

## SUMMARY

**Analysis Type: Buying**  
**Property Type: Industrial**  
**Address: 3620 Bergens**  
**Age of Property (Completion Year): 1**  
**Site Area: 217,325 sq ft**  
**Gross Building Area: 217,325 sq ft**

## PROPERTY INCOME

**Property Annual Income: \$2,689,425**  
**Property Square Footage: 217,325**  
**Property Vacancy: -**  
**Property Additional Income: -**

## LOAN & DEBT ANALYSIS

**Loan Amount: \$21,350,000**  
**Down Payment: \$9,150,000**  
**Interest Rate: 6.75%**  
**Amortization Period: 20 Year**  
**Monthly Payment: \$162,338**  
**Annual Debt Service: \$1,948,053**  
**Debt Coverage Ratio: 1.35**

## PROPERTY EXPENSES

**Triple Net Lease (NNN)**  
**Property Annual Expenses: \$53,789**

## CASH FLOW ASSUMPTIONS

**Annual Income Growth Rate: 1.25 %**  
**Annual Expense Growth Rate: 2 %**  
**Cap Rate at Sale: 7.50 %**  
**Cost of Sale: 2%**  
**Number of Years: 10**

## PROPERTY VALUE & CAP RATE

**Property Value / Sale Price: \$30,500,000**  
**Property Cap Rate: 8.64%**

## 10 YEAR CASH FLOW ANALYSIS

**Potential Income: \$2,689,425**  
**Vacancy Rate: -**  
**Cash on Cash Return (Return on Equity): 7.51%**

# Income Analysis

3620 Bergens

Report courtesy of Troