

SUMMARY

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

PROPERTY INCOME

Property Annual Income: \$135,600
Property Square Footage: -
Property Vacancy: 2%
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$682,500
Down Payment: \$292,500
Interest Rate: 7.75%
Amortization Period: 20 Year
Monthly Payment: \$5,603
Annual Debt Service: \$67,236
Debt Coverage Ratio: 1.31

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: \$45,044

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: 9.01%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$135,600
Vacancy Rate: 2%
Cash on Cash Return (Return on Equity): 7.05%

Income Analysis

14 N 3rd St Lafayette IN Pro Forma

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:	\$132,888	\$135,546	\$138,256	\$141,022	\$143,842	\$146,720	\$149,654	\$152,647	\$155,699	\$158,814	\$161,990
Average Rent per Square Foot:											
Less Expenses (Growing @ 2%/yr):	(\$ 45,044)	(\$ 45,945)	(\$ 46,864)	(\$ 47,801)	(\$ 48,757)	(\$ 49,732)	(\$ 50,727)	(\$ 51,742)	(\$ 52,777)	(\$ 53,833)	(\$ 54,910)
Net Operating Income (NOI):	\$ 87,844	\$ 89,601	\$ 91,392	\$ 93,221	\$ 95,085	\$ 96,988	\$ 98,927	\$ 100,905	\$ 102,922	\$ 104,981	\$ 107,080
Less Loan Payment 1st Mortgage	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)	(\$67,236)
Net Cash Flow	\$ 20,609	\$ 22,365	\$ 24,157	\$ 25,985	\$ 27,850	\$ 29,752	\$ 31,691	\$ 33,669	\$ 35,687	\$ 37,745	\$ 39,844
Cash on Cash Return (Return on Equity):	7.05%	7.65%	8.26%	8.88%	9.52%	10.17%	10.83%	11.51%	12.20%	12.90%	13.62%
Principal Reduction:	\$14,863	\$16,056	\$17,346	\$18,739	\$20,244	\$21,870	\$23,626	\$25,523	\$27,573	\$29,788	\$32,180
Cumulative Principal Reduction:	\$14,863	\$30,919	\$48,264	\$67,003	\$87,247	\$109,116	\$132,742	\$158,266	\$185,839	\$215,627	\$247,807
Cash Flow Plus Principal Reduction:	\$ 35,472	\$ 38,421	\$ 41,503	\$ 44,724	\$ 48,094	\$ 51,622	\$ 55,317	\$ 59,192	\$ 63,260	\$ 67,533	\$ 72,024
Total Return Before Taxes:	12.13%	13.14%	14.19%	15.29%	16.44%	17.65%	18.91%	20.24%	21.63%	23.09%	24.62%

IRR: 21.35%