

## SUMMARY

**Analysis Type: Existing Property (hold)**

**Property Type: Office**

**Address: 12760 Aberdeen St NE Blaine MN 55449**

**Age of Property (Completion Year): 2007**

**Site Area: 38,333 sq ft**

**Gross Building Area: 6,805 sq ft**

## PROPERTY INCOME

Property Annual Income: \$260,244

Property Square Footage: 38,333

Property Vacancy: -

Property Additional Income: -

## LOAN & DEBT ANALYSIS

Loan Amount: \$1,260,000

Down Payment: \$140,000

Interest Rate: 3.65%

Amortization Period: 25 Year

Monthly Payment: \$6,410

Annual Debt Service: \$76,916

Debt Coverage Ratio: 2.5

## PROPERTY EXPENSES

Gross Lease

Property Annual Expenses: \$68,316

## CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 6 %

Cost of Sale: 2%

Number of Years: 10

## PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$1,400,000

Property Cap Rate: 13.71%

## 10 YEAR CASH FLOW ANALYSIS

Potential Income: \$260,244

Vacancy Rate: -

Cash on Cash Return (Return on Equity): 82.15%

# Income Analysis

12760 Aberdeen St NE Blaine MN 55449

Report courtesy of Troy Muljat

	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 @ 2%/yr -With a 0% Vacancy Rate):	\$260,244	\$265,449	\$270,758	\$276,173	\$281,696	\$287,330	\$293,077	\$298,939	\$304,918	\$311,016	\$317,236
<b>Average Rent per Square Foot:</b>	\$6.79	\$6.92	\$7.06	\$7.20	\$7.34	\$7.49	\$7.64	\$7.79	\$7.95	\$8.11	\$8.27
<b>Less Expenses (Growing @ 2%/yr):</b>	(\$ 68,316)	(\$ 69,682)	(\$ 71,076)	(\$ 72,498)	(\$ 73,948)	(\$ 75,427)	(\$ 76,936)	(\$ 78,475)	(\$ 80,045)	(\$ 81,646)	(\$ 83,279)
<b>Net Operating Income (NOI):</b>	\$ 191,928	\$ 195,767	\$ 199,682	\$ 203,675	\$ 207,748	\$ 211,903	\$ 216,141	\$ 220,464	\$ 224,873	\$ 229,370	\$ 233,957
<b>Less Loan Payment 1st Mortgage</b>	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)	(\$76,916)
<b>Net Cash Flow</b>	\$ 115,012	\$ 118,851	\$ 122,766	\$ 126,759	\$ 130,832	\$ 134,987	\$ 139,225	\$ 143,548	\$ 147,957	\$ 152,454	\$ 157,041
<b>Cash on Cash Return (Return on Equity):</b>	82.15%	84.89%	87.69%	90.54%	93.45%	96.42%	99.45%	102.53%	105.68%	108.90%	112.17%
<b>Principal Reduction:</b>	\$31,449	\$32,616	\$33,827	\$35,082	\$36,384	\$37,735	\$39,135	\$40,588	\$42,094	\$43,657	\$45,277
<b>Cumulative Principal Reduction:</b>	\$31,449	\$64,065	\$97,891	\$132,974	\$169,358	\$207,093	\$246,228	\$286,816	\$328,910	\$372,567	\$417,844
<b>Cash Flow Plus Principal Reduction:</b>	\$ 146,461	\$ 151,467	\$ 156,593	\$ 161,841	\$ 167,216	\$ 172,722	\$ 178,360	\$ 184,136	\$ 190,051	\$ 196,111	\$ 202,318
<b>Total Return Before Taxes:</b>	104.62%	108.19%	111.85%	115.60%	119.44%	123.37%	127.40%	131.53%	135.75%	140.08%	144.51%

IRR: 89.34%