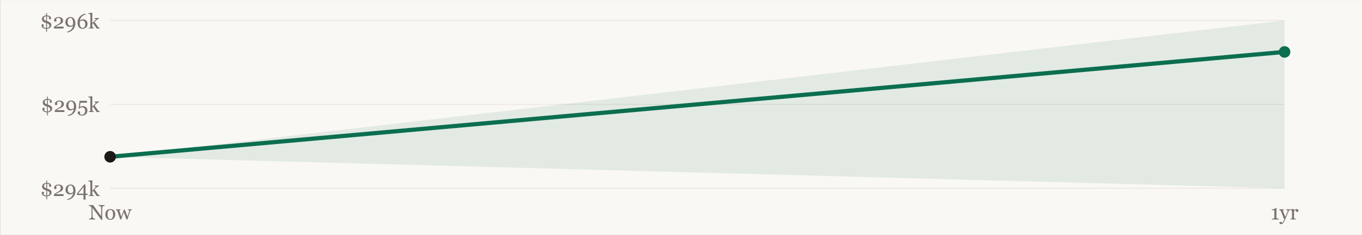
Livesta

INVESTMENT MEMORANDUM

April 9th, 2026

1234 Oak Dr, Sanford, FL 32771

12-MONTH PRICE OUTLOOK



TODAY · FAIR-VALUE ANCHOR	12-MONTH FORWARD PRICE	CONFIDENCE RANGE
$294,667 comp-based	**$295,552** +0.30% vs anchor	**$290,544 – $300,647** band reflects source locality

*The 12-month forward price comes directly from **Zillow's published Home Value Forecast (ZHVF)** — ZIP-level where available, metro or national otherwise — applied to this property's fair-value anchor. This is the only price forecast in this report; no multi-year price predictions are made.*

5-YEAR HOLDING — MATRIX OF ENTRY PRICE × EXIT ASSUMPTION

*Two entry prices (recommended offer, asking) × two exit assumptions. Combined column sums 5-year rent cash flow and principal paydown. Net proceeds = exit price − remaining loan balance − 6% selling costs. Total return = combined + net proceeds − initial cash invested (30% down + 3% closing). **Entry-Flat Exit isolates rent and principal** (no appreciation assumed); **Anchor-Projection Exit** holds the 12-month Zillow forward rate constant for 5 years as an assumption — not a multi-year prediction — applied to the comp anchor, so buying below anchor captures the spread.*

SCENARIO	PURCHASE → EXIT	5-YR CF + PRINCIPAL	NET PROCEEDS	TOTAL RETURN	ANNUALIZED
Recommended Offer (11% below ask) · Anchor-Projection Exit *Exit at comp anchor × 12-mo Zillow forward rate (+0.30%/yr) held constant 5 yrs*	$277,336 → $299,114	$47,832	$85,371	+55.8%	+9.3%
Recommended Offer (11% below ask) · Entry-Flat Exit *Sale at purchase price — isolates rent + principal*	$277,336 → $277,336	$47,832	$64,900	+29.5%	+5.3%
At Asking · Anchor-Projection Exit *Exit at comp anchor × 12-mo Zillow forward rate (+0.30%/yr) held constant 5 yrs*	$310,000 → $299,114	$38,004	$62,311	-0.1%	-0.0%
At Asking · Entry-Flat Exit *Sale at purchase price — isolates rent + principal*	$310,000 → $310,000	$38,004	$72,544	+11.6%	+2.2%

HOW TO READ THIS MATRIX

*The 5-year matrix separates two sources of return: (1) operational cash flow + principal paydown (forced savings), and (2) appreciation capture at exit. **Entry-Flat Exit** isolates rent economics — if negative, property loses money on a rent-only basis regardless of market. **Anchor-Projection Exit** extends the 1-year Zillow forward rate as a constant assumption; buying below anchor captures the spread.*

