

EXECUTIVE SUMMARY

Presented By:

Daniil Kleyman

Evolve Development, Inc
3420 Pump Rd Suite 169
Richmond, VA 23233
804-803-1110
daniil@rehabvaluator.com
www.RehabValuator.com



This will be a new construction mixed use building on the Q st corridor in the heart of Church Hill North. It will consist of 1 2-bedroom apartment, 2 1-bedroom townhouses, 10 1-bedroom apartments and 1 commercial space with ability to sub-divide it into 2 commercial spaces. The building is designed to minimize non-leasable interior spaces, with all access to apartments from the exterior. Units are very efficiently designed to minimize hallways and thus dead space, thereby allowing for a higher \$/ft in projected rental income.

The income and expenses report on the following page is stabilized pro-forma as of date of the refi into permanent financing. We feel we can lease up residential units fully within a few months of project completion. In the past, we've had leases signed prior to COs. There is no tenant for the commercial space yet but the pro-forma rents are only \$14/ft. That is a conservative rent rate and should attract an office or similar type of tenant.



Property Address:

2910 Q St

Property City, State, Zip:

Richmond, VA 23223

Bedrooms	Baths:	Square Feet:	Year
		9574	2020



14-Unit New Construction Mixed Use Project

Construction and Perm Loan Projections

Property Address:	2910 Q St	Presented by:
Property City, State,	Richmond, VA 23223	Daniil Kleyman
Bedrooms: Baths: SqFt: 9574 Built: 2020		Evolve Development, Inc
Notes:	New construction project in a hot area of Richmond, VA.	804-803-1110
		daniil@rehabvaluator.com
		www.RehabValuator.com

Project

The land is owned free & clear and most of the soft costs have already been paid for. This assumes that lender will finance \$1,300,000 in construction vs. a conservative post-construction value of \$1,850,000. Rents on pro-forma are fairly conservative as well. The goal will be to achieve \$50-\$75 more per unit at lease-up.

PURCHASE/CONSTRUCTION		% of ARV
After-Repair Value (ARV)	1,850,000.00	
Purchase Price (Offer Price)	50,000.00	3%
Construction Costs	1,400,000.00	76%
Total Closing (not inc. Refi) and Holding Costs	3,000.00	0%
Total Financing Costs	89,597.20	5%
Total Project Cost Basis	1,542,597.20	83%
Total Amount Financed	1,299,999.63	
Total Cash Committed	242,597.58	

PROJECTED RESULTS

Projected Monthly Rent (net of vacancy)	14,204.40	Projected New Loan Amount (for Refi)	1,299,999.63
Projected Monthly Expenses	4,127.26	Cash-Out at Refi (net of closing costs)	-
Projected Monthly Net Operating Income	10,077.14	Profit at Refi (Net of Cash Committed)	-
Cap Rate Based on Cost Basis	7.8%	Cash Left in the Deal after Refi	242,597.58
Cap Rate Based on ARV	6.5%	Equity Left in the Deal after Refi	550,000.38
Assumed Time to Complete	12 Months	Monthly Cash Flow (before-tax)	2,665.62
Assumed Time to Complete Refi	6 Months	Cash-on-Cash Return (before-tax)	13.2%
Total Time between Acquisition and Refi	18 Months	DCR of New Loan	1.36
		<i>Assuming 4.75% Rate and 25 Year Amortization</i>	



Stabilized Year-One Pro Forma

2910 Q St Richmond, VA 23223				Daniil Kleyman Evolve Development, Inc 804-803-1110		
OPERATING INCOME						
Unit Type #	# of units	Unit type	Sq. Ft.	Monthly	Annual Rent	% of GSI
1	1	Commercial	1,174	1,565.00	18,780.00	10.5%
2	1	2br	784	1,199.00	14,388.00	8.0%
3	2	1br townhome	784	1,099.00	26,376.00	14.7%
4	10	1br	600	999.00	119,880.00	66.8%
5						
6						
7						
8						
9						
10						
11						
Total	14		9,526			
Gross Schedule Income				14,952.00	179,424.00	100%
VACANCY LOSS				5.0%	747.60	8,971.20
Other Income				0.00	0.00	
Gross Operating Income (Effective Gross)				14,204.40	170,452.80	

OPERATING EXPENSES		\$/Unit /Year	Total Monthly	Total Annual	% of Expenses	% of GOI
Management Fee (% of Gross income)	6.0%	730.51	852.26	10,227.17	20.6%	6.0%
Advertising						
Insurance Hazard		364.29	425.00	5,100.00	10.3%	3.0%
Janitorial						
Landscape Maintenance		85.71	100.00	1,200.00	2.4%	0.7%
Legal						
Miscellaneous						
Referrals or commissions						
Repairs and Maintenance		857.14	1,000.00	12,000.00	24.2%	7.0%
Reserves						
Taxes - Property		1,200.00	1,400.00	16,800.00	33.9%	9.9%
other						
Utilities:						
Water/Sewer		0.00	0.00	0.00	0.0%	0.0%
Electricity		214.29	250.00	3,000.00	6.1%	1.8%
Fire Monitoring		85.71	100.00	1,200.00	2.4%	0.7%
Fuel Oil						
Other Utilities						
Total Operating expenses		3,537.65	4,127.26	49,527.17	100%	29%
Net Operating Income		8,637.55	10,077.14	120,925.63		71%