

## SUMMARY

**Analysis Type: Buying**

**Property Type: Multi-Family**

**Address: 115 S Lois Ave**

**Age of Property (Completion Year): 1968/ 2018**

**Site Area: 87,992 sq ft**

**Gross Building Area: 46,428 sq ft**

## PROPERTY INCOME

**Property Annual Income: \$823,680**

**Property Square Footage: 87,992**

**Property Vacancy: -**

**Property Additional Income: \$29,613**

## LOAN & DEBT ANALYSIS

**Loan Amount: \$4,972,803**

**Down Payment: \$5,000,000**

**Interest Rate: 6%**

**Amortization Period: 5 Year**

**Monthly Payment: \$96,138**

**Annual Debt Service: \$1,153,659**

**Debt Coverage Ratio: 0.30**

## PROPERTY EXPENSES

**Triple Net Lease (NNN)**

**Property Annual Expenses: \$508,234**

## CASH FLOW ASSUMPTIONS

**Annual Income Growth Rate: 3 %**

**Annual Expense Growth Rate: 1 %**

**Cap Rate at Sale: 3.59 %**

**Cost of Sale: 1.5%**

**Number of Years: 10**

## PROPERTY VALUE & CAP RATE

**Property Value / Sale Price: \$9,972,803**

**Property Cap Rate: 3.46%**

## 10 YEAR CASH FLOW ANALYSIS

**Potential Income: \$823,680**

**Vacancy Rate: -**

**Cash on Cash Return (Return on Equity): -16.17%**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
<b>Effective Gross Income</b> -Growing @ 3%/yr -With a 0% Vacancy Rate):	\$823,680	\$848,390	\$873,842	\$900,057	\$927,059	\$954,871	\$983,517	\$1,013,023	\$1,043,414	\$1,074,716	\$1,106,957
<b>Average Rent per Square Foot:</b>	\$9.36	\$9.64	\$9.93	\$10.23	\$10.54	\$10.86	\$11.19	\$11.53	\$11.88	\$12.24	\$12.61
<b>Less Expenses (Growing @ 1%/yr):</b>	(\$ 508,234)	(\$ 513,316)	(\$ 518,449)	(\$ 523,633)	(\$ 528,869)	(\$ 534,158)	(\$ 539,500)	(\$ 544,895)	(\$ 550,344)	(\$ 555,847)	(\$ 561,405)
<b>Net Operating Income (NOI):</b>	\$ 345,059	\$ 364,687	\$ 385,006	\$ 406,037	\$ 427,803	\$ 450,326	\$ 473,630	\$ 497,741	\$ 522,683	\$ 548,482	\$ 575,165
<b>Less Loan Payment 1st Mortgage</b>	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)	(\$1,153,659)
<b>Net Cash Flow</b>	\$ -838,213	\$ -818,585	\$ -798,266	\$ -777,235	\$ -755,469	\$ -732,946	\$ -709,642	\$ -685,531	\$ -660,589	\$ -634,790	\$ -608,107
<b>Cash on Cash Return (Return on Equity):</b>	-16.76%	-16.37%	-15.97%	-15.54%	-15.11%	-14.66%	-14.19%	-13.71%	-13.21%	-12.70%	-12.16%
<b>Principal Reduction:</b>	\$881,644	\$936,022	\$993,753	\$1,055,046	\$1,120,119	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Cumulative Principal Reduction:</b>	\$881,644	\$1,817,665	\$2,811,418	\$3,866,464	\$4,986,583	\$4,986,583	\$4,986,583	\$4,986,583	\$4,986,583	\$4,986,583	\$4,986,583
<b>Cash Flow Plus Principal Reduction:</b>	\$ 43,431	\$ 117,437	\$ 195,487	\$ 277,811	\$ 364,650	\$	\$	\$	\$	\$	\$
<b>Total Return Before Taxes:</b>	0.87%	2.35%	3.91%	5.56%	7.29%	%	%	%	%	%	%

IRR: 3.66%