

# Normandy Apartments

Normandy Apartments  
7701 Circle Drive

St. Louis, MO 63121

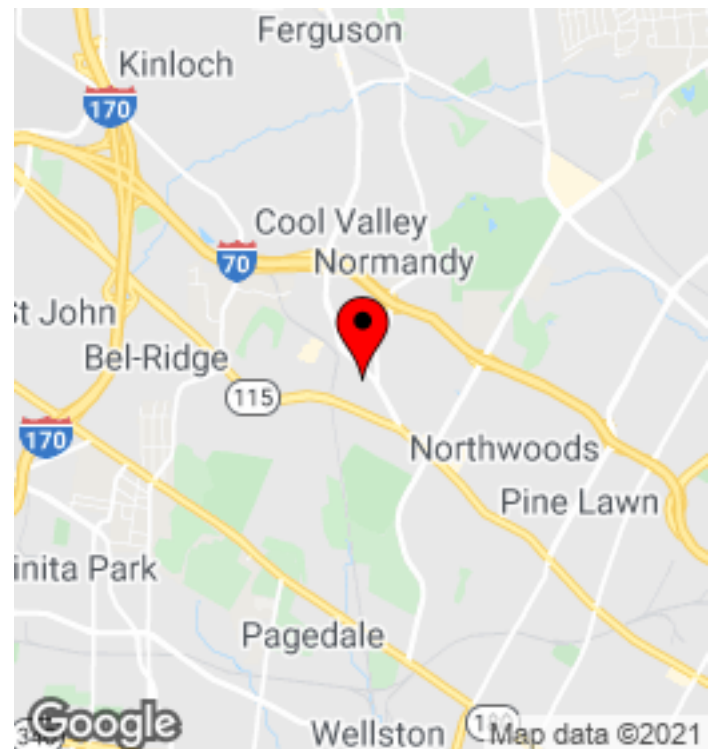
\$3,250,000



7701 Circle Drive

## Property Highlights

- 50 Units
- 32 ones / 18 Twos
- HVAC
- Garage Parking / Carports
- Ability to Raise Rents
- Hardwood Floors



# TABLE OF CONTENTS

**MICHAEL ZANGARA**  
Broker  
314.716.2213  
mzangara@mo-

Investment Details	3
Executive Summary	4
Property Description	5
Unit Mix Report	6
Pro Forma Summary	7
Annual Property Operating Data	8
Investment Return Analysis	9
Financial Indicators	10
Cash Flow Analysis	11
Property Photos	12
Regional Map	13
Location Map	14
Aerial Map	15
Demographics	16
Detailed Demographics	17

# INVESTMENT DETAILS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

03

## Analysis

Analysis Date May 2021

## Property

Property Type	MultiFamily
Property	Normandy Apartments
Address	7701 Circle Drive
City, State	St. Louis, MO 63121
Year Built	1965

## Purchase Information

Purchase Price	\$3,125,000
Units	50
Total Rentable Sq. Ft.	34,300
Lot Size	1.710 acres

## Income & Expense

Gross Operating Income	\$333,389
Monthly GOI	\$27,782
Total Annual Expenses	(\$142,167)
Monthly Expenses	(\$11,847)

## Financial Information

Initial Equity \$625,000

## Loans

Type	Debt	Term	Amort	Rate	Payment	LO Costs
Balloon	\$2,600,000	5 years	25 years	3.70%	\$13,297	

**Acquisition Costs**

Purchase Price, Points and Closing Costs	\$3,125,000
Investment - Cash	\$625,000
First Loan (Balloon)	\$2,600,000

**Investment Information**

Purchase Price	\$3,125,000
Price per Unit	\$62,500
Price per Sq. Ft.	\$91.11
Expenses per Unit	(\$2,843)

**Income, Expenses & Cash Flow**

Gross Scheduled Income	\$350,604
Total Vacancy and Credits	(\$17,215)
Operating Expenses	(\$142,167)
Net Operating Income	\$191,221
Debt Service	(\$159,561)
Cash Flow Before Taxes	\$31,660

**Financial Indicators**

Cash-on-Cash Return Before Taxes	5.07%
Debt Coverage Ratio	1.20
Capitalization Rate	6.12%
Gross Rent Multiplier	8.91
Gross Income / Square Feet	\$10.22
Gross Expenses / Square Feet	(\$4.14)
Operating Expense Ratio	42.64%



# PROPERTY DESCRIPTION

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

05



MICHAEL ZANGARA  
314.716.2213  
mzangara@mo-apartmentadvisors.com

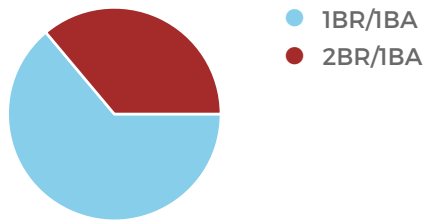
**A**partment  
advisors Of America

# UNIT MIX REPORT

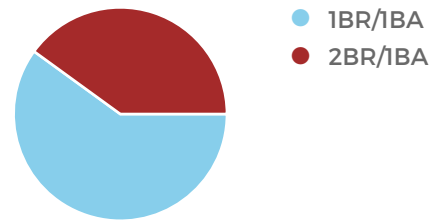
Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

