

SUMMARY

Analysis Type: Buying

Property Type: Office

Address: 111 Caldwell St Rock Hill SC 29730

PROPERTY INCOME

Property Annual Income: \$128,749

Property Square Footage: -

Property Vacancy: -

Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$760,000

Down Payment: \$190,000

Interest Rate: 7%

Amortization Period: 30 Year

Monthly Payment: \$5,056

Annual Debt Service: \$60,676

Debt Coverage Ratio: 1.53

PROPERTY EXPENSES

Gross Lease

Property Annual Expenses: \$36,000

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$950,000

Property Cap Rate: 9.76%

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 12 %

Cost of Sale: 2%

Number of Years: 10

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$128,749.37

Vacancy Rate: -

Cash on Cash Return (Return on Equity): 16.88%

Income Analysis

111 Caldwell St Rock Hill SC 29730

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Gross Income	\$128,749	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Vacancy Rate	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Effective Gross Income -Growing @ 3%/yr -With a % Vacancy Rate):	\$128,749	\$132,612	\$136,590	\$140,688	\$144,909	\$149,256	\$153,734	\$158,346	\$163,096	\$167,989	\$173,029
Average Rent per Square Foot:											
Less Expenses (Growing @ 2%/yr):	(\$ 36,000)	(\$ 36,720)	(\$ 37,454)	(\$ 38,203)	(\$ 38,967)	(\$ 39,746)	(\$ 40,541)	(\$ 41,352)	(\$ 42,179)	(\$ 43,023)	(\$ 43,883)
Net Operating Income (NOI):	\$ 92,749	\$ 95,892	\$ 99,136	\$ 102,485	\$ 105,942	\$ 109,510	\$ 113,193	\$ 116,994	\$ 120,917	\$ 124,966	\$ 129,146
Less Loan Payment 1st Mortgage	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)	(\$60,676)
Net Cash Flow	\$ 32,074	\$ 35,216	\$ 38,460	\$ 41,809	\$ 45,266	\$ 48,834	\$ 52,517	\$ 56,318	\$ 60,241	\$ 64,290	\$ 68,470
Cash on Cash Return (Return on Equity):	16.88%	18.53%	20.24%	22.00%	23.82%	25.70%	27.64%	29.64%	31.71%	33.84%	36.04%
Principal Reduction:	\$7,720	\$8,278	\$8,877	\$9,518	\$10,206	\$10,944	\$11,735	\$12,584	\$13,494	\$14,469	\$15,515
Cumulative Principal Reduction:	\$7,720	\$15,998	\$24,875	\$34,393	\$44,600	\$55,544	\$67,280	\$79,863	\$93,357	\$107,826	\$123,341
Cash Flow Plus Principal Reduction:	\$ 39,794	\$ 43,494	\$ 47,337	\$ 51,327	\$ 55,472	\$ 59,778	\$ 64,252	\$ 68,902	\$ 73,735	\$ 78,759	\$ 83,985
Total Return Before Taxes:	20.94%	22.89%	24.91%	27.01%	29.20%	31.46%	33.82%	36.26%	38.81%	41.45%	44.20%

IRR: 25.42% (Iterative Method)

25.01% (Newton's Method)

Income Analysis

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Future Value in Year 10	Cost of Sale	Loan Balance
\$1,076,217	\$21,524	\$652,174