ASSUMPTIONS & DISCLAIMER

Underwriting assumptions: Cap-rate band is class-adjusted (CBRE H2 2025 + Marcus & Millichap SFR Outlook). Rent from comps when matched, otherwise reverse-engineered from comp anchor × class band-mid cap. Property tax = county effective rate × purchase price; insurance = structure + general liability (no earthquake, flood, or umbrella); R&M 5%, PM 8%, reserves 2% of rent; vacancy 7%. Financing: 30% down, 7.00% fixed, 30-yr amortization. Selling costs 6% at exit. **Disclaimer:** This memorandum contains forward-looking estimates that may differ materially from actual results. Real estate involves risk including loss of principal. Figures prepared from public records, third-party data, and AI-assisted analysis; Livesta makes no representation as to completeness or accuracy. Not investment, legal, or tax advice. FEMA NRI = county-level relative; flood-zone from current NFHL (may change). Confidential — distribution prohibited.

MARKET & MACRO CONTEXT

COUNTY 12117 CO. POPULATION	ZILLOW HVI (YOY)	MEDIAN HH INCOME	UNEMPLOYMENT RATE	30-YR MORTGAGE	BUILDING PERMITS
481,470	**-3.6%**	**$85,415**	**2.5%**	**6.37%**	**1,386**
+5.00% YoY	Median home-value change	County median	Not available	Market fixed-rate	US · latest month

Neighborhood: ZIP 32771 sits in a fundamentally healthy Seminole County environment, anchored by major employers and institutions such as AdventHealth, Seminole State College, and the University of Central Florida's regional economic footprint. Investors looking for a County-median discount may find 32771 attractive because its estimated home value (~$294,667) is well below the County average (~$417,434).

NEIGHBORHOOD — LOCATION, SCHOOLS & SAFETY

COMMUTE: — NOT AVAILABLE

PUBLIC TRANSIT: NOT AVAILABLE

NEAREST HOSPITALS: Lake Monroe Hospital (1.3 mi) — *HCA-affiliated major network hospital*; Lake Mary Hospital Medical Pavilion (5.3 mi) — *Regional / community hospital*; Florida Hospital Fish Memorial (7.9 mi) — *Regional / community hospital*

SAFETY / CRIME: **Grade C** — Average crime.
Property crime: 15.1/1,000 residents (state avg 12.0) · Violent crime: 5.8/1,000 residents (state avg 2.7). *Crime rates reference FBI Uniform Crime Reporting (UCR) Program data and third-party aggregators. Property crime covers burglary, larceny-theft, and motor-vehicle theft; violent crime covers homicide, rape, robbery, and aggravated assault — expressed per 1,000 residents to normalize across cities. Lower rates = safer; US national property rate ≈ 19/1,000 and violent ≈ 4/1,000. AreaVibes rates Sanford C; property crime is higher than Florida average.*

Sources: OpenStreetMap (hospitals).

NATURAL HAZARDS & FLOOD RISK

FLOOD ZONE X **Minimal Risk**
FEMA NFHL: Minimal flood hazard. Outside the 500-year floodplain. Flood insurance not federally required. (Area Of Minimal Flood Hazard)

INSURANCE & MITIGATION TAKEAWAY

Hazard profile is benign nationally. Pro forma insurance line: **$1,179/yr** (structure + general liability only).

FEMA data methodology: *The National Risk Index (NRI) combines Expected Annual Loss (EAL) — derived from historical event frequency, exposed building value, population, and agriculture — with Social Vulnerability and Community Resilience to produce a composite hazard score. Each peril (flood, wildfire, hurricane, earthquake, heatwave, etc.) is rated on a 5-tier relative scale (Very Low → Very High) at the census-tract or county level. Flood zone classification is from the current National Flood Hazard Layer (NFHL); Zone X = minimal risk, Zones A/AE/V = 1% annual-chance floodplain (NFIP required), Zone D = undetermined. Ratings are relative comparisons across US communities, not absolute probabilities. Verify locally before close: FEMA maps may lag recent changes to levees, drainage, or ordinances, and micro-topography can deviate from tract-level ratings.*

INVESTMENT THESIS

Comps anchor fair value at $294,667 — about 5% below the $310,000 asking price — leaving room to negotiate. ZIP conditions point to a balanced local market with the near-term trajectory supportive — context that shapes whether you negotiate hard or move quickly. This is a workforce-tier Class C property framed as an income play: matched rent comparables set the rent, itemized OpEx sizes NOI, and the recommended offer is anchored by the Class C market cap-rate band. Long-term rental is the core strategy; owner-occupancy or mid-term rental can also fit depending on buyer intent.