Units	Type	Approx. SqFt	Avg. Rents	Monthly	Mkt Rents	Monthly
32	1BR/1BA	650	\$549.00	\$17,568.00	\$595.00	\$19,040.00
18	2BR/1BA	750	\$618.00	\$11,124.00	\$695.00	\$12,510.00
50		34,300		\$28,692.00		\$31,550.00

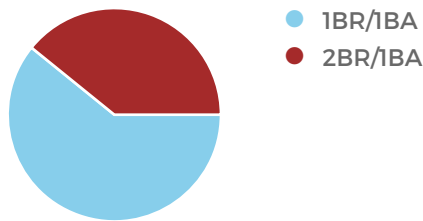
UNIT MIX



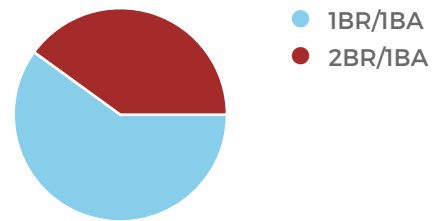
UNIT MIX SQUARE FEET



UNIT MIX INCOME



UNIT MIX MARKET INCOME





**Investment Summary**

Price	\$3,125,000
Year Built	1965
Units	50
Price/Unit	\$62,500
RSF	34,300
Price/RSF	\$91.11
Lot Size	1.71 acres
Floors	2
Parking Spaces	Ample
APN	21270001161
Cap Rate	6.12%
Market Cap Rate	7.09%
GRM	8.91
Market GRM	8.12

**Financing Summary**

Loan 1 (Balloon)	\$2,600,000
Initial Equity	\$625,000
Interest Rate	3.7%
Term	5 years
Monthly Payment	\$13,297
DCR	1.2

**Unit Mix & Annual Scheduled Income**

Type	Units	Actual	Total	Market	Total
1BR/1BA	32	\$6,588	\$210,816	\$7,140	\$228,480
2BR/1BA	18	\$7,416	\$133,488	\$8,340	\$150,120
Totals	50		\$344,304		\$378,600

**Annualized Income**

Description	Actual	Market
Gross Potential Rent	\$344,304	\$378,600
- Less: Vacancy	(\$17,215)	(\$18,930)
+ Misc. Income	\$6,300	\$6,300
Effective Gross Income	\$333,389	\$365,970
- Less: Expenses	(\$142,167)	(\$144,428)
Net Operating Income	\$191,221	\$221,542
- Debt Service	(\$159,561)	(\$159,561)
Net Cash Flow after Debt Service	\$31,660	\$61,981
+ Principal Reduction	\$64,447	\$64,447
Total Return	\$96,107	\$126,428

**Annualized Expenses**

Description	Actual	Market
Property Management Fee	\$16,669	\$18,930
Property Taxes	\$33,000	\$33,000
Insurance	\$15,000	\$15,000
Permits	\$1,320	\$1,320
Electric	\$4,033	\$4,033
Sewer	\$17,004	\$17,004
Water	\$19,755	\$19,755
Waste	\$2,340	\$2,340
Gas	\$2,023	\$2,023
Phone	\$658	\$658
Supplies	\$1,219	\$1,219
Cleaning/Pest	\$980	\$980
Grounds	\$2,345	\$2,345
Contract Services	\$2,622	\$2,622
Maintenance	\$23,199	\$23,199
Total Expenses	\$142,167	\$144,428
Expenses Per RSF	\$4.14	\$4.21
Expenses Per Unit	\$2,843	\$2,889

# ANNUAL PROPERTY OPERATING DATA

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

08

Description Year Ending	Year 1 04/2022	Year 2 04/2023	Year 3 04/2024	Year 4 04/2025	Year 5 04/2026
Income					
Rental Income	\$344,304	\$354,633	\$365,272	\$376,230	\$387,517
RUB	\$5,460	\$5,460	\$5,460	\$5,460	\$5,460
Garage	\$840	\$840	\$840	\$840	\$840
Gross Scheduled Income	\$350,604	\$360,933	\$371,572	\$382,530	\$393,817
Turnover Vacancy	(\$17,215)	(\$17,732)	(\$18,264)	(\$18,812)	(\$19,376)
Gross Operating Income	\$333,389	\$343,201	\$353,309	\$363,719	\$374,441
Expenses					
Property Management Fee	(\$16,669)	(\$17,160)	(\$17,665)	(\$18,186)	(\$18,722)
Property Taxes	(\$33,000)	(\$33,660)	(\$34,333)	(\$35,020)	(\$35,720)
Insurance	(\$15,000)	(\$15,300)	(\$15,606)	(\$15,918)	(\$16,236)
Permits	(\$1,320)	(\$1,346)	(\$1,373)	(\$1,401)	(\$1,429)
Electric	(\$4,033)	(\$4,114)	(\$4,196)	(\$4,280)	(\$4,365)
Sewer	(\$17,004)	(\$17,344)	(\$17,691)	(\$18,045)	(\$18,406)
Water	(\$19,755)	(\$20,150)	(\$20,553)	(\$20,964)	(\$21,383)
Waste	(\$2,340)	(\$2,387)	(\$2,435)	(\$2,483)	(\$2,533)
Gas	(\$2,023)	(\$2,063)	(\$2,105)	(\$2,147)	(\$2,190)
Phone	(\$658)	(\$671)	(\$685)	(\$698)	(\$712)
Supplies	(\$1,219)	(\$1,243)	(\$1,268)	(\$1,294)	(\$1,319)
Cleaning/Pest	(\$980)	(\$1,000)	(\$1,020)	(\$1,040)	(\$1,061)
Grounds	(\$2,345)	(\$2,392)	(\$2,440)	(\$2,489)	(\$2,538)
Contract Services	(\$2,622)	(\$2,674)	(\$2,728)	(\$2,782)	(\$2,838)
Maintenance	(\$23,199)	(\$23,663)	(\$24,136)	(\$24,619)	(\$25,111)
Total Operating Expenses	(\$142,167)	(\$145,168)	(\$148,234)	(\$151,365)	(\$154,565)
Operating Expense Ratio	42.64%	42.30%	41.96%	41.62%	41.28%
Net Operating Income	\$191,221	\$198,033	\$205,075	\$212,353	\$219,876



