VALUE ALPHA

NEW ON VALUE ALPHA · REAL ESTATE

Value Alpha × *Real estate*

Value a building on its income, and test the deal against the returns you need.

A building is bought on its income and financed on its coverage, and an offering memorandum rarely sets either against your own targets. Value Alpha is for the buyer, the lender and the owner of an income property, starting with apartment buildings. It reads the T12, values the building at the market cap rate and judges the deal you are offered against what you said you need.

How Value Alpha works

01
Drop in the T12
Rents, vacancy, every expense line and the loan already on the building, read and checked.

02
The NOI, built
Income less expenses, line by line, so you see where the net operating income comes from.

03
Add the deal
The price, the new loan and its rate, the hold, and the returns and coverage you need.

04
A verdict to act on
The value, the returns over your hold, what a lender would write. Memo, deck and live Excel model.

The cap rate comes with its source.
The value turns on one number, the cap rate. Value Alpha takes it from a named market survey and shows the value at each end of its band. Financing and the hold never move the value; they test the deal.

The pain → the feature

THE PAIN	WHAT VALUE ALPHA DOES	THE FEATURE
"What is the building worth?"	Net operating income at the market cap rate, with a discounted cash flow as a cross-check.	**Income capitalization**
"Does the deal pay?"	The IRR over 3, 5, 7 and 10 years and the year-one cash on cash, at the price and loan you are offered.	**Returns**
"Will a lender write this loan?"	Coverage on the new loan, the loan a lender would size, and the coverage under vacancy and rate stress.	**Lender view**
"Is it what we need?"	Each of your targets set against the deal, met or missed, with the reason.	**The verdict**

A worked example

Harbor View Apartments

An invented 148-unit apartment building in Tampa, built in 1998, valued from its T12. Not a client.

AT 5.25%	AT 5.00%	AT 4.75%
$24.8M	$26.0M	$27.4M

NOI	5-YEAR IRR	COVERAGE
$1.30M	8.7%	1.08x

At a $25.0M price and a $16.25M loan, the deal misses the 12% IRR, 6% cash on cash and 1.25x coverage targets: Below what you need. A lender sizing on coverage would write $14.1M.



HARBOR VIEW'S VALUE IN VALUE ALPHA, 11 OCTOBER 2026

Getting started

- **Start a valuation.** Go to **valuealpha.ai/valuation/real-estate-asset** or **app.valuealpha.ai**, choose real estate, then drop in the T12.
- **Pricing.** One report is $199: a single PDF memorandum. Pro is $499 a month, or $416 a month billed annually: unlimited valuations, with the live Excel model and the deck. Team is priced for each firm, on request.

Harbor View Apartments is invented, valued in Value Alpha on 11 October 2026 as a worked example; it is not a client. Informational, not a formal appraisal.

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Book a 30-minute call

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