

SUMMARY

Analysis Type: Buying
Property Type: Office
Address: 2312 Tate St Charlotte NC 28216

PROPERTY INCOME

Property Annual Income: \$16,200
Property Square Footage: -
Property Vacancy: -
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$107,250
Down Payment: \$35,750
Interest Rate: 7%
Amortization Period: 20 Year
Monthly Payment: \$832
Annual Debt Service: \$9,978
Debt Coverage Ratio: 1.22

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: \$4,050

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %
Annual Expense Growth Rate: 2 %
Cap Rate at Sale: 7.05 %
Cost of Sale: 2%
Number of Years: 5

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$143,000
Property Cap Rate: 8.5%

5 YEAR CASH FLOW ANALYSIS

Potential Income: \$16,200
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 6.08%

Income Analysis

2312 Tate St Charlotte NC 28216

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Gross Income	\$16,200	\$	\$	\$	\$	\$
Vacancy Rate	\$	\$	\$	\$	\$	\$
Effective Gross Income -Growing @ 2%/yr -With a % Vacancy Rate):	\$16,200	\$16,524	\$16,854	\$17,191	\$17,535	\$17,886
Average Rent per Square Foot:						
Less Expenses (Growing @ 2%/yr):	(\$ 4,050)	(\$ 4,131)	(\$ 4,214)	(\$ 4,298)	(\$ 4,384)	(\$ 4,472)
Net Operating Income (NOI):	\$ 12,150	\$ 12,393	\$ 12,640	\$ 12,893	\$ 13,151	\$ 13,414
Less Loan Payment 1st Mortgage	(\$9,978)	(\$9,978)	(\$9,978)	(\$9,978)	(\$9,978)	(\$9,978)
Net Cash Flow	\$ 2,172	\$ 2,415	\$ 2,662	\$ 2,915	\$ 3,173	\$ 3,436
Cash on Cash Return (Return on Equity):	6.08%	6.76%	7.45%	8.15%	8.88%	9.61%
Principal Reduction:	\$2,551	\$2,736	\$2,934	\$3,146	\$3,373	\$3,617
Cumulative Principal Reduction:	\$2,551	\$5,287	\$8,221	\$11,367	\$14,740	\$18,357
Cash Flow Plus Principal Reduction:	\$ 4,723	\$ 5,151	\$ 5,596	\$ 6,061	\$ 6,546	\$ 7,053
Total Return Before Taxes:	13.21%	14.41%	15.65%	16.95%	18.31%	19.73%

IRR: 33.78%

Future Value in Year 5	Cost of Sale	Loan Balance
\$48,738	\$975	\$71,615