NOTE: Only 1 sale comparable matched — valuation confidence is reduced; widen search radius or timeframe if feasible.

PROPERTY SNAPSHOT

ADDRESS	**1234 Oak Dr, Sanford, FL 32771**
ASSET TYPE / CLASS	**Single-Family Home · Class C** (Class C — workforce-tier asset)
BEDS / BATHS / SF	**3 bed · 2.0 bath · 1,500 sqft**
YEAR BUILT	**Not disclosed**
ASKING PRICE	**$310,000**
FAIR-VALUE ANCHOR *(comps — reference only, not offer)*	**$294,667** (comps-based estimate)
RECOMMENDED OFFER PRICE *(At NOI ÷ Class C band-mid (8.50% cap) = $277,336 (11% below asking) — income play, yield discipline drives)*	**$277,336** — 8.50% cap on itemized NOI
MARKET CAP-RATE BAND *(SFR Class C)*	**7.50%–9.50%** (mid 8.50%)

Cap rate = NOI ÷ price. It normalizes yield across deals: the higher the cap rate, the more annual income per dollar invested. Class C SFR band reflects typical trades for this quality/type (CBRE + Marcus & Millichap, H2 2025).

RENT METHODOLOGY — NO DIRECT COMPS: Rent comps did not match this property's quality/segment. Rent in this memo is **reverse-engineered** from the underwriting basis — *lower of asking & comp anchor* ($294,667) × Class C band-mid cap rate (8.50%), producing implied rent of **$2,995/mo**. This is the rent a disciplined investor would require to clear market yield at the underwriting basis.

RENTAL-STRATEGY APPLICABILITY

LONG-TERM RENTAL (12MO+)
Strong fit
Large population base for tenant pool; Rent-to-price 1.02% supports cash flow

MID-TERM RENTAL (1-6MO)
Possible
Nearby university-related demand

SHORT-TERM RENTAL (<30 DAYS)
Unlikely advantage
Verify municipal STR permit requirements before underwriting STR revenue

ANNUAL INCOME & NOI

LINE ITEM	AMOUNT	% OF GROSS RENT
Annual Rent (Gross)	**$35,940**	100.0%
Less: Vacancy & Credit Loss (7%)	($2,516)	(7.0%)
Effective Gross Income	**$33,425**	**93.0%**
OPERATING EXPENSES		
Property Taxes *(0.91% of purchase price (county effective rate))*	($2,681)	(7.5%)
Insurance *(0.40% of purchase price (structure + general liability))*	($1,179)	(3.3%)
Utilities (owner-retained) *(Lawn, pest, small common items (tenant pays the rest))*	($600)	(1.7%)
Repairs & Maintenance *(5% of rent (industry standard))*	($1,797)	(5.0%)
Property Management *(8% of rent (third-party PM))*	($2,875)	(8.0%)
Reserves & Admin *(Legal, accounting, capex reserves)*	($719)	(2.0%)
Total Operating Expenses	**($9,851)**	**(27.4%)**
Net Operating Income (NOI)	**$23,574**	**65.6%**

INCOME & OPEX ASSUMPTIONS

Rent methodology: *For income plays, rent is sourced from matched rent comparables and NOI is computed as EGI – OpEx. For appreciation plays (when rent comps don't match the subject's quality), we* ***reverse-engineer NOI*** *= comp anchor × class band-mid cap rate, then derive the* ***implied rent*** *required to produce that NOI given itemized OpEx (property tax at county effective rate, hazard-adjusted insurance, HOA for condos, plus variable 5% R&M, 8% PM, 2% reserves). The 0.8% rule is the last-resort fallback used only when neither rent comps nor class band cap rates are available. Vacancy 7% baseline; 12% in downside.* ***NOI = Effective Gross Income – Total Operating Expenses****.*

