

How to get a 'Ball Park' Loan Amount for an Apartment Client:

Gross Income X .94 = \$_____ (6% Vacancy) *

X .60 = \$_____ (40% Expenses) *

= NOI \$_____

NOI / 1.20 DCR = \$_____ = Max. Annual Pmt.

Divide this by 12 (months) = \$_____ = Max. Mo. payment

Use calculator and 4.50% to 6.00% qual. Rate

30 year amortization

And solve for Loan Amount = \$_____ = Max loan at 1.20X DCR

*Note: Vacancy & Expenses vary per Market and per Lender

*For help, please call Brent Kenefick
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