



SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: 116 southwest
Age of Property (Completion Year): 1973
Site Area: 16,117 sq ft
Gross Building Area: 7,670 sq ft

PROPERTY INCOME

Property Annual Income: \$203,040
Property Square Footage: 16,117
Property Vacancy: -
Property Additional Income: \$3,172

LOAN & DEBT ANALYSIS

Loan Amount: \$1,658,240
Down Payment: \$839,649
Interest Rate: 7%
Amortization Period: 30 Year
Monthly Payment: \$11,032
Annual Debt Service: \$132,388
Debt Coverage Ratio: 0.88

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$89,061

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 5.19 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$2,497,889
Property Cap Rate: 4.69%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$203,040
Vacancy Rate: -
Cash on Cash Return (Return on Equity): -1.81%

	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 @ 3%/yr -With a % Vacancy Rate):	\$203,040	\$209,131	\$215,405	\$221,867	\$228,523	\$235,379	\$242,440	\$249,713	\$257,204	\$264,920	\$272,868
Average Rent per Square Foot:	\$12.60	\$12.98	\$13.37	\$13.77	\$14.18	\$14.61	\$15.05	\$15.50	\$15.97	\$16.45	\$16.94
Less Expenses (Growing @ 1%/yr):	(\$ 89,061)	(\$ 89,952)	(\$ 90,852)	(\$ 91,761)	(\$ 92,679)	(\$ 93,606)	(\$ 94,542)	(\$ 95,487)	(\$ 96,442)	(\$ 97,406)	(\$ 98,380)
Net Operating Income (NOI):	\$ 117,151	\$ 122,351	\$ 127,725	\$ 133,278	\$ 139,016	\$ 144,945	\$ 151,070	\$ 157,398	\$ 163,934	\$ 170,686	\$ 177,660
Less Loan Payment 1st Mortgage	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)	(\$132,388)
Net Cash Flow	\$ -18,409	\$ -13,209	\$ -7,835	\$ -2,282	\$ 3,456	\$ 9,385	\$ 15,510	\$ 21,838	\$ 28,374	\$ 35,126	\$ 42,100
Cash on Cash Return (Return on Equity):	-2.19%	-1.57%	-0.93%	-0.27%	0.41%	1.12%	1.85%	2.60%	3.38%	4.18%	5.01%
Principal Reduction:	\$11,778	\$12,630	\$13,543	\$14,522	\$15,572	\$16,697	\$17,905	\$19,199	\$20,587	\$22,075	\$23,671
Cumulative Principal Reduction:	\$11,778	\$24,408	\$37,951	\$52,473	\$68,045	\$84,743	\$102,647	\$121,846	\$142,433	\$164,508	\$188,178
Cash Flow Plus Principal Reduction:	\$ -6,631	\$ -579	\$ 5,708	\$ 12,240	\$ 19,028	\$ 26,082	\$ 33,415	\$ 41,037	\$ 48,961	\$ 57,201	\$ 65,771
Total Return Before Taxes:	-0.79%	-0.07%	0.68%	1.46%	2.27%	3.11%	3.98%	4.89%	5.83%	6.81%	7.83%

IRR: 11.26%