

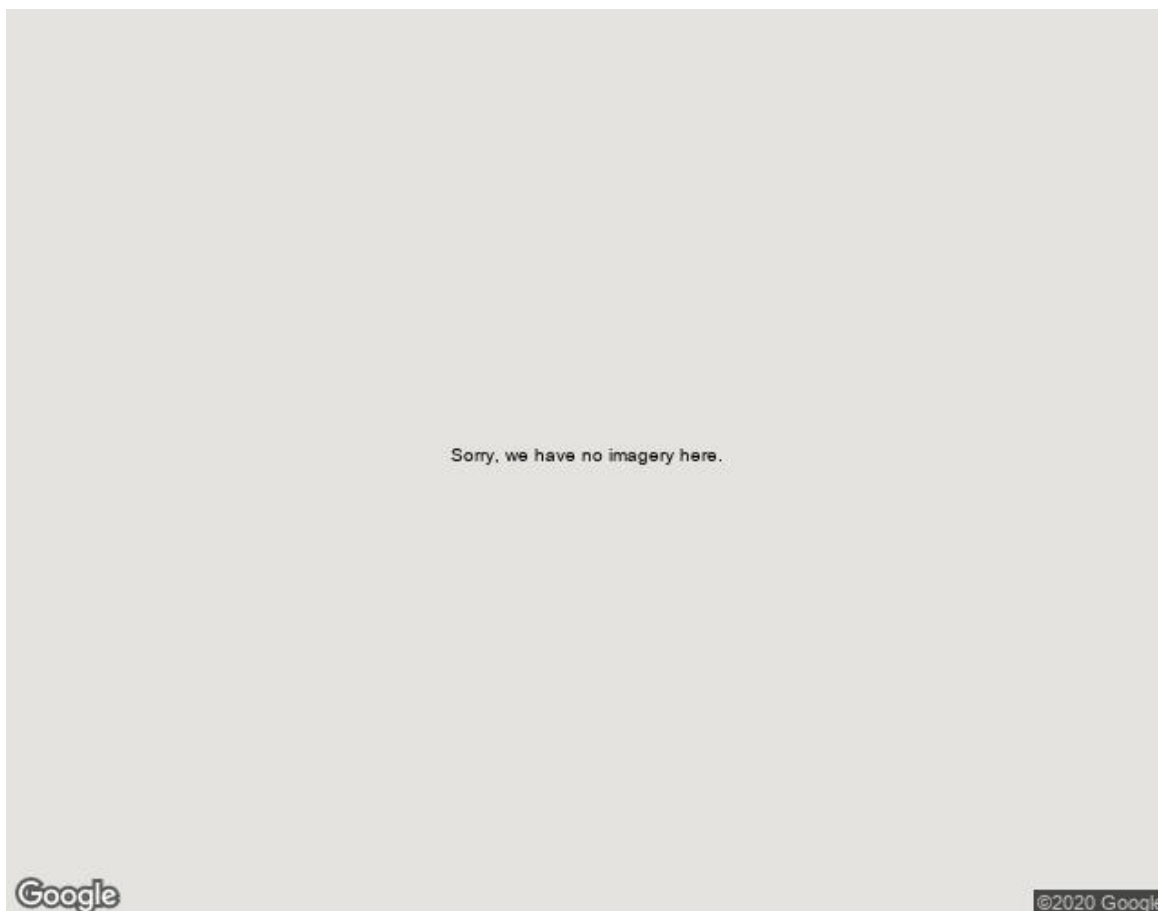
2976 Escala Cir

Investment Property - Buy & Hold

2976 Escala Cir
San Diego, CA 92108

\$ 579,000 Purchase Price · **\$ 579,000 ARV**

\$ 133,170 Cash Needed · **-\$ 1,006/mo Cash Flow** · **2.5% Cap Rate** · **-9.1% COC**



