

SUMMARY

Analysis Type: Buying
Property Type: Mixed-Use
Address: 14 N 3rd St Lafayette IN Current

PROPERTY INCOME

Property Annual Income: \$106,020
Property Square Footage: -
Property Vacancy: 2%
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$536,250
Down Payment: \$438,750
Interest Rate: 7.75%
Amortization Period: 20 Year
Monthly Payment: \$4,402
Annual Debt Service: \$52,828
Debt Coverage Ratio: 1.24

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: \$38,536

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %
Annual Expense Growth Rate: 2 %
Cap Rate at Sale: 8 %
Cost of Sale: 7%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$975,000
Property Cap Rate: 6.70%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$106,020
Vacancy Rate: 2%
Cash on Cash Return (Return on Equity): 2.86%

Income Analysis

14 N 3rd St Lafayette IN Current

Report courtesy of FWD Coaching

	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 2% Vacancy Rate:	\$103,900	\$105,977	\$108,097	\$110,259	\$112,464	\$114,713	\$117,007	\$119,347	\$121,735	\$124,169	\$126,652
Average Rent per Square Foot:											
Less Expenses (Growing @ 2%/yr):	(\$ 38,536)	(\$ 39,307)	(\$ 40,093)	(\$ 40,895)	(\$ 41,713)	(\$ 42,547)	(\$ 43,398)	(\$ 44,266)	(\$ 45,151)	(\$ 46,054)	(\$ 46,975)
Net Operating Income (NOI):	\$ 65,364	\$ 66,670	\$ 68,004	\$ 69,364	\$ 70,751	\$ 72,166	\$ 73,609	\$ 75,081	\$ 76,584	\$ 78,115	\$ 79,677
Less Loan Payment 1st Mortgage	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)	(\$52,828)
Net Cash Flow	\$ 12,536	\$ 13,842	\$ 15,176	\$ 16,536	\$ 17,923	\$ 19,338	\$ 20,781	\$ 22,253	\$ 23,756	\$ 25,287	\$ 26,849
Cash on Cash Return (Return on Equity):	2.86%	3.15%	3.46%	3.77%	4.09%	4.41%	4.74%	5.07%	5.41%	5.76%	6.12%
Principal Reduction:	\$11,678	\$12,616	\$13,629	\$14,723	\$15,906	\$17,183	\$18,563	\$20,054	\$21,665	\$23,405	\$25,284
Cumulative Principal Reduction:	\$11,678	\$24,293	\$37,922	\$52,645	\$68,551	\$85,734	\$104,298	\$124,352	\$146,016	\$169,421	\$194,706
Cash Flow Plus Principal Reduction:	\$ 24,214	\$ 26,458	\$ 28,805	\$ 31,259	\$ 33,829	\$ 36,521	\$ 39,344	\$ 42,307	\$ 45,421	\$ 48,692	\$ 52,133
Total Return Before Taxes:	5.52%	6.03%	6.57%	7.12%	7.71%	8.32%	8.97%	9.64%	10.35%	11.10%	11.88%

IRR: 11.47%