

## 4188 Illinois St

### Investment Property - Buy & Hold

4188 Illinois St  
San Diego, CA 92104

**\$ 730,000 Purchase Price · \$ 730,000 ARV**

**\$ 167,900 Cash Needed · -\$ 1,441/mo Cash Flow · 2.2% Cap Rate · -10.3% COC**



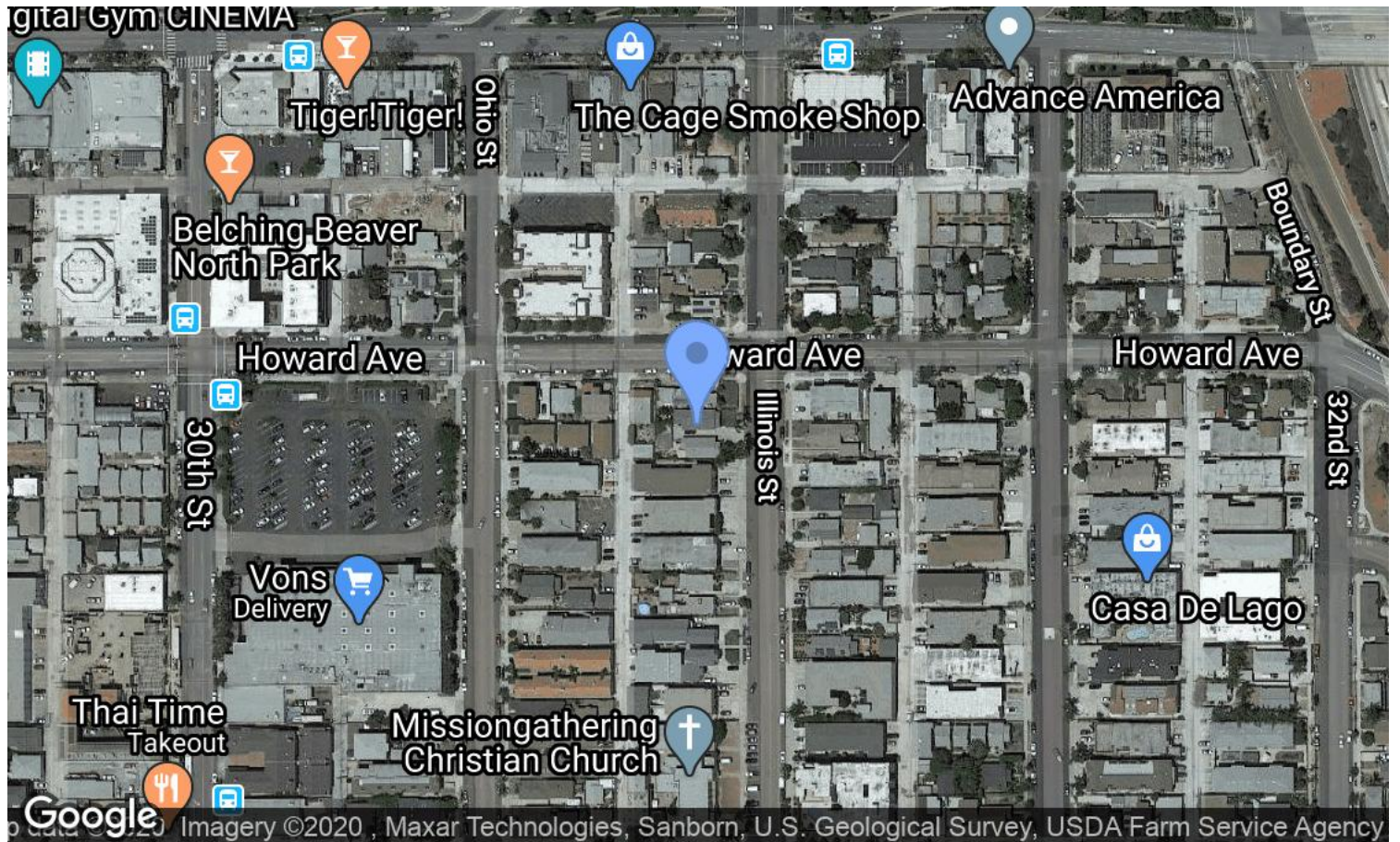
## Property Description

### ADDRESS

4188 Illinois St  
San Diego, CA 92104

### DESCRIPTION

Property Type:	House
Beds / Baths:	3 BR / 2.0 BA
Square Footage:	1,048
Year Built:	1928
Parking:	
Lot Size:	3,502 sq.ft.
Zoning:	
MLS Number:	



## Purchase Analysis & Returns

### PURCHASE

Purchase Price:		\$ 730,000
Amount Financed:	-	\$ 584,000
<b>Down Payment:</b>	<b>=</b>	<b>\$ 146,000</b>
Purchase Costs:	+	\$ 21,900
Rehab Costs:	+	\$ 0
<b>Total Cash Needed:</b>	<b>=</b>	<b>\$ 167,900</b>
After Repair Value:		\$ 730,000
Price Per Square Foot:		\$ 696.6

### FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 584,000
Loan to Cost (LTC):	80%
Loan to Value (LTV):	80%
Loan Term:	30 Years
Interest Rate:	4%
Finance Rehab Costs:	No
Loan Payments:	\$ 2,788 Per Month \$ 33,457 Per Year

### RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.2% / 2.2%
Cash on Cash Return:	-10.3%
