

SUMMARY

Analysis Type: Selling

Property Type: Retail

Address: 2752 Pleasant Rd

Age of Property (Completion Year): 2003

Site Area: 19,100 sq ft

PROPERTY INCOME

Property Annual Income: \$410,244

Property Square Footage: 19,100

Property Vacancy: -

Property Additional Income: \$20,500

LOAN & DEBT ANALYSIS

Loan Amount: \$3,460,477

Down Payment: \$1,153,492

Interest Rate: 7.5%

Amortization Period: 20 Year

Monthly Payment: \$27,877

Annual Debt Service: \$334,528

Debt Coverage Ratio: 0.9

PROPERTY EXPENSES

Gross Lease

Property Annual Expenses: \$130,836

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 6.5 %

Cost of Sale: 2%

Number of Years: 5

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$4,613,969

Property Cap Rate: 6.5%

5 YEAR CASH FLOW ANALYSIS

Potential Income: \$410,244

Vacancy Rate: -

Cash on Cash Return (Return on Equity): -3.00%

Income Analysis

2752 Pleasant Rd

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Effective Gross Income -Growing @ 2%/yr -With a % Vacancy Rate:	\$410,244	\$418,449	\$426,818	\$435,354	\$444,061	\$452,942
Average Rent per Square Foot:	\$21.48	\$21.91	\$22.35	\$22.80	\$23.26	\$23.73
Less Expenses (Growing @ 2%/yr):	(\$ 130,836)	(\$ 133,453)	(\$ 136,122)	(\$ 138,844)	(\$ 141,621)	(\$ 144,453)
Net Operating Income (NOI):	\$ 299,908	\$ 305,496	\$ 311,196	\$ 317,010	\$ 322,940	\$ 328,989
Less Loan Payment 1st Mortgage	(\$334,528)	(\$334,528)	(\$334,528)	(\$334,528)	(\$334,528)	(\$334,528)
Net Cash Flow	\$ -55,120	\$ -49,532	\$ -43,832	\$ -38,018	\$ -32,088	\$ -26,039
Cash on Cash Return (Return on Equity):	-4.78%	-4.29%	-3.80%	-3.30%	-2.78%	-2.26%
Principal Reduction:	\$77,625	\$83,651	\$90,145	\$97,143	\$104,685	\$112,812
Cumulative Principal Reduction:	\$77,625	\$161,276	\$251,421	\$348,565	\$453,250	\$566,062
Cash Flow Plus Principal Reduction:	\$ 22,505	\$ 34,119	\$ 46,313	\$ 59,125	\$ 72,597	\$ 86,773
Total Return Before Taxes:	1.95%	2.96%	4.02%	5.13%	6.29%	7.52%

IRR: 16.15%