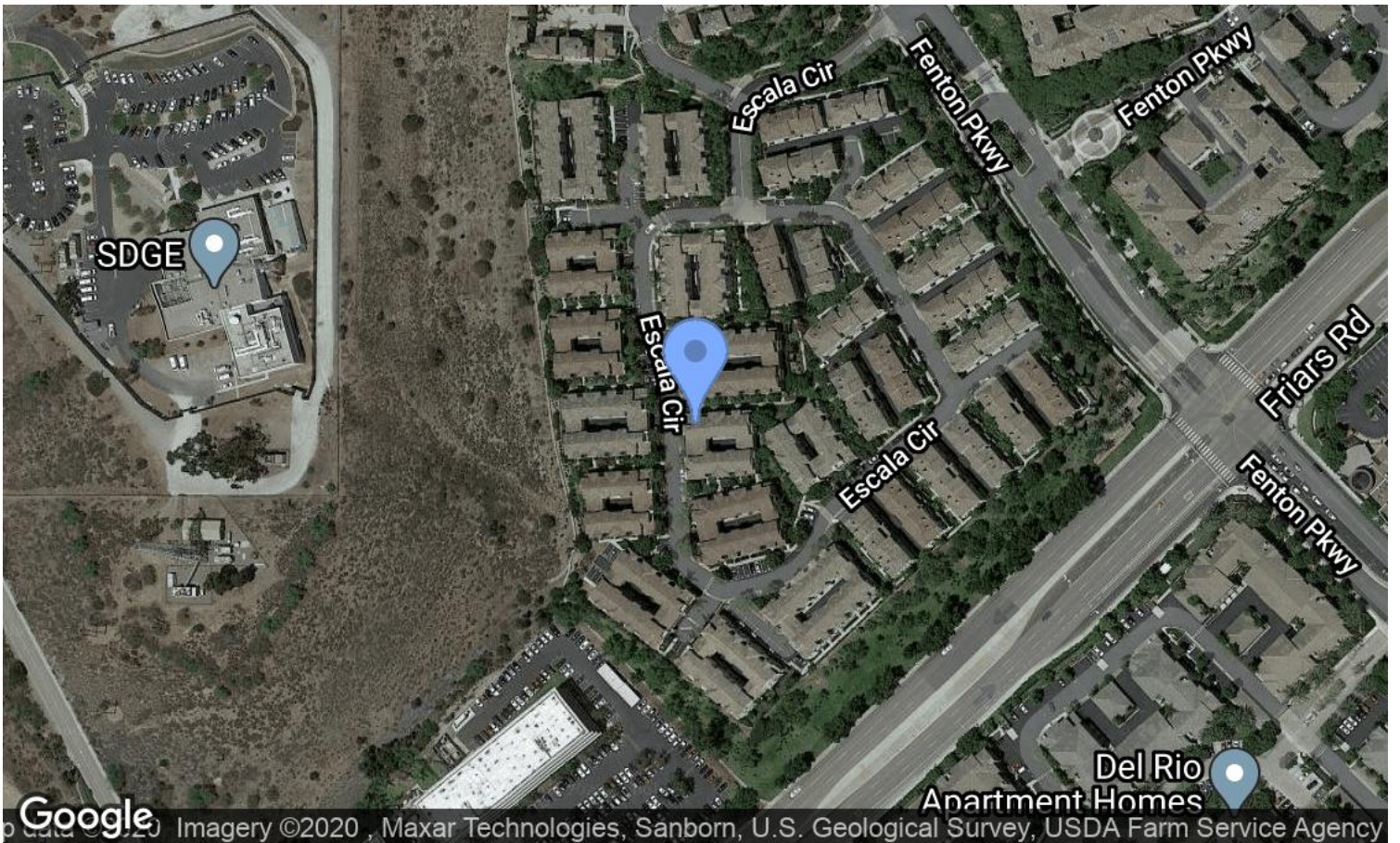
Property Description

ADDRESS

2976 Escala Cir
San Diego, CA 92108

DESCRIPTION

Property Type:	Condo
Beds / Baths:	3 BR / 3.0 BA
Square Footage:	1,279
Year Built:	2004
Parking:	
Zoning:	
MLS Number:	