Return on Equity:	-9%
Return on Investment:	-22.9%
Internal Rate of Return:	-22.9%
Rent to Value:	0.4%
Gross Rent Multiplier:	20.31
Equity Multiple:	0.77
Break Even Ratio:	143.1%
Debt Coverage Ratio:	0.48
Debt Yield:	2.8%

### 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

### PURCHASE COSTS

<b>Total (3% of Price):</b>	<b>\$ 21,900</b>
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### REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun:	\$ 0 (0%)
<b>Total:</b>	<b>\$ 0</b>

## Cash Flow (Year 1)

		Monthly	Yearly
<b>CASH FLOW</b>			
Gross Rent:		\$ 2,995	\$ 35,940
Vacancy (5%):	-	\$ 150	\$ 1,797
Other Income:	+	\$ 0	\$ 0
<hr/>			
Operating Income:	=	\$ 2,845	\$ 34,143
Operating Expenses (52.7%):	-	\$ 1,498	\$ 17,970
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Net Operating Income:	=	\$ 1,347	\$ 16,173
Loan Payments:	-	\$ 2,788	\$ 33,457
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<b>Cash Flow:</b>	<b>=</b>	<b>-\$ 1,441</b>	<b>-\$ 17,284</b>

		Monthly	Yearly
<b>OTHER INCOME</b>			
<b>Total:</b>		<b>\$ 0</b>	<b>\$ 0</b>

		Monthly	Yearly
<b>EXPENSES</b>			
<b>Total (50% of Rent):</b>		<b>\$ 1,498</b>	<b>\$ 17,970</b>

