

SUMMARY

Analysis Type: Buying

Property Type: Multi-Family

Address: 1706-1712 S Market St. - Kokomo, IN (4 Units)- Current

Age of Property (Completion Year): 1995

PROPERTY INCOME

Property Annual Income: \$28,560

Property Square Footage: -

Property Vacancy: -

Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$172,500

Down Payment: \$57,500

Interest Rate: 7%

Amortization Period: 20 Year

Monthly Payment: \$1,337

Annual Debt Service: \$16,049

Debt Coverage Ratio: 1.11

PROPERTY EXPENSES

Triple Net Lease (NNN)

Property Annual Expenses: \$10,680

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: \$230,000

Property Cap Rate: 7.77%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$28,560

Vacancy Rate: -

Cash on Cash Return (Return on Equity): 3.18%

Income Analysis

1706-1712 S Market St. - Kokomo, IN (4 Units)- 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 0% Vacancy Rate):	\$28,560	\$29,131	\$29,714	\$30,308	\$30,914	\$31,532	\$32,163	\$32,806	\$33,462	\$34,131	\$34,814
Average Rent per Square Foot:											
Less Expenses (Growing @ 2%/yr):	(\$ 10,680)	(\$ 10,894)	(\$ 11,112)	(\$ 11,334)	(\$ 11,561)	(\$ 11,792)	(\$ 12,028)	(\$ 12,269)	(\$ 12,514)	(\$ 12,764)	(\$ 13,019)
Net Operating Income (NOI):	\$ 17,880	\$ 18,237	\$ 18,602	\$ 18,974	\$ 19,353	\$ 19,740	\$ 20,135	\$ 20,537	\$ 20,948	\$ 21,367	\$ 21,795
Less Loan Payment 1st Mortgage	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)	(\$16,049)
Net Cash Flow	\$ 1,831	\$ 2,188	\$ 2,553	\$ 2,925	\$ 3,304	\$ 3,691	\$ 4,086	\$ 4,488	\$ 4,899	\$ 5,318	\$ 5,746
Cash on Cash Return (Return on Equity):	3.18%	3.81%	4.44%	5.09%	5.75%	6.42%	7.11%	7.81%	8.52%	9.25%	9.99%
Principal Reduction:	\$4,104	\$4,400	\$4,718	\$5,060	\$5,425	\$5,818	\$6,238	\$6,689	\$7,173	\$7,691	\$8,247
Cumulative Principal Reduction:	\$4,104	\$8,504	\$13,222	\$18,282	\$23,707	\$29,525	\$35,763	\$42,452	\$49,624	\$57,315	\$65,562
Cash Flow Plus Principal Reduction:	\$ 5,935	\$ 6,588	\$ 7,271	\$ 7,985	\$ 8,729	\$ 9,509	\$ 10,324	\$ 11,177	\$ 12,072	\$ 13,009	\$ 13,993
Total Return Before Taxes:	10.32%	11.46%	12.65%	13.89%	15.18%	16.54%	17.95%	19.44%	20.99%	22.62%	24.34%

IRR: 20.80%