

SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: 1234 main st

PROPERTY INCOME

Property Annual Income: \$456,000
Property Square Footage: -
Property Vacancy: -
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$1,458,250
Down Payment: \$360,000
Interest Rate: 4.75%
Amortization Period: 15 Year
Monthly Payment: \$11,343
Annual Debt Service: \$136,113
Debt Coverage Ratio: 3.21

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$19,620

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 24.5 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$1,818,250
Property Cap Rate: 24%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$456,000
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 83.41%

	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):	\$456,000	\$469,680	\$483,770	\$498,283	\$513,231	\$528,628	\$544,487	\$560,822	\$577,647	\$594,976	\$612,825
Average Rent per Square Foot:											
Less Expenses (Growing @ 1%/yr):	(\$ 19,620)	(\$ 19,816)	(\$ 20,014)	(\$ 20,214)	(\$ 20,416)	(\$ 20,620)	(\$ 20,826)	(\$ 21,034)	(\$ 21,244)	(\$ 21,456)	(\$ 21,671)
Net Operating Income (NOI):	\$ 436,380	\$ 449,864	\$ 463,756	\$ 478,069	\$ 492,815	\$ 508,008	\$ 523,661	\$ 539,788	\$ 556,403	\$ 573,520	\$ 591,154
Less Loan Payment 1st Mortgage	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)	(\$136,113)
Net Cash Flow	\$ 300,267	\$ 313,751	\$ 327,643	\$ 341,956	\$ 356,702	\$ 371,895	\$ 387,548	\$ 403,675	\$ 420,290	\$ 437,407	\$ 455,041
Cash on Cash Return (Return on Equity):	83.41%	87.15%	91.01%	94.99%	99.08%	103.30%	107.65%	112.13%	116.75%	121.50%	126.40%
Principal Reduction:	\$68,321	\$71,637	\$75,115	\$78,762	\$82,586	\$86,595	\$90,799	\$95,207	\$99,829	\$104,676	\$109,758
Cumulative Principal Reduction:	\$68,321	\$139,958	\$215,073	\$293,835	\$376,421	\$463,016	\$553,815	\$649,022	\$748,851	\$853,527	\$963,285
Cash Flow Plus Principal Reduction:	\$ 368,588	\$ 385,388	\$ 402,758	\$ 420,718	\$ 439,288	\$ 458,490	\$ 478,347	\$ 498,882	\$ 520,119	\$ 542,083	\$ 564,799
Total Return Before Taxes:	102.39%	107.05%	111.88%	116.87%	122.02%	127.36%	132.87%	138.58%	144.48%	150.58%	156.89%

IRR: 88.36%