## 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
<b>INCOME</b>						
Gross Rent:	\$ 35,940	\$ 38,129	\$ 40,451	\$ 46,894	\$ 63,021	\$ 84,695
Vacancy (5%):	- \$ 1,797	- \$ 1,906	- \$ 2,023	- \$ 2,345	- \$ 3,151	- \$ 4,235
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
<b>Operating Income:</b>	<b>= \$ 34,143</b>	<b>= \$ 36,223</b>	<b>= \$ 38,428</b>	<b>= \$ 44,549</b>	<b>= \$ 59,870</b>	<b>= \$ 80,460</b>
<b>EXPENSES</b>						
Total Expenses:	\$ 17,970	\$ 19,065	\$ 20,226	\$ 23,447	\$ 31,511	\$ 42,348
<b>Operating Expenses:</b>	<b>= \$ 17,970</b>	<b>= \$ 19,065</b>	<b>= \$ 20,226</b>	<b>= \$ 23,447</b>	<b>= \$ 31,511</b>	<b>= \$ 42,348</b>
<b>CASH FLOW</b>						
Operating Income:	\$ 34,143	\$ 36,223	\$ 38,428	\$ 44,549	\$ 59,870	\$ 80,460
Operating Expenses:	- \$ 17,970	- \$ 19,065	- \$ 20,226	- \$ 23,447	- \$ 31,511	- \$ 42,348
<b>Net Operating Income:</b>	<b>= \$ 16,173</b>	<b>= \$ 17,158</b>	<b>= \$ 18,202</b>	<b>= \$ 21,102</b>	<b>= \$ 28,359</b>	<b>= \$ 38,112</b>
Loan Payments:	- \$ 33,457	- \$ 33,457	- \$ 33,457	- \$ 33,457	- \$ 33,457	- \$ 33,457
<b>Cash Flow:</b>	<b>= -\$ 17,284</b>	<b>= -\$ 16,299</b>	<b>= -\$ 15,255</b>	<b>= -\$ 12,355</b>	<b>= -\$ 5,098</b>	<b>= \$ 4,655</b>
<b>TAX BENEFITS &amp; DEDUCTIONS</b>						
Operating Expenses:	\$ 17,970	\$ 19,065	\$ 20,226	\$ 23,447	\$ 31,511	\$ 42,348
Loan Interest:	+ \$ 23,173	+ \$ 22,318	+ \$ 21,392	+ \$ 18,725	+ \$ 11,494	+ \$ 714
Depreciation:	+ \$ 27,342	+ \$ 27,342	+ \$ 27,342	+ \$ 27,342	+ \$ 27,342	+ \$ 0
<b>Total Deductions:</b>	<b>= \$ 68,485</b>	<b>= \$ 68,725</b>	<b>= \$ 68,959</b>	<b>= \$ 69,514</b>	<b>= \$ 70,347</b>	<b>= \$ 43,062</b>
<b>EQUITY ACCUMULATION</b>						
Property Value:	\$ 766,500	\$ 845,066	\$ 931,686	\$ 1,189,093	\$ 1,936,907	\$ 3,155,018
Loan Balance:	- \$ 573,716	- \$ 551,873	- \$ 528,213	- \$ 460,098	- \$ 275,382	- \$ 0
<b>Total Equity:</b>	<b>= \$ 192,784</b>	<b>= \$ 293,193</b>	<b>= \$ 403,473</b>	<b>= \$ 728,995</b>	<b>= \$ 1,661,525</b>	<b>= \$ 3,155,018</b>
<b>SALE ANALYSIS</b>						
Equity:	\$ 192,784	\$ 293,193	\$ 403,473	\$ 728,995	\$ 1,661,525	\$ 3,155,018
Selling Costs (6%):	- \$ 45,990	- \$ 50,704	- \$ 55,901	- \$ 71,346	- \$ 116,214	- \$ 189,301
<b>Sale Proceeds:</b>	<b>= \$ 146,794</b>	<b>= \$ 242,489</b>	<b>= \$ 347,571</b>	<b>= \$ 657,649</b>	<b>= \$ 1,545,311</b>	<b>= \$ 2,965,717</b>
<b>Cumulative Cash Flow:</b>	<b>+ -\$ 17,284</b>	<b>+ -\$ 50,382</b>	<b>+ -\$ 81,422</b>	<b>+ -\$ 149,166</b>	<b>+ -\$ 234,571</b>	<b>+ -\$ 234,282</b>
<b>Total Cash Invested:</b>	<b>- \$ 167,900</b>	<b>- \$ 167,900</b>	<b>- \$ 167,900</b>	<b>- \$ 167,900</b>	<b>- \$ 167,900</b>	<b>- \$ 167,900</b>