Purchase Analysis & Returns

PURCHASE

Purchase Price:		\$ 579,000
Amount Financed:	-	\$ 463,200
Down Payment:	=	\$ 115,800
Purchase Costs:	+	\$ 17,370
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 133,170
After Repair Value:		\$ 579,000
Price Per Square Foot:		\$ 452.7

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.5% / 2.5%
Cash on Cash Return:	-9.1%
Return on Equity:	-7.9%
Return on Investment:	-21.6%
Internal Rate of Return:	-21.6%
Rent to Value:	0.5%
Gross Rent Multiplier:	17.87
Equity Multiple:	0.78
Break Even Ratio:	132.3%
Debt Coverage Ratio:	0.54
Debt Yield:	3.1%

PURCHASE COSTS

Total (3% of Price):	\$ 17,370
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FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 463,200
Loan to Cost (LTC):	80%
Loan to Value (LTV):	80%
Loan Term:	30 Years
Interest Rate:	4%
Finance Rehab Costs:	No
Loan Payments:	\$ 2,211 Per Month \$ 26,537 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:	\$ 2,700	\$ 32,400
Vacancy (5%):	- \$ 135	\$ 1,620
Other Income:	+ \$ 0	\$ 0
Operating Income:	= \$ 2,565	\$ 30,780
Operating Expenses (53%):	- \$ 1,360	\$ 16,318
Net Operating Income:	= \$ 1,205	\$ 14,462
Loan Payments:	- \$ 2,211	\$ 26,537
Cash Flow:	= -\$ 1,006	-\$ 12,075

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

	Monthly	Yearly
EXPENSES		
Property Taxes:	\$ 600	\$ 7,200
Insurance:	\$ 67	\$ 800
Property Management:	\$ 205	\$ 2,462
Maintenance:	\$ 135	\$ 1,620
Capital Expenditures:	\$ 0	\$ 0
HOA Fees:	\$ 338	\$ 4,056
Utilities:	\$ 15	\$ 180
Landscaping:	\$ 0	\$ 0
Total:	\$ 1,360	\$ 16,318

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:	\$ 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
Operating Income:	= \$ 30,780	= \$ 32,654	= \$ 34,643	= \$ 40,161	= \$ 53,973	= \$ 72,535
EXPENSES						
Property Taxes:	\$ 7,200	\$ 7,491	\$ 7,794	\$ 8,605	\$ 10,489	\$ 12,786
Insurance:	+ \$ 800	+ \$ 832	+ \$ 866	+ \$ 956	+ \$ 1,165	+ \$ 1,421
Property Management:	+ \$ 2,462	+ \$ 2,612	+ \$ 2,771	+ \$ 3,213	+ \$ 4,318	+ \$ 5,803
Maintenance:	+ \$ 1,620	+ \$ 1,719	+ \$ 1,823	+ \$ 2,114	+ \$ 2,841	+ \$ 3,818
Capital Expenditures:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
HOA Fees:	+ \$ 4,056	+ \$ 4,220	+ \$ 4,390	+ \$ 4,847	+ \$ 5,909	+ \$ 7,203
Utilities:	+ \$ 180	+ \$ 187	+ \$ 195	+ \$ 215	+ \$ 262	+ \$ 320
Landscaping:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Expenses:	= \$ 16,318	= \$ 17,061	= \$ 17,839	= \$ 19,950	= \$ 24,984	= \$ 31,351
CASH FLOW						
Operating Income:	\$ 30,780	\$ 32,654	\$ 34,643	\$ 40,161	\$ 53,973	\$ 72,535
Operating Expenses:	- \$ 16,318	- \$ 17,061	- \$ 17,839	- \$ 19,950	- \$ 24,984	- \$ 31,351
Net Operating Income:	= \$ 14,462	= \$ 15,593	= \$ 16,804	= \$ 20,211	= \$ 28,989	= \$ 41,184
Loan Payments:	- \$ 26,537	- \$ 26,537	- \$ 26,537	- \$ 26,537	- \$ 26,537	- \$ 26,537
Cash Flow:	= -\$ 12,075	= -\$ 10,944	= -\$ 9,733	= -\$ 6,326	= \$ 2,452	= \$ 14,647
TAX BENEFITS & DEDUCTIONS						
Operating Expenses:	\$ 16,318	\$ 17,061	\$ 17,839	\$ 19,950	\$ 24,984	\$ 31,351
Loan Interest:	+ \$ 18,380	+ \$ 17,701	+ \$ 16,967	+ \$ 14,852	+ \$ 9,117	+ \$ 566
Depreciation:	+ \$ 21,686	+ \$ 21,686	+ \$ 21,686	+ \$ 21,686	+ \$ 21,686	+ \$ 0
Total Deductions:	= \$ 56,384	= \$ 56,449	= \$ 56,492	= \$ 56,488	= \$ 55,787	= \$ 31,917
EQUITY ACCUMULATION						
Property Value:	\$ 607,950	\$ 670,265	\$ 738,967	\$ 943,130	\$ 1,536,259	\$ 2,502,405
Loan Balance:	- \$ 455,043	- \$ 437,718	- \$ 418,953	- \$ 364,927	- \$ 218,419	- \$ 0
Total Equity:	= \$ 152,907	= \$ 232,547	= \$ 320,014	= \$ 578,203	= \$ 1,317,840	= \$ 2,502,405