# INVESTMENT RETURN ANALYSIS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

09

Description Year Ending	Year 1 04/2022	Year 2 04/2023	Year 3 04/2024	Year 4 04/2025	Year 5 04/2026
Cash Flow - To Date	\$31,660	\$70,133	\$115,646	\$168,439	\$228,754
Net Resale Proceeds	\$714,447	\$781,319	\$850,708	\$922,708	\$997,417
Invested Capital	(\$625,000)	(\$625,000)	(\$625,000)	(\$625,000)	(\$625,000)
Net Return on Investment	\$121,107	\$226,451	\$341,354	\$466,146	\$601,171
<b>Before Tax Calculations</b>					
PV (NOI + reversion)	\$3,216,095	\$3,190,357	\$3,172,052	\$3,160,497	\$3,155,061
<b>After Tax Calculations</b>					
IRR	19.38%	17.09%	16.33%	15.94%	15.70%
Modified IRR	19.38%	16.87%	15.92%	15.36%	14.96%
NPV	\$72,296	\$120,626	\$169,776	\$219,549	\$269,769

# FINANCIAL INDICATORS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

Description Year Ending	Year 1 04/2022	Year 2 04/2023	Year 3 04/2024	Year 4 04/2025	Year 5 04/2026
Key Ratios and Multipliers					
Capitalization Rate	6.12%	6.34%	6.56%	6.80%	7.04%
Gross Rent Multiplier	9.27	9.00	8.75	8.50	8.25
Net Income Multiplier	17.00	16.41	15.85	15.30	14.78
Operating Expense Ratio	42.64%	42.30%	41.96%	41.62%	41.28%
Amounts per Sq. Ft.					
Gross Income	\$10.22	\$10.52	\$10.83	\$11.15	\$11.48
Expenses	(\$4.14)	(\$4.23)	(\$4.32)	(\$4.41)	(\$4.51)
Loan Metrics					
Loan To Value Ratio	78.02%	75.96%	73.82%	71.61%	0.00%
Debt Coverage Ratio	1.20	1.24	1.29	1.33	1.38
Cash-On-Cash Measures					
Before-Tax	5.07%	6.16%	7.28%	8.45%	9.65%
After-Tax	5.07%	6.16%	7.28%	8.45%	9.65%

# CASH FLOW ANALYSIS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

Before-Tax Cash Flow Year Ending	Year 1 04/2022	Year 2 04/2023	Year 3 04/2024	Year 4 04/2025	Year 5 04/2026
Before-Tax Cash Flow					
Gross Scheduled Income	\$350,604	\$360,933	\$371,572	\$382,530	\$393,817
Turnover Vacancy	(\$17,215)	(\$17,732)	(\$18,264)	(\$18,812)	(\$19,376)
Total Operating Expenses	(\$142,167)	(\$145,168)	(\$148,234)	(\$151,365)	(\$154,565)
Net Operating Income	\$191,221	\$198,033	\$205,075	\$212,353	\$219,876
Loan Payment	(\$159,561)	(\$159,561)	(\$159,561)	(\$159,561)	(\$159,561)
Before-Tax Cash Flow	\$31,660	\$38,472	\$45,514	\$52,792	\$60,315
Cash-On-Cash Return	5.07%	6.16%	7.28%	8.45%	9.65%

