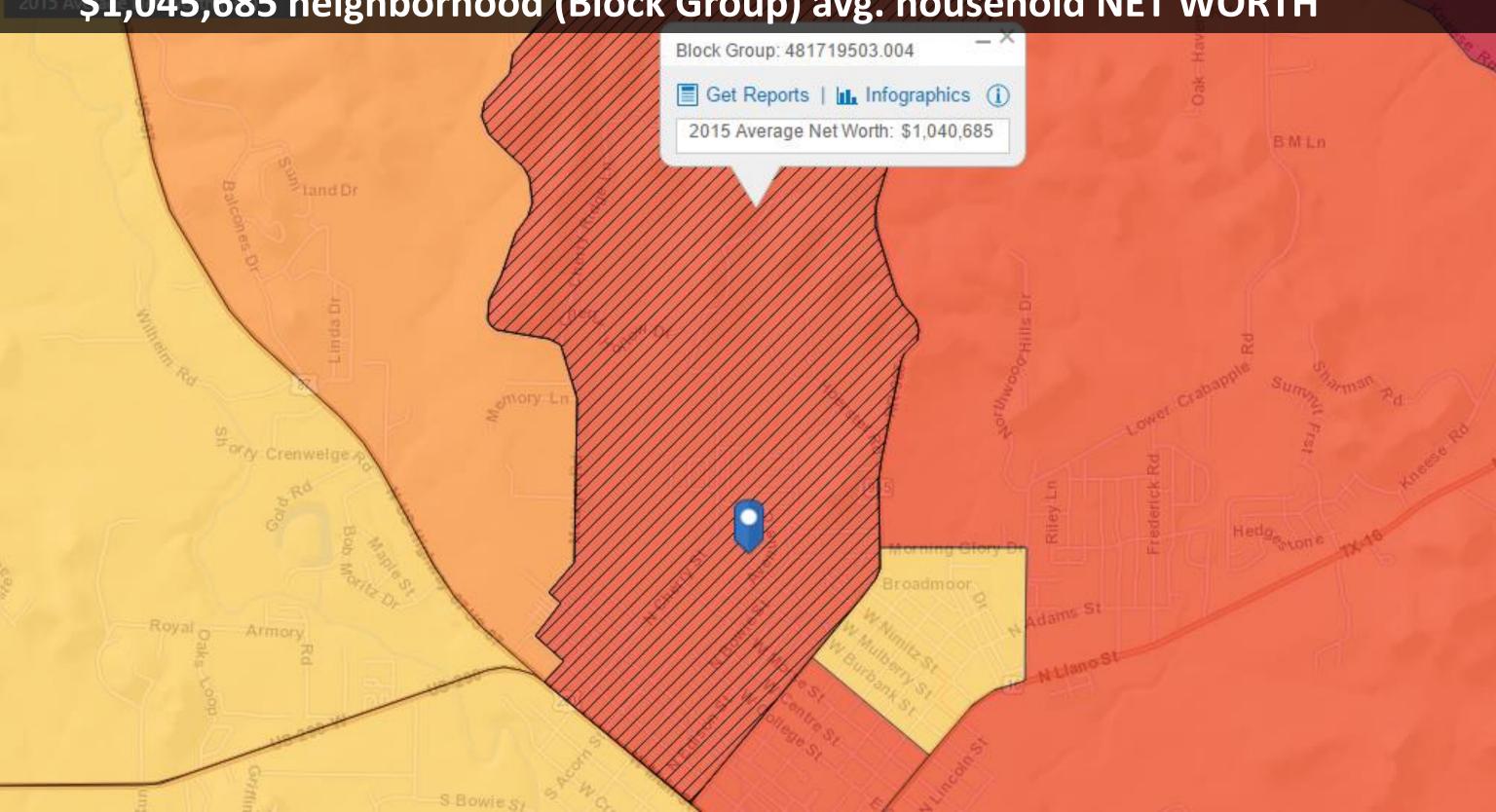


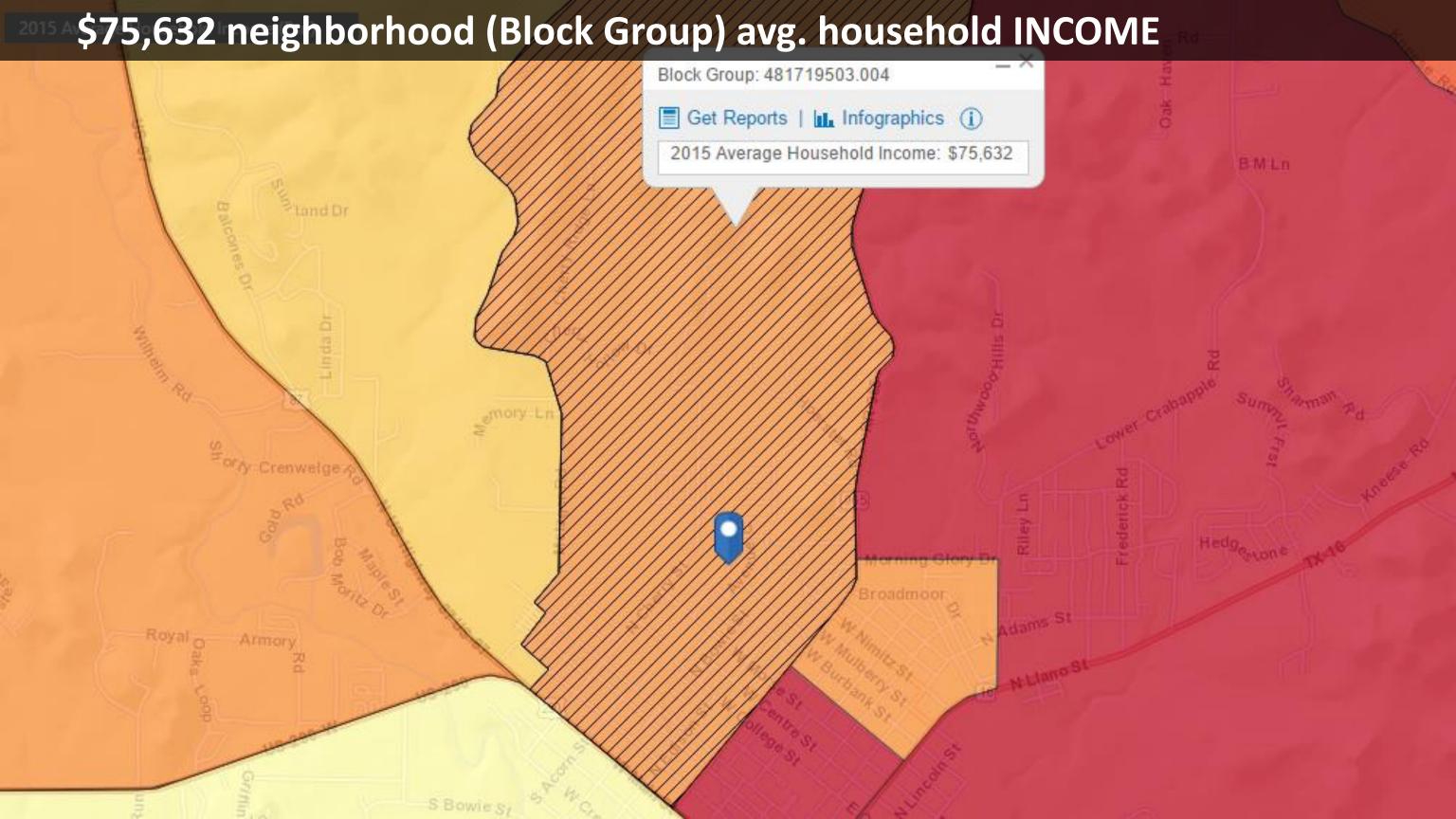
1.2 MI to N Milam ST/Ranch Road 965 & US-290-W/ W Main ST