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
SALE ANALYSIS						
Equity:	\$ 152,907	\$ 232,547	\$ 320,014	\$ 578,203	\$ 1,317,840	\$ 2,502,405
Selling Costs (6%):	- \$ 36,477	- \$ 40,216	- \$ 44,338	- \$ 56,588	- \$ 92,176	- \$ 150,144
Sale Proceeds:	= \$ 116,430	= \$ 192,331	= \$ 275,676	= \$ 521,615	= \$ 1,225,664	= \$ 2,352,261
Cumulative Cash Flow:	+ -\$ 12,075	+ -\$ 34,539	+ -\$ 54,621	+ -\$ 93,292	+ -\$ 110,668	+ -\$ 22,354
Total Cash Invested:	- \$ 133,170	- \$ 133,170	- \$ 133,170	- \$ 133,170	- \$ 133,170	- \$ 133,170
Total Profit:	= -\$ 28,815	= \$ 24,622	= \$ 87,885	= \$ 295,153	= \$ 981,826	= \$ 2,196,737
INVESTMENT RETURNS						
Cap Rate (Purchase Price):	2.5%	2.7%	2.9%	3.5%	5%	7.1%
Cap Rate (Market Value):	2.4%	2.3%	2.3%	2.1%	1.9%	1.6%
Cash on Cash Return:	-9.1%	-8.2%	-7.3%	-4.8%	1.8%	11%
Return on Equity:	-7.9%	-4.7%	-3%	-1.1%	0.2%	0.6%
Return on Investment:	-21.6%	18.5%	66%	221.6%	737.3%	1,649.6%
Internal Rate of Return:	-21.6%	5.4%	9.4%	10.5%	9.5%	8.7%
FINANCIAL RATIOS						
Rent to Value:	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
Gross Rent Multiplier:	18.76	19.5	20.26	22.31	27.04	32.77
Equity Multiple:	0.78	1.18	1.66	3.22	8.37	17.5
Break Even Ratio:	132.3%	126.8%	121.7%	110%	90.7%	75.8%
Debt Coverage Ratio:	0.54	0.59	0.63	0.76	1.09	1.55
Debt Yield:	3.2%	3.6%	4%	5.5%	13.3%	-

Recent Comparable Sales

Average Sale Price

\$ 570,940 (\$ 406/sq.ft.)

\$ 420,000 - \$ 635,000

\$ 350/sq.ft. - \$ 453/sq.ft.

Estimated ARV Based on Average Price/
Sq.Ft.