PROPERTY PHOTOS

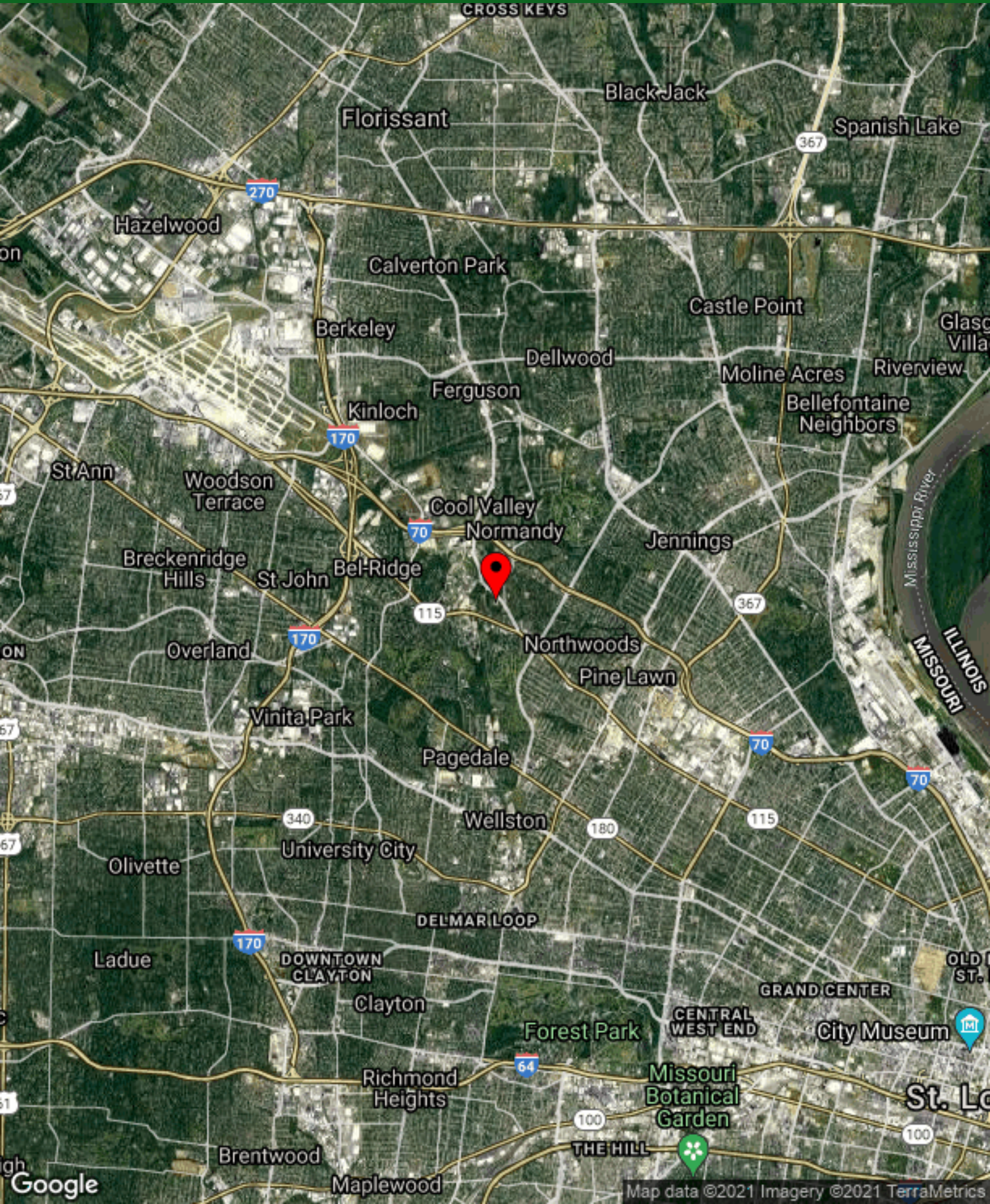
Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121





# REGIONAL MAP

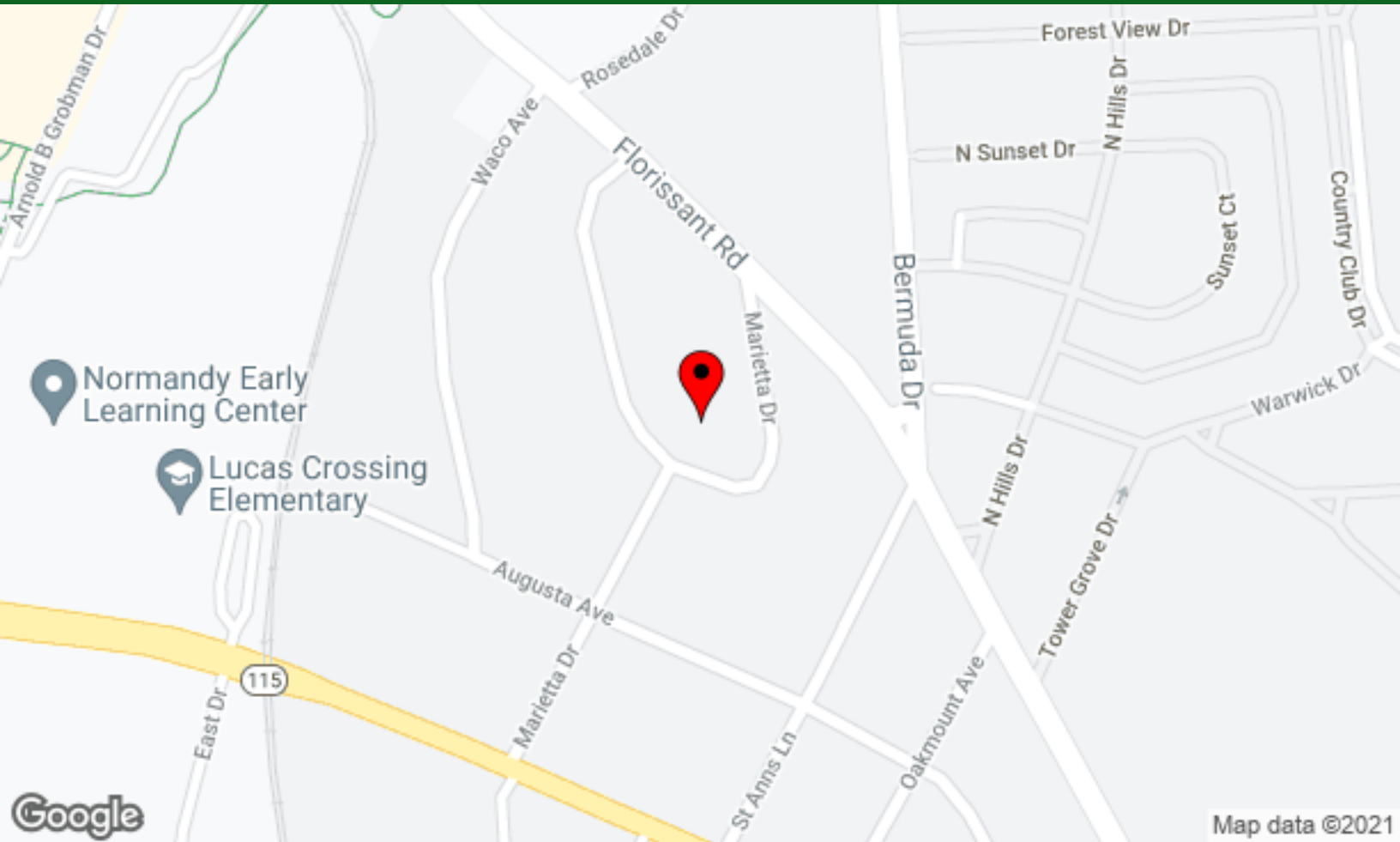
Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121





