

COMMERCIAL REAL ESTATE UNDERWRITING MEMORANDUM

Class-A Multi-Family & Mixed-Use Acquisition | Dynamic Excel & Sheets Model Sample

PORTFOLIO SAMPLE

1. EXECUTIVE INVESTMENT SUMMARY & TARGET RETURNS

PURCHASE PRICE \$28,500,000	LEVERED IRR (10-YR) 18.42%	EQUITY MULTIPLE 2.34x
YEAR 1 CAP RATE 6.25%	MINIMUM DSCR 1.42x	NET OPERATING INCOME \$1,781,250

2. CAPITAL STACK: SOURCES & USES OF FUNDS

SOURCES OF CAPITAL	USES OF CAPITAL
- Senior Debt (65% LTV @ 5.85% SOFR spread): \$18,525,000	- Acquisition Purchase Price: \$28,500,000
- Sponsor / GP Equity (10%): \$1,050,000	- Value-Add Capital Expenditure: \$450,000
- LP Investor Equity (90%): \$9,450,000	- Lender Reserves, Title & Legal: \$75,000

3. 10-YEAR PRO-FORMA CASH FLOW & DEBT COVENANT STRESS TEST

Line Item	Year 1	Year 2	Year 3	Year 5	Year 7	Year 10
Gross Potential Rent (GPR)	\$2,450,000	\$2,548,000	\$2,649,920	\$2,869,320	\$3,106,940	\$3,501,420
Economic Vacancy (5.0%)	(\$122,500)	(\$127,400)	(\$132,496)	(\$143,466)	(\$155,347)	(\$175,071)
Effective Gross Income (EGI)	\$2,327,500	\$2,420,600	\$2,517,424	\$2,725,854	\$2,951,593	\$3,326,349
Operating Expenses (OPEX)	(\$546,250)	(\$568,100)	(\$590,824)	(\$639,742)	(\$692,711)	(\$780,685)
NET OPERATING INCOME (NOI)	\$1,781,250	\$1,852,500	\$1,926,600	\$2,086,112	\$2,258,882	\$2,545,664
Annual Debt Service (P&I)	(\$1,254,420)	(\$1,254,420)	(\$1,254,420)	(\$1,254,420)	(\$1,254,420)	(\$1,254,420)
Cash Flow After Debt (CFADS)	\$526,830	\$598,080	\$672,180	\$831,692	\$1,004,462	\$1,291,244
Debt Service Coverage (DSCR)	1.42x	1.48x	1.54x	1.66x	1.80x	2.03x

4. TWO-WAY SENSITIVITY MATRIX: EXIT CAP RATE vs. EXIT NOI ESCALATION

Exit Cap Rate	5.50% Exit Cap	5.75% Exit Cap	6.00% Exit Cap	6.25% Exit Cap	6.50% Exit Cap
Base NOI (+0.0%):	20.14% IRR 2.58x	19.22% IRR 2.44x	18.42% IRR 2.34x	17.51% IRR 2.22x	16.74% IRR 2.11x
Stressed NOI (-5.0%):	18.82% IRR 2.41x	17.95% IRR 2.29x	17.11% IRR 2.18x	16.24% IRR 2.07x	15.42% IRR 1.96x
Severe Stress (-10.0%):	17.44% IRR 2.23x	16.58% IRR 2.12x	15.75% IRR 2.01x	14.90% IRR 1.91x	14.12% IRR 1.82x

ORDER SPECIFICATIONS & CLIENT DELIVERABLES:

- * Custom Dynamic Financial Model (.XLSX / Google Sheets) with 100% auditable, open formulas.
- * Multi-Tier Waterfall Returns (LP Preferred Return, 70/30 Promote, 50/50 Catchup Hurdle).
- * Bank & Investor Presentation Dashboard formatted for PDF export, lender due diligence & underwriting.