

LIBA AI Underwriting RunEngine 001/JUN/2026



AI UNDERWRITING & INVESTMENT COMMITTEE MEMORANDUM

PROPERTY ID: 24-0715-0932

MIAMI-DADE COUNTY, FLORIDA | DUPLEX

PROPERTY TYPE:	DUPLEX
YEAR BUILT:	1966
BUILDING SIZE:	1,276 SF TOTAL
LOT SIZE:	3,600 SF
AI AFFINITY SCORE:	8.6 / 10 (HIGH)
AI CONFIDENCE:	83%
HOLD PERIOD:	7 - 10 YEARS

BEFORE (CURRENT CONDITION)



AFTER (VALUE-ADD VISION)



INVESTMENT HIGHLIGHTS

- Acquire at 31.2% discount to asking price
- Immediate equity creation of \$105,000
- Positive cash flow from acquisition
- Workforce housing demand with limited supply
- Section 8 / HUD compatible asset
- Land appreciation and redevelopment optionality
- Multiple exit strategies (Hold / Refi / Redevelop)

ACQUISITION OVERVIEW

Seller Asking Price	\$335,000
LIBA Capital Offer	\$230,000
Negotiated Discount	\$105,000
Discount to Ask	31.2%
Estimated Closing Costs	\$9,200
TOTAL CAPITAL BASIS	\$239,200

RENOVATION BUDGET (EST.)

Exterior Improvements	\$22,000
Interior Renovations	\$25,500
Systems (HVAC, Electrical, Plumbing)	\$17,800
Landscaping & Site	\$5,200
Contingency (10%)	\$7,030
TOTAL ESTIMATED BUDGET	\$77,530

PRO FORMA IMPACT (ANNUAL)

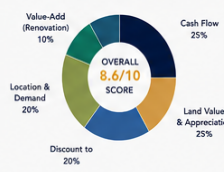
METRIC	BEFORE	AFTER	INCREASE
GROSS RENTAL INCOME	\$21,000	\$39,000	+\$18,000
EST. NOI	\$9,600	\$25,100	+\$15,500
CASH FLOW (AFTER DEBT)	\$4,600	\$16,200	+\$11,600
CAP RATE ON TOTAL BASIS	3.9%	10.5%	+660 bps

10-YEAR RETURN PROJECTION (OPTIMIZED HUD SCENARIO)

TOTAL CAPITAL BASIS	TOTAL PROJECT COST (INCL. RENOVATION)	AVG. ANNUAL CASH FLOW	10-YR PROJECTED SALE PRICE	TOTAL CASH RETURN (10 YR)	TOTAL RETURN (10 YR)	TOTAL RETURN ROI (10 YR)	AVERAGE ANNUAL ROI
\$239,200	\$316,730	\$16,200	\$505,000	\$162,000	\$667,000	210%	21.0%



VALUE DRIVERS (AI WEIGHTED)



AI RISK ASSESSMENT

Market Risk	●●●●●●●●
Property Risk	●●●●●●●●
Income Risk	●●●●●●●●
Liquidity Risk	●●●●●●●●
Regulatory Risk	●●●●●●●●

● LOW RISK ● MODERATE ● HIGH RISK

INVESTMENT THESIS

Acquire below replacement cost, renovate to modern standards, and capture immediate cash flow with strong tenant demand in a workforce housing corridor. The subject property is well located in a commuting with proximity to transit, employment corridors, and major thoroughfares.

STRATEGY & BUSINESS PLAN

- Acquire at significant discount
- Renovate and reposition
- Stabilize with strong tenant profile (HUD / Workforce)
- Hold for cash flow and appreciation
- Refinance or redevelop in 7-10 years

SENSITIVITY ANALYSIS (10-YEAR HOLD)

SCENARIO	AVG. ANNUAL CASH FLOW	10-YR SALE PRICE	10-YR TOTAL RETURN	10-YR ROI (ANNUALIZED)
Downside Case	\$10,800	\$420,000	\$435,000	13.7%
Base Case (Current)	\$16,200	\$505,000	\$467,000	21.0%
Upside Case	\$21,000	\$600,000	\$916,000	28.4%

INVESTMENT COMMITTEE RECOMMENDATION

APPROVED FOR ACQUISITION
The LIBA Capital AI engine recommends approval of the acquisition based on attractive purchase basis, strong cash flow potential, workforce housing demand, and long-term land value optionality.

COMMITTEE DECISION FACTORS

- 31.2% discount to asking price
- Immediate and stable cash flow
- HUD rental strategy enhances stability
- Multiple value creation strategies
- 7-10 year hold strategy optimal