# LOCATION MAP

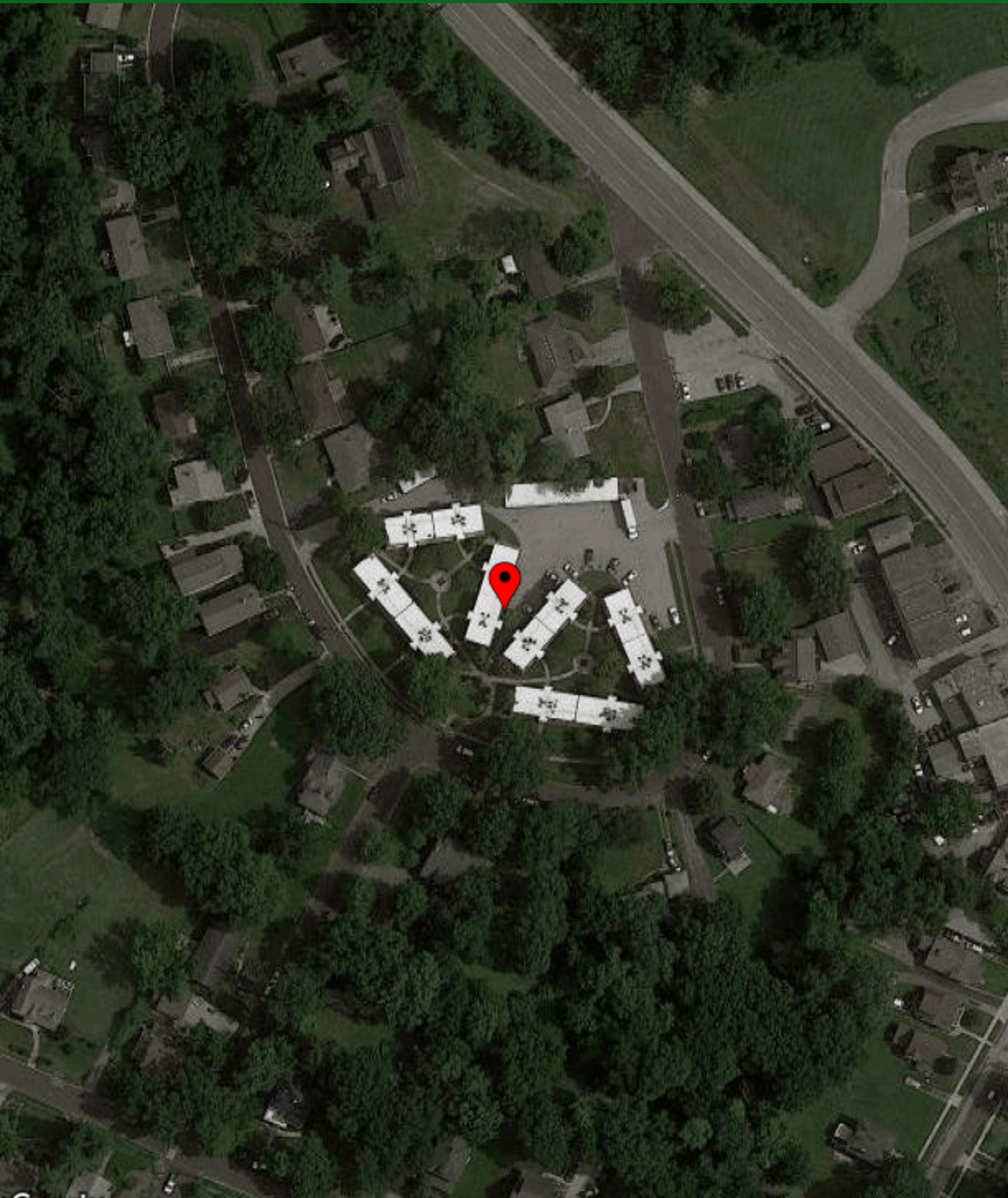
Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121





