

SUMMARY

Analysis Type: Selling
Property Type: Mixed-Use
Address: 2415 S Center St Hickory NC 28602
Site Area: 5,000 sq ft

PROPERTY INCOME

Property Annual Income: \$720,000
Property Square Footage: 5,000
Property Vacancy: -
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$2,250,000
Down Payment: \$750,000
Interest Rate: 8%
Amortization Period: 30 Year
Monthly Payment: \$16,510
Annual Debt Service: \$198,116
Debt Coverage Ratio: 1.51

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: \$420,000

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %
Annual Expense Growth Rate: 2 %
Cap Rate at Sale: 10.5 %
Cost of Sale: 2%
Number of Years: 5

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$3,000,000
Property Cap Rate: 10%

5 YEAR CASH FLOW ANALYSIS

Potential Income: \$720,000
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 13.58%

Income Analysis

2415 S Center St Hickory NC 28602

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Gross Income	\$720,000	\$	\$	\$	\$	\$
Vacancy Rate	\$	\$	\$	\$	\$	\$
Effective Gross Income -Growing @ 2%/yr -With a % Vacancy Rate):	\$720,000	\$734,400	\$749,088	\$764,070	\$779,351	\$794,938
Average Rent per Square Foot:	\$144.00	\$146.88	\$149.82	\$152.82	\$155.88	\$159.00
Less Expenses (Growing @ 2%/yr):	(\$ 420,000)	(\$ 428,400)	(\$ 436,968)	(\$ 445,707)	(\$ 454,621)	(\$ 463,713)
Net Operating Income (NOI):	\$ 300,000	\$ 306,000	\$ 312,120	\$ 318,363	\$ 324,730	\$ 331,225
Less Loan Payment 1st Mortgage	(\$198,116)	(\$198,116)	(\$198,116)	(\$198,116)	(\$198,116)	(\$198,116)
Net Cash Flow	\$ 101,884	\$ 107,884	\$ 114,004	\$ 120,247	\$ 126,614	\$ 133,109
Cash on Cash Return (Return on Equity):	13.58%	14.38%	15.20%	16.03%	16.88%	17.75%
Principal Reduction:	\$18,796	\$20,356	\$22,045	\$23,875	\$25,857	\$28,003
Cumulative Principal Reduction:	\$18,796	\$39,151	\$61,197	\$85,072	\$110,928	\$138,931
Cash Flow Plus Principal Reduction:	\$ 120,680	\$ 128,240	\$ 136,049	\$ 144,122	\$ 152,471	\$ 161,112
Total Return Before Taxes:	16.09%	17.10%	18.14%	19.22%	20.33%	21.48%

IRR: 22.94%

Future Value in Year 5	Cost of Sale	Loan Balance
\$1,267,705	\$25,354	\$1,973,806