

SUMMARY

Analysis Type: Selling

Property Type: Retail

Address: 3615 and 3617 Providence Rd S Waxhaw NC

Site Area: 2,300 sq ft

PROPERTY INCOME

Property Annual Income: \$60,000

Property Square Footage: 2,300

Property Vacancy: -

Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$468,750

Down Payment: \$156,250

Interest Rate: 8%

Amortization Period: 20 Year

Monthly Payment: \$3,921

Annual Debt Service: \$47,050

Debt Coverage Ratio: 1.06

PROPERTY EXPENSES

Gross Lease

Property Annual Expenses: \$10,000

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 8 %

Cost of Sale: 2%

Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$625,000

Property Cap Rate: 8.00%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$60,000

Vacancy Rate: -

Cash on Cash Return (Return on Equity): 1.89%

Income Analysis

3615 and 3617 Providence Rd S Waxhaw NC

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Gross Income	\$60,000	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Vacancy Rate	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Effective Gross Income -Growing @ 2%/yr -With a % Vacancy Rate):	\$60,000	\$61,200	\$62,424	\$63,672	\$64,945	\$66,244	\$67,569	\$68,920	\$70,298	\$71,704	\$73,138
Average Rent per Square Foot:	\$26.09	\$26.61	\$27.14	\$27.68	\$28.23	\$28.79	\$29.37	\$29.96	\$30.56	\$31.17	\$31.79
Less Expenses (Growing @ 2%/yr):	(\$ 10,000)	(\$ 10,200)	(\$ 10,404)	(\$ 10,612)	(\$ 10,824)	(\$ 11,040)	(\$ 11,261)	(\$ 11,486)	(\$ 11,716)	(\$ 11,950)	(\$ 12,189)
Net Operating Income (NOI):	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,121	\$ 55,204	\$ 56,308	\$ 57,434	\$ 58,582	\$ 59,754	\$ 60,949
Less Loan Payment 1st Mortgage	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)	(\$47,050)
Net Cash Flow	\$ 2,950	\$ 3,950	\$ 4,970	\$ 6,010	\$ 7,071	\$ 8,154	\$ 9,258	\$ 10,384	\$ 11,532	\$ 12,704	\$ 13,899
Cash on Cash Return (Return on Equity):	1.89%	2.53%	3.18%	3.85%	4.53%	5.22%	5.93%	6.65%	7.38%	8.13%	8.90%
Principal Reduction:	\$9,908	\$10,730	\$11,621	\$12,585	\$13,630	\$14,761	\$15,986	\$17,313	\$18,750	\$20,306	\$21,992
Cumulative Principal Reduction:	\$9,908	\$20,638	\$32,259	\$44,844	\$58,474	\$73,235	\$89,221	\$106,534	\$125,284	\$145,591	\$167,583
Cash Flow Plus Principal Reduction:	\$ 12,858	\$ 14,680	\$ 16,591	\$ 18,595	\$ 20,701	\$ 22,915	\$ 25,244	\$ 27,697	\$ 30,282	\$ 33,010	\$ 35,891
Total Return Before Taxes:	8.23%	9.40%	10.62%	11.90%	13.25%	14.67%	16.16%	17.73%	19.38%	21.13%	22.97%

IRR: 14.53%

Future Value in Year 10	Cost of Sale	Loan Balance
\$173,738	\$3,475	\$323,159