# AERIAL MAP

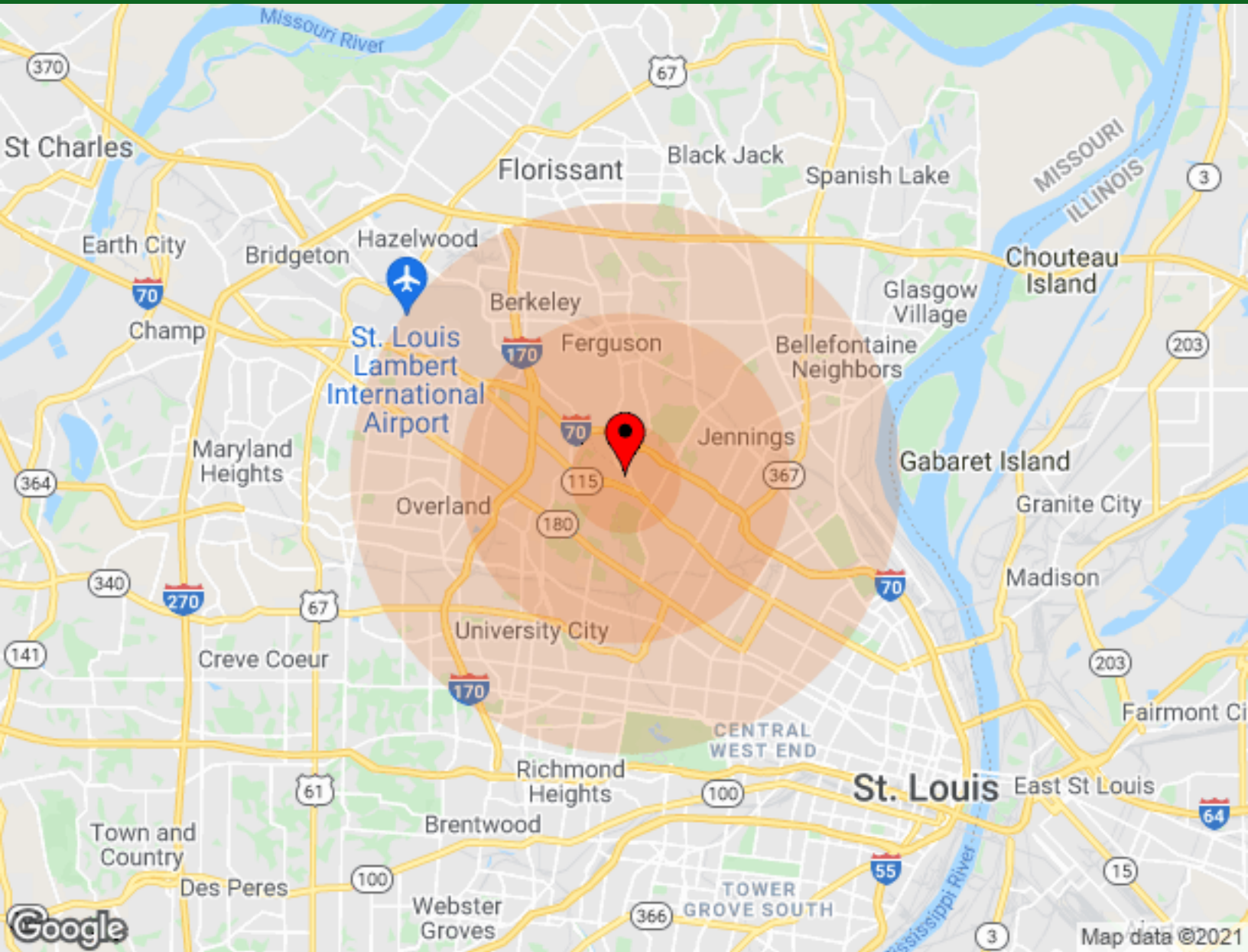
Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121