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
<b>Total Profit:</b>	<b>= -\$ 38,390</b>	<b>= \$ 24,207</b>	<b>= \$ 98,249</b>	<b>= \$ 340,583</b>	<b>= \$ 1,142,840</b>	<b>= \$ 2,563,535</b>

**INVESTMENT RETURNS**

Cap Rate (Purchase Price):	2.2%	2.4%	2.5%	2.9%	3.9%	5.2%
Cap Rate (Market Value):	2.1%	2%	2%	1.8%	1.5%	1.2%
Cash on Cash Return:	-10.3%	-9.7%	-9.1%	-7.4%	-3%	2.8%
Return on Equity:	-9%	-5.6%	-3.8%	-1.7%	-0.3%	0.1%
Return on Investment:	-22.9%	14.4%	58.5%	202.8%	680.7%	1,526.8%
Internal Rate of Return:	-22.9%	4.2%	8.4%	9.6%	8.7%	7.9%

**FINANCIAL RATIOS**

Rent to Value:	0.4%	0.4%	0.4%	0.3%	0.3%	0.2%
Gross Rent Multiplier:	21.33	22.16	23.03	25.36	30.73	37.25
Equity Multiple:	0.77	1.14	1.59	3.03	7.81	16.27
Break Even Ratio:	143.1%	137.7%	132.7%	121.3%	103.1%	89.5%
Debt Coverage Ratio:	0.48	0.51	0.54	0.63	0.85	1.14
Debt Yield:	2.8%	3.1%	3.4%	4.6%	10.3%	-

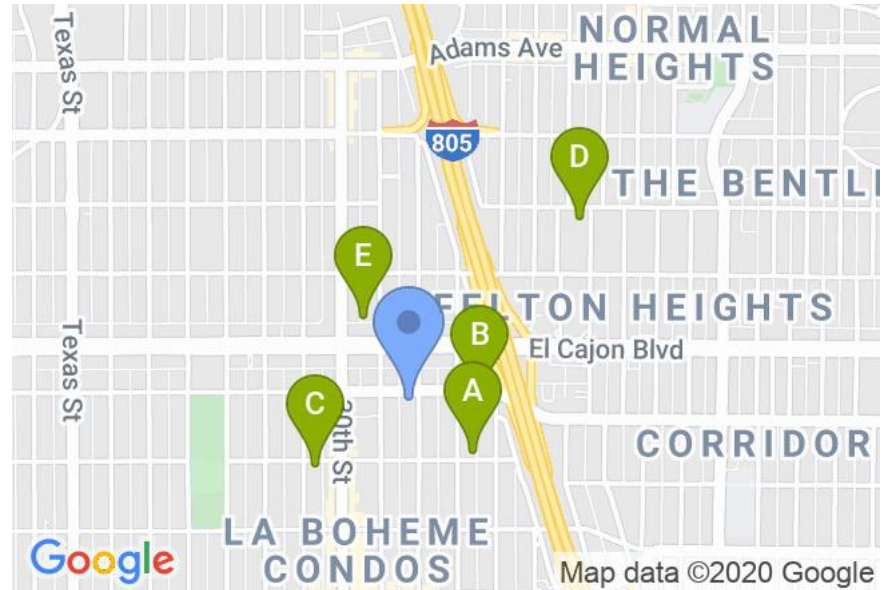
## Recent Comparable Sales

Average Sale Price

**\$ 684,000 (\$ 720/sq.ft.)**







\$ 650,000 - \$ 715,000

\$ 499/sq.ft. - \$ 883/sq.ft.



Estimated ARV Based on Average Price/  
Sq.Ft.