\$ 519,274



Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
● 2976 Escala Cir San Diego, CA 92108	0 mi	Condo Built 2004	3	3.0	1,279	\$ 355,000 \$ 278/sq.ft.	10/03/2012
A 2650 Escala Cir San Diego, CA 92108	0.06 mi	House Built 2005	3	2.5	1,516	\$ 590,000 \$ 389/sq.ft.	04/20/2020
B 2662 Escala Cir San Diego, CA 92108	0.06 mi	House Built 2005	3	4.0	1,619	\$ 635,000 \$ 392/sq.ft.	11/22/2019
C 2642 Matera Ln San Diego, CA 92108	0.29 mi	House Built 2004	3	2.0	1,297	\$ 587,500 \$ 453/sq.ft.	06/07/2019
D 8355 Station Village Ln Unit 4108 San Diego, CA 92108	0.87 mi	House Built 2005	3	2.0	1,776	\$ 622,200 \$ 350/sq.ft.	04/03/2020
E 2226 River Run Dr Unit 159 San Diego, CA 92108	0.24 mi	House Built 1986	2	2.0	942	\$ 420,000 \$ 446/sq.ft.	12/23/2019

Recent Comparable Rental Listings

Average Listed Rent

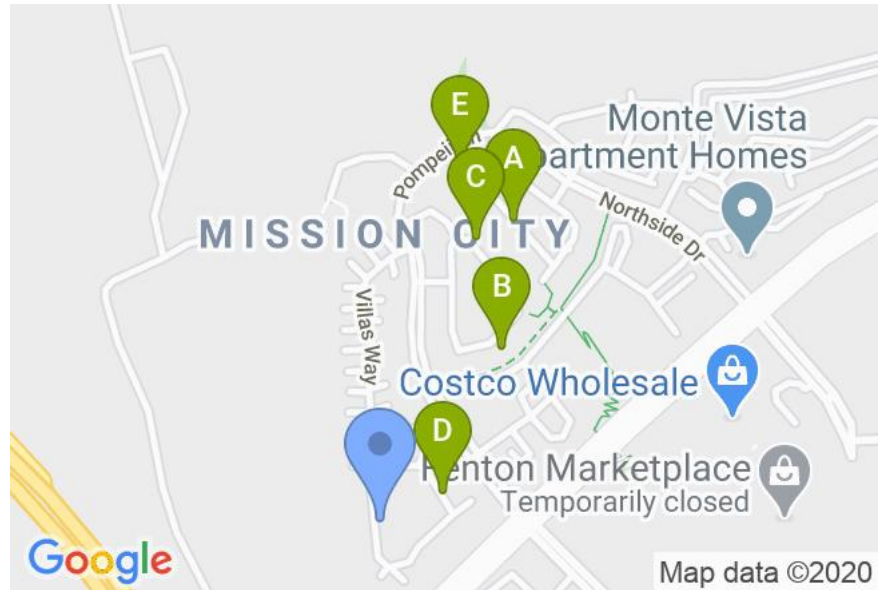
\$ 3,204 (\$ 2.09/sq.ft.)

\$ 2,700 - \$ 3,495

\$ 1.96/sq.ft. - \$ 2.20/sq.ft.

Estimated Rent Based on Average Rent/
Sq.Ft.

\$ 2,676



Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
● 2976 Escala Cir San Diego, CA 92108	0 mi	Condo Built 2004	3	3.0	1,279	-	-
A 2641 Prato Ln San Diego, CA 92108	0.31 mi	Condo	3	2.5	1,597	\$ 3,300 \$ 2.07/sq.ft.	03/30/2020
B 2780 Piantino Cir San Diego, CA 92108	0.2 mi	Condo	3	2	1,589	\$ 3,495 \$ 2.20/sq.ft.	04/20/2020
C 2680 Piantino Cir San Diego, CA 92108	0.28 mi	Condo	3	2	1,589	\$ 3,400 \$ 2.14/sq.ft.	05/11/2020
D 2505 Escala Cir San Diego, CA 92108	0.06 mi	Condo	3	2	-	\$ 2,700	03/29/2019
E 2704 Prato Ln San Diego, CA 92108	0.34 mi	Condo	3	2	1,597	\$ 3,125 \$ 1.96/sq.ft.	03/15/2019

Property Photos



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