# DEMOGRAPHICS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121



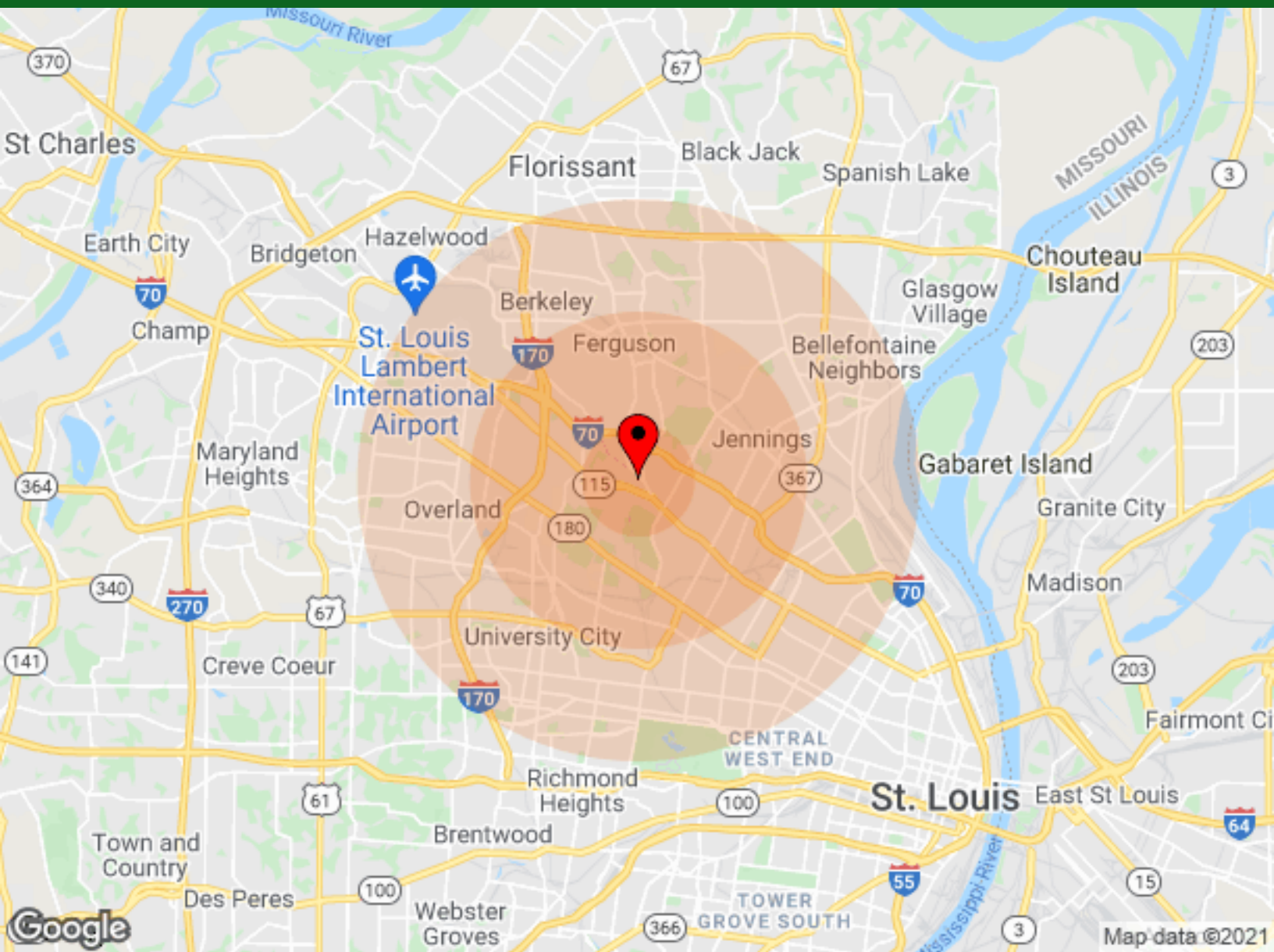
Population	1 Mile	3 Miles	5 Miles
Male	5,044	49,707	146,209
Female	6,213	58,352	167,440
Total Population	11,257	108,059	313,649
Age	1 Mile	3 Miles	5 Miles
Ages 0-14	2,100	24,324	64,092
Ages 15-24	1,296	16,718	44,168
Ages 55-64	1,439	11,651	35,663
Ages 65+	1,647	12,845	42,254
Race	1 Mile	3 Miles	5 Miles
White	1,864	16,592	94,654
Black	8,927	89,483	207,484
Am In/AK Nat	2	18	74
Hawaiian	N/A	1	4
Hispanic	163	1,893	7,818
Multi-Racial	354	3,216	13,724

Income	1 Mile	3 Miles	5 Miles
Median	\$34,547	\$30,833	\$35,122
< \$15,000	938	8,980	26,217
\$15,000-\$24,999	780	7,059	18,577
\$25,000-\$34,999	801	6,421	16,328
\$35,000-\$49,999	635	6,602	19,161
\$50,000-\$74,999	817	6,737	20,790
\$75,000-\$99,999	392	3,366	10,671
\$10,000-\$149,999	406	1,764	8,157
\$150,000-\$199,999	110	424	2,510
> \$200,000	44	241	3,616
Housing	1 Mile	3 Miles	5 Miles
Total Units	5,421	48,977	150,145
Occupied	4,791	41,281	126,916
Owner Occupied	2,371	23,472	71,282
Renter Occupied	2,420	17,809	55,634
Vacant	630	7,696	23,229

