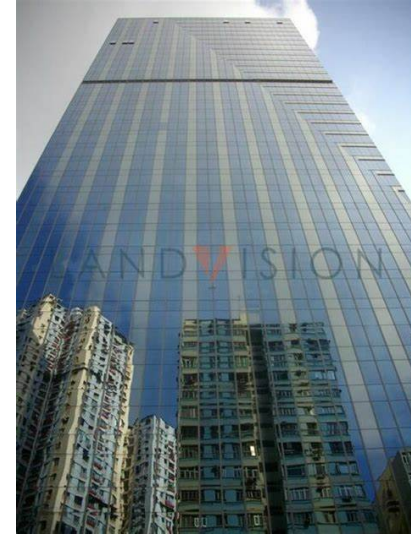


SUMMARY

Analysis Type: Buying
Property Type: Office
Address: 148 Electric Road, North Point
Age of Property (Completion Year): 2000
Site Area: 197,400 sq ft
Gross Building Area: 197,400 sq ft



PROPERTY INCOME

Property Annual Income: \$59,580,000
Property Square Footage: 197,400
Property Vacancy: 35%
Property Additional Income: \$60,000

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: \$13,620,600

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$919,648,352
Property Cap Rate: 2.74%

LOAN & DEBT ANALYSIS

Loan Amount: \$500,012,809
Down Payment: \$419,635,543
Interest Rate: 2%



Amortization Period: 20 Year

Monthly Payment: \$2,529,481

Annual Debt Service: \$30,353,778

Debt Coverage Ratio: 0.83

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 3.24 %

Cost of Sale: 2%

Number of Years: 10

Income Analysis

148 Electric Road, North Point

Report courtesy of Troy Muljat

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$59,580,000

Vacancy Rate: 35%

Cash on Cash Return (Return on Equity): -1.24%

	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 35% Vacancy Rate):	\$38,727,000	\$39,501,540	\$40,291,571	\$41,097,402	\$41,919,350	\$42,757,737	\$43,612,892	\$44,485,150	\$45,374,853	\$46,282,350	\$47,207,997
Average Rent per Square Foot:	\$196.19	\$200.11	\$204.11	\$208.19	\$212.35	\$216.60	\$220.93	\$225.35	\$229.86	\$234.46	\$239.15
Less Expenses (Growing @ 2%/yr):	(\$ 13,620,600)	(\$ 13,893,012)	(\$ 14,170,872)	(\$ 14,454,289)	(\$ 14,743,375)	(\$ 15,038,243)	(\$ 15,339,008)	(\$ 15,645,788)	(\$ 15,958,704)	(\$ 16,277,878)	(\$ 16,603,436)
Net Operating Income (NOI):	\$ 25,166,400	\$ 25,668,528	\$ 26,180,699	\$ 26,703,113	\$ 27,235,975	\$ 27,779,494	\$ 28,333,884	\$ 28,899,362	\$ 29,476,149	\$ 30,064,472	\$ 30,664,561
Less Loan Payment 1st Mortgage	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)	(\$30,353,778)
Net Cash Flow	\$ -5,247,378	\$ -4,745,250	\$ -4,233,079	\$ -3,710,664	\$ -3,177,802	\$ -2,634,284	\$ -2,079,894	\$ -1,514,416	\$ -937,629	\$ -349,306	\$ 250,783
Cash on Cash Return (Return on Equity):	-1.25%	-1.13%	-1.01%	-0.88%	-0.76%	-0.63%	-0.50%	-0.36%	-0.22%	-0.08%	0.06%
Principal Reduction:	\$20,541,136	\$20,955,745	\$21,378,724	\$21,810,239	\$22,250,465	\$22,699,576	\$23,157,753	\$23,625,177	\$24,102,036	\$24,588,520	\$25,084,824
Cumulative Principal Reduction:	\$20,541,136	\$41,496,881	\$62,875,605	\$84,685,844	\$106,936,310	\$129,635,886	\$152,793,639	\$176,418,816	\$200,520,852	\$225,109,372	\$250,194,195
Cash Flow Plus Principal Reduction:	\$ 15,293,758	\$ 16,210,495	\$ 17,145,645	\$ 18,099,575	\$ 19,072,663	\$ 20,065,292	\$ 21,077,859	\$ 22,110,761	\$ 23,164,407	\$ 24,239,214	\$ 25,335,607
Total Return Before Taxes:	3.64%	3.86%	4.09%	4.31%	4.55%	4.78%	5.02%	5.27%	5.52%	5.78%	6.04%

IRR: 4.23%



Income Analysis

148 Electric Road, North Point

Report courtesy of Troy Muljat