

American Drive B – Trailing 12-Month Profit & Loss

Income

Total Rental Income (T12)	\$16,000
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Operating Expenses

Category	Annual
Property Taxes	\$1,900
Insurance	\$1,344
Internet	\$1,032
Maintenance (7%)	\$1,120
Total Expenses	\$5,396

Net Operating Income (NOI)

NOI	\$10,604
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Key Metrics

Metric	Value
NOI Margin	66%
Monthly NOI	\$884
Expense Ratio	34%

Maintenance is estimated at 7% of rental income, consistent with standard underwriting assumptions for long-term rentals.

Note: It is important to note that the current rental income reflects a below-market arrangement. The existing tenant was effectively grandfathered into a favorable rate as part of an agreement to maintain long-term occupancy.

Based on comparable properties and current market conditions, we conservatively estimate achievable rent to be approximately \$1,800/month. At this level, the property's income profile would increase materially, significantly improving overall returns and strengthening the long-term performance of the asset.