**\$ 754,979**

Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
 4188 Illinois St San Diego, CA 92104	0 mi	House Built 1928	3	2.0	1,048	\$ 535,000 \$ 510/sq.ft.	10/14/2014
 3168 Polk Ave San Diego, CA 92104	0.16 mi	House Built 1940	3	2.0	810	\$ 715,000 \$ 883/sq.ft.	03/30/2020
 3175 Howard Ave San Diego, CA 92104	0.13 mi	House Built 1997	3	3.0	1,382	\$ 690,000 \$ 499/sq.ft.	05/23/2019
 2909 Polk Ave San Diego, CA 92104	0.21 mi	House Built 1924	2	2.0	894	\$ 695,000 \$ 777/sq.ft.	01/08/2020
 4480 33rd St San Diego, CA 92116	0.46 mi	House Built 1927	3	2.0	1,120	\$ 650,000 \$ 580/sq.ft.	02/28/2020
 4332 Ohio St San Diego, CA 92104	0.17 mi	House Built 1938	2	1.0	776	\$ 670,000 \$ 863/sq.ft.	06/10/2019

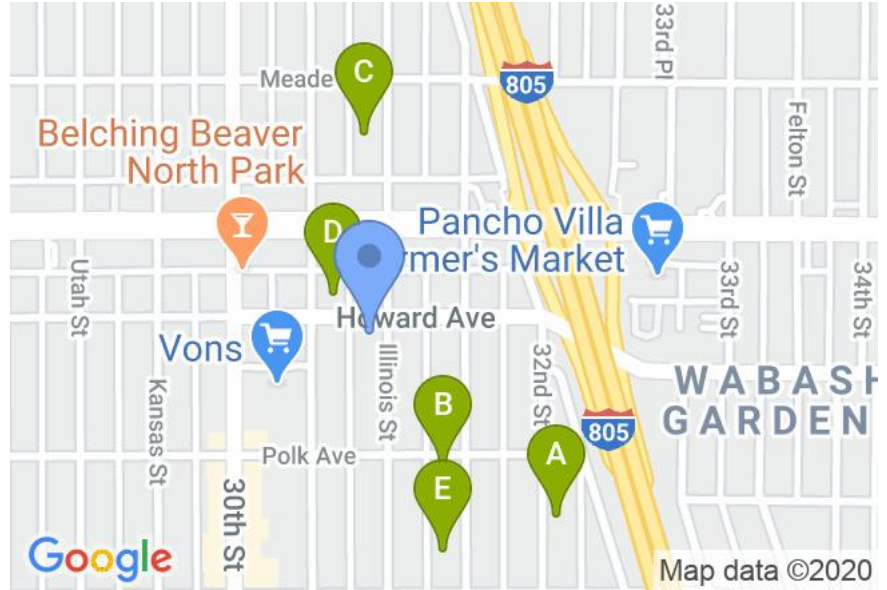
## Recent Comparable Rental Listings

Average Listed Rent

**\$ 2,578 (\$ 2.39/sq.ft.)**


\$ 1,995 - \$ 3,195

\$ 2.20/sq.ft. - \$ 2.66/sq.ft.



Estimated Rent Based on Average Rent/  
Sq.Ft.

**\$ 2,503**

Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
 4188 Illinois St San Diego, CA 92104	0 mi	House Built 1928	3	2.0	1,048	-	-
 4053 32nd St San Diego, CA 92104	0.25 mi	House	3	2	1,200	\$ 3,195 \$ 2.66/sq.ft.	05/20/2020
 4092 Iowa St San Diego, CA 92104	0.14 mi	House	3	2	1,300	\$ 3,100 \$ 2.38/sq.ft.	05/20/2020
 4354 Illinois St San Diego, CA 92104	0.19 mi	House	2	2	1,035	\$ 2,400 \$ 2.32/sq.ft.	12/24/2019
 4205 Ohio St, Unit 204 San Diego, CA 92104	0.05 mi	House	2	2	840	\$ 1,995 \$ 2.38/sq.ft.	09/17/2019
 4028 Iowa St San Diego, CA 92104	0.21 mi	House	2	1	1,000	\$ 2,200 \$ 2.20/sq.ft.	05/16/2020



## Property Photos



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