

SUMMARY

Analysis Type: Buying

Property Type: Multi-Family

Address: 131 Chestnut Street, North Attleboro, MA 02760

Site Area: 34,848 sq ft

Gross Building Area: 13,664 sq ft

PROPERTY INCOME

Property Annual Income: \$325,824

Property Square Footage: 34,848

Property Vacancy: 3%

Property Additional Income: \$3,840

LOAN & DEBT ANALYSIS

Loan Amount: \$2,350,000

Down Payment: \$900,000

Interest Rate: 8%

Amortization Period: 30 Year

Monthly Payment: \$17,243

Annual Debt Service: \$206,922

Debt Coverage Ratio: 1.06

PROPERTY EXPENSES

Triple Net Lease (NNN)

Property Annual Expenses: \$100,375

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 7.25 %

Cost of Sale: 2%

Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$3,250,000

Property Cap Rate: 6.75%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$325,824

Vacancy Rate: 3%

Cash on Cash Return (Return on Equity): 1.40%

Income Analysis

131 Chestnut Street, North Attleboro, MA 02760

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
Effective Gross Income -Growing @ 2%/yr -With a 3% Vacancy Rate):	\$316,049	\$322,370	\$328,817	\$335,394	\$342,102	\$348,944	\$355,923	\$363,042	\$370,302	\$377,708	\$385,263
Average Rent per Square Foot:	\$9.07	\$9.25	\$9.44	\$9.63	\$9.82	\$10.02	\$10.22	\$10.42	\$10.63	\$10.84	\$11.06
Less Expenses (Growing @ 2%/yr):	(\$ 100,375)	(\$ 102,383)	(\$ 104,431)	(\$ 106,520)	(\$ 108,650)	(\$ 110,823)	(\$ 113,039)	(\$ 115,300)	(\$ 117,606)	(\$ 119,958)	(\$ 122,357)
Net Operating Income (NOI):	\$ 219,514	\$ 223,827	\$ 228,226	\$ 232,714	\$ 237,292	\$ 241,961	\$ 246,724	\$ 251,582	\$ 256,536	\$ 261,590	\$ 266,746
Less Loan Payment 1st Mortgage	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)	(\$206,922)
Net Cash Flow	\$ 8,753	\$ 13,065	\$ 17,465	\$ 21,952	\$ 26,530	\$ 31,199	\$ 35,962	\$ 40,820	\$ 45,775	\$ 50,829	\$ 55,984
Cash on Cash Return (Return on Equity):	0.97%	1.45%	1.94%	2.44%	2.95%	3.47%	4.00%	4.54%	5.09%	5.65%	6.22%
Principal Reduction:	\$19,631	\$21,260	\$23,025	\$24,936	\$27,006	\$29,247	\$31,675	\$34,304	\$37,151	\$40,234	\$43,574
Cumulative Principal Reduction:	\$19,631	\$40,891	\$63,917	\$88,853	\$115,858	\$145,106	\$176,780	\$211,084	\$248,235	\$288,470	\$332,043
Cash Flow Plus Principal Reduction:	\$ 28,384	\$ 34,325	\$ 40,490	\$ 46,888	\$ 53,536	\$ 60,446	\$ 67,637	\$ 75,124	\$ 82,926	\$ 91,063	\$ 99,558
Total Return Before Taxes:	3.15%	3.81%	4.50%	5.21%	5.95%	6.72%	7.52%	8.35%	9.21%	10.12%	11.06%

IRR: 8.46%