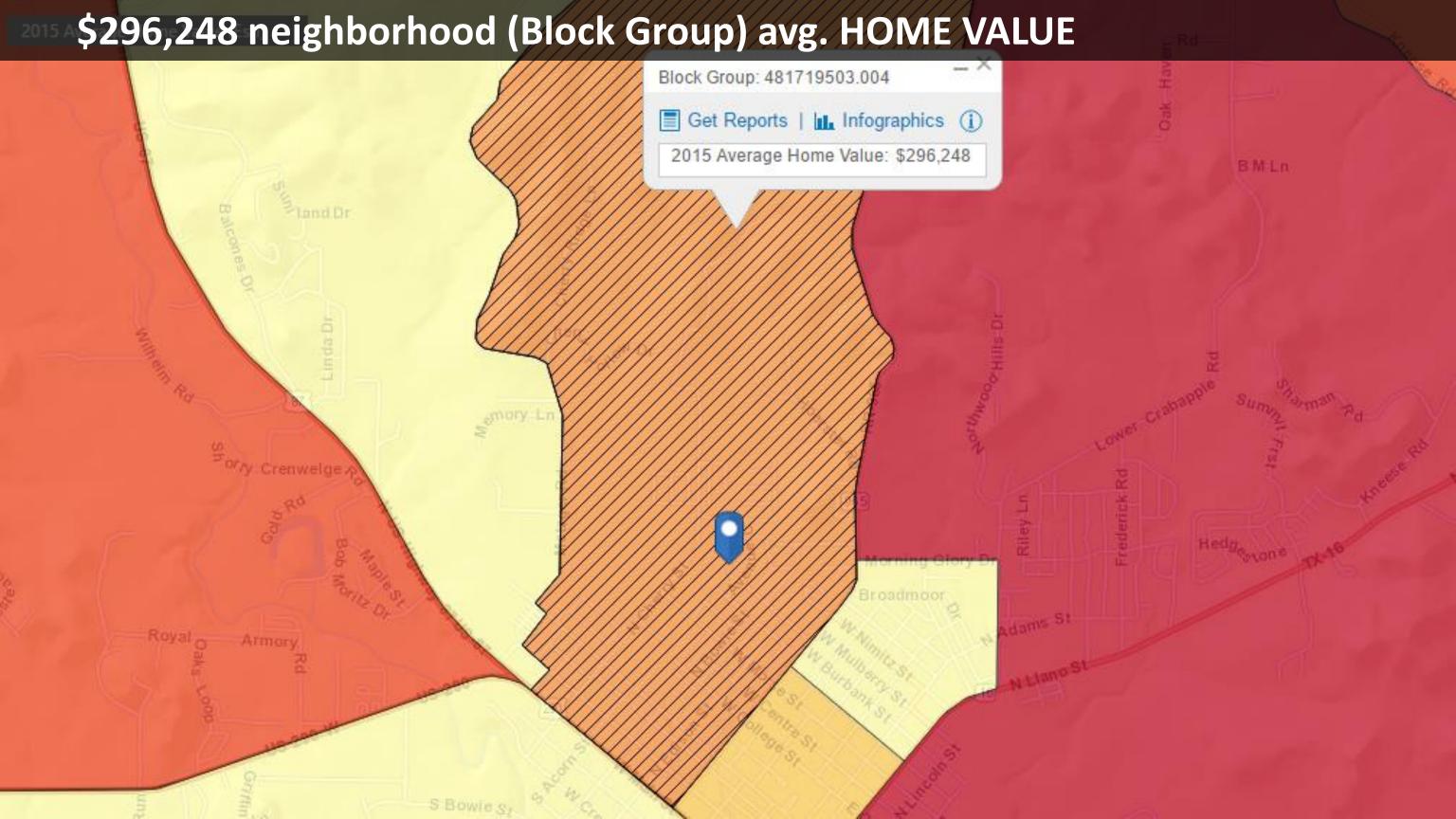




\$1,045,685 neighborhood (Block Group) avg. household NET WORTH







18.5% of adults in neighborhood (Block Group) has GRADUATE DEGREES Get Reports | Infographics (i) 2015 Pop 25+ by Educ: Grad Deg: 242 Percentage: 18.54% (of 2015 Pop 25+ by Educ ... BMLn

29 neighborhood (Block Group) Total Crime Index (29 of 100 is low) Block Group: 481719503.004 Get Reports | Infographics (i) 2014 Total Crime Index: 29 8 M Ln

