

SUMMARY

Analysis Type: Buying
Property Type: Retail
Site Area: 3,300 sq ft

PROPERTY INCOME

Property Annual Income: \$120,000
Property Square Footage: 3,300
Property Vacancy: 2%
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$900,000
Down Payment: \$100,000
Interest Rate: 6%
Amortization Period: 20 Year
Monthly Payment: \$6,448
Annual Debt Service: \$77,375
Debt Coverage Ratio: 1.52

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: -

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %
Annual Expense Growth Rate: 2 %
Cap Rate at Sale: 12.26 %
Cost of Sale: 2%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$1,000,000
Property Cap Rate: 11.76%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$120,000
Vacancy Rate: 2%
Cash on Cash Return (Return on Equity): 40.23%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Effective Gross Income -Growing @ 2%/yr -With a 2% Vacancy Rate):	\$117,600	\$119,952	\$122,351	\$124,798	\$127,294	\$129,840	\$132,437	\$135,086	\$137,788	\$140,544	\$143,354
Average Rent per Square Foot:	\$35.64	\$36.35	\$37.08	\$37.82	\$38.58	\$39.35	\$40.14	\$40.94	\$41.76	\$42.60	\$43.45
Less Expenses (Growing @ 2%/yr):	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Net Operating Income (NOI):	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Less Loan Payment 1st Mortgage	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)	(\$77,375)
Net Cash Flow	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash on Cash Return (Return on Equity):	%	%	%	%	%	%	%	%	%	%	%
Principal Reduction:	\$24,028	\$25,510	\$27,084	\$28,754	\$30,528	\$32,410	\$34,409	\$36,532	\$38,785	\$41,177	\$43,717
Cumulative Principal Reduction:	\$24,028	\$49,538	\$76,622	\$105,376	\$135,904	\$168,314	\$202,723	\$239,255	\$278,040	\$319,217	\$362,934
Cash Flow Plus Principal Reduction:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total Return Before Taxes:	%	%	%	%	%	%	%	%	%	%	%

IRR: 0.00%