

## SUMMARY

**Analysis Type: Buying**  
**Property Type: Retail**  
**Address: 2752 Pleasant Rd**  
**Site Area: 15,000 sq ft**

## PROPERTY INCOME

**Property Annual Income: \$314,508**  
**Property Square Footage: 15,000**  
**Property Vacancy: -**  
**Property Additional Income: -**

## LOAN & DEBT ANALYSIS

**Loan Amount: \$2,397,800**  
**Down Payment: \$799,267**  
**Interest Rate: 7.5%**  
**Amortization Period: 20 Year**  
**Monthly Payment: \$19,317**  
**Annual Debt Service: \$231,798**  
**Debt Coverage Ratio: 0.83**

## PROPERTY EXPENSES

**Gross Lease**  
**Property Annual Expenses: \$122,684**

## 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: \$3,197,067**  
**Property Cap Rate: 6%**

## 5 YEAR CASH FLOW ANALYSIS

**Potential Income: \$314,508**  
**Vacancy Rate: -**  
**Cash on Cash Return (Return on Equity): -5.00%**

# Income Analysis

2752 Pleasant Rd

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
<b>Effective Gross Income</b> -Growing @ 2%/yr -With a % Vacancy Rate:	\$314,508	\$320,798	\$327,214	\$333,758	\$340,433	\$347,242
<b>Average Rent per Square Foot:</b>	\$20.97	\$21.39	\$21.82	\$22.26	\$22.71	\$23.16
<b>Less Expenses (Growing @ 2%/yr):</b>	(\$ 122,684)	(\$ 125,138)	(\$ 127,641)	(\$ 130,194)	(\$ 132,798)	(\$ 135,454)
<b>Net Operating Income (NOI):</b>	\$ 191,824	\$ 195,660	\$ 199,573	\$ 203,564	\$ 207,635	\$ 211,788
<b>Less Loan Payment 1st Mortgage</b>	(\$231,798)	(\$231,798)	(\$231,798)	(\$231,798)	(\$231,798)	(\$231,798)
<b>Net Cash Flow</b>	\$ -39,974	\$ -36,138	\$ -32,225	\$ -28,234	\$ -24,163	\$ -20,010
<b>Cash on Cash Return (Return on Equity):</b>	-5.00%	-4.52%	-4.03%	-3.53%	-3.02%	-2.50%
<b>Principal Reduction:</b>	\$53,787	\$57,963	\$62,463	\$67,312	\$72,537	\$78,169
<b>Cumulative Principal Reduction:</b>	\$53,787	\$111,750	\$174,212	\$241,524	\$314,061	\$392,230
<b>Cash Flow Plus Principal Reduction:</b>	\$ 13,813	\$ 21,825	\$ 30,238	\$ 39,078	\$ 48,374	\$ 58,159
<b>Total Return Before Taxes:</b>	1.73%	2.73%	3.78%	4.89%	6.05%	7.28%

IRR: 12.80%