MICHAEL ZANGARA  
314.716.2213  
mzangara@mo-apartmentadvisors.com

# DETAILED DEMOGRAPHICS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121

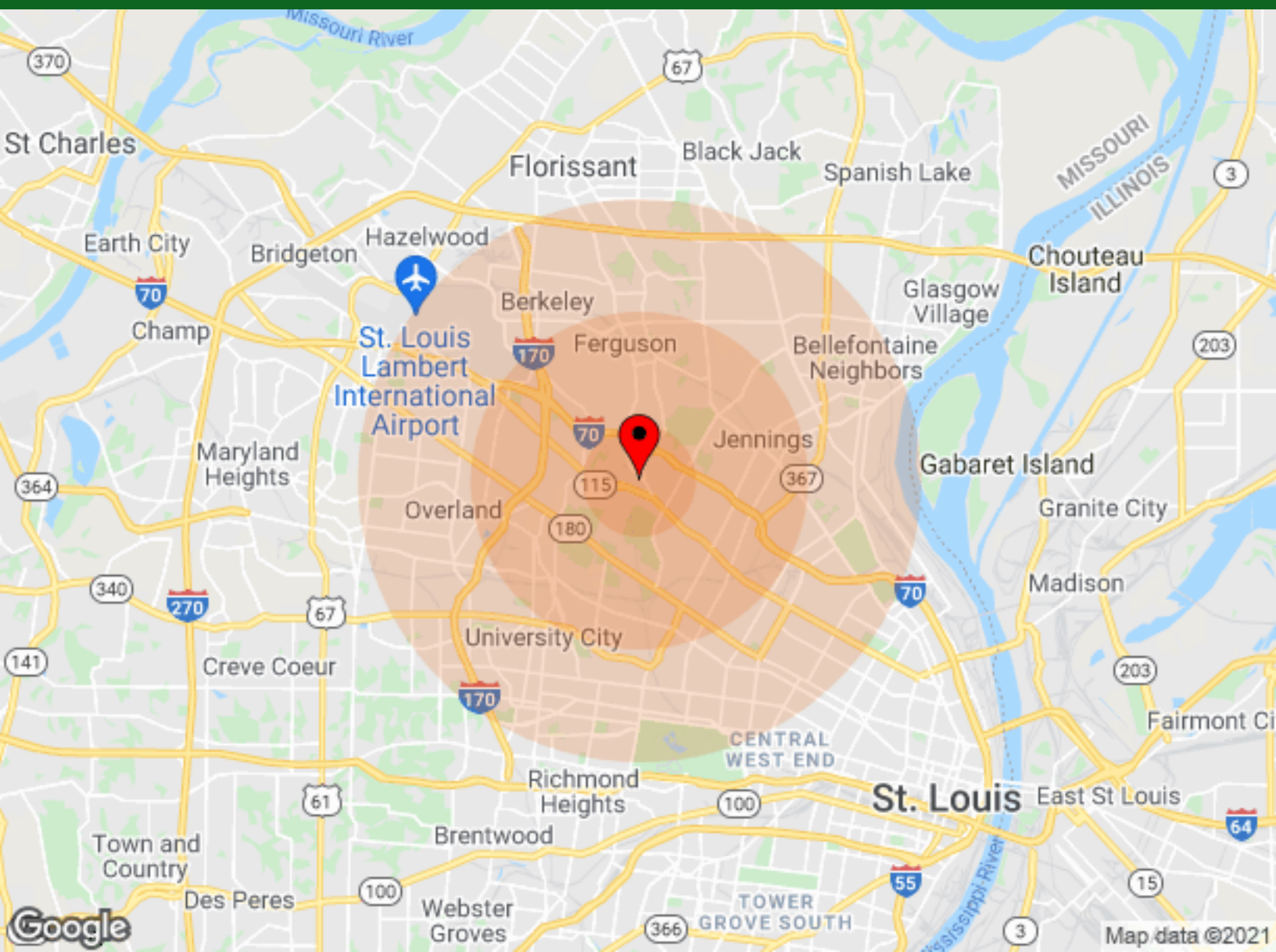


	1 Mile	3 Miles	5 Miles
<b>Population</b>			
Male	5,044	49,707	146,209
Female	6,213	58,352	167,440
Total Population	11,257	108,059	313,649
<b>Housing</b>			
Total Units	5,421	48,977	150,145
Occupied	4,791	41,281	126,916
Owner Occupied	2,371	23,472	71,282
Renter Occupied	2,420	17,809	55,634
Vacant	630	7,696	23,229
<b>Race</b>			
White	1,864	16,592	94,654
Black	8,927	89,483	207,484
Am In/AK Nat	2	18	74
Hawaiian	N/A	1	4
Hispanic	163	1,893	7,818
Multi-Racial	354	3,216	13,724



# DETAILED DEMOGRAPHICS

Normandy Apartments  
7701 Circle Drive | St. Louis, MO 63121



Age	1 Mile	3 Miles	5 Miles	Income	1 Mile	3 Miles	5 Miles
Ages 0-4	682	7,135	19,103	Median	\$34,547	\$30,833	\$35,122
Ages 5-9	752	8,812	23,244	< \$10,000	596	5,609	16,510
Ages 10-14	666	8,377	21,745	\$10,000-\$14,999	342	3,371	9,707
Ages 15-19	608	8,351	21,749	\$15,000-\$19,999	437	3,724	9,712
Ages 20-24	688	8,367	22,419	\$20,000-\$24,999	343	3,335	8,865
Ages 25-29	773	8,059	22,496	\$25,000-\$29,999	408	3,497	8,618
Ages 30-34	812	7,408	21,738	\$30,000-\$34,999	393	2,924	7,710
Ages 35-39	810	6,910	21,118	\$35,000-\$39,999	235	2,810	7,428
Ages 40-44	800	6,669	20,766	\$40,000-\$44,999	203	2,188	6,694
Ages 45-49	794	6,787	20,930	\$45,000-\$49,999	197	1,604	5,039
Ages 50-54	786	6,688	20,424	\$50,000-\$60,000	374	3,252	10,189
Ages 55-59	760	6,261	19,132	\$60,000-\$74,000	443	3,485	10,601
Ages 60-64	679	5,390	16,531	\$75,000-\$99,999	392	3,366	10,671
Ages 65-69	550	4,272	13,261	\$10,000-\$124,999	273	1,300	5,507
Ages 70-74	401	3,074	9,891	\$125,000-\$149,999	133	464	2,650
Ages 74-79	258	2,085	6,926	\$150,000-\$199,999	110	424	2,510
Ages 80-84	167	1,197	4,367	> \$200,000	44	241	3,616
Ages 85+	271	2,217	7,809				

MICHAEL ZANGARA  
314.716.2213  
mzangara@mo-apartmentadvisors.com