MONTHLY CASH FLOW WITH DEBT

25% down · 7.00% fixed · 30-year amortization · Loan $221,000

Monthly NOI	**$1,964**	Annual NOI ÷ 12
Less: Monthly Mortgage (P&I)	($1,470)	Principal + Interest
Monthly Cash Flow After Debt	**$494**	
MORTGAGE PAYMENT BREAKDOWN		
Interest Portion *(actual cost)*	($1,470)	
Principal Portion *(equity buildup)*	**($0)**	
True Monthly Economic Return (Cash Flow + Principal Paydown)	**$494**	

ON PRINCIPAL PAYDOWN

Every month part of the mortgage reduces the loan balance — that's ownership being built, not money spent. "True monthly economic return" adds this back to cash flow to reflect the full monthly benefit of owning, though this equity isn't liquid until sale or refinance.

YEAR-1 SCENARIOS (SIMPLE CAP RATE)

SCENARIO	ASSUMPTION	ANNUAL NOI	MONTHLY CF	CAP RATE ON ASK
Downside	$2,696/mo (-10% rent, 12% vacancy)	$18,614	**$81**	6.32%
Base	$2,995/mo (in-place rent, 7% vacancy)	$23,574	**$494**	8.00%
Upside	$3,145/mo (+5% rent, 6% vacancy, -2% OpEx)	$25,819	**$681**	8.76%

MARKET CAP-RATE BAND & NOI / PRICE REFERENCE

***SFR Class C** cap-rate band: **7.50%–9.50%** (mid 8.50%). Classification factors: below-median price (0.7×). Source: CBRE US Cap Rate Survey H2 2025 + Marcus & Millichap 2026 Investment Outlook — SFR Class C. At NOI **$23,574**:*

CAP RATE	IMPLIED PURCHASE PRICE	POSITION
7.00%	**$336,765**	Below market — tight yield
7.75%	**$304,175**	Within market band · **= asking price**
8.50%	**$277,336**	Within market band · **= implied cap at recommended offer**
9.25%	**$254,849**	Within market band
10.00%	**$235,736**	Above market — aggressive yield

Band source: CBRE US Cap Rate Survey H2 2025; Marcus & Millichap SFR Investor Outlook. Band adapts to property class (A/B/C) and property type (SFR/Condo). Class A premium assets trade tighter (institutional demand); Class C workforce assets trade wider (less liquidity).

RECENT SALE COMPARABLES

ADDRESS	PRICE	SQFT	$/SQFT	BD/BA	DATE	SCORE
1582 Travertine Ter, Sanford, FL 32771	$315,000	1,680	$188	3/2.5	2026-03-31	0.82
Subject (anchor)	**$310,000**	**1,500**	**$196**	**3/2.0**	listing	—

Comps weighted by: recency (45%), distance/zone match (25%), sqft similarity (20%), bed/bath (10%). Score is composite weighted signal (0–1); higher is more comparable. Comps anchor the fair-value reference; they do NOT set the recommended purchase price — the market cap-rate band (class-adjusted) does.

RECENT RENT COMPARABLES

ADDRESS	MONTHLY RENT	SQFT	RENT/SQFT	BD/BA
1424 Captiva Cv, Sanford, FL 32771	$2,225	—	—	3/—
292 N Oak Ave, Sanford, FL 32771	$2,429	1,575	$1.54	3/—
352 Rustic Loop, Sanford, FL 32771	$2,451	—	—	3/—
Search rent estimate *(reference — sourced from listing platforms)*	$2,315	—	—	—
Subject (pro forma rent)	**$2,995**	**1,500**	**$2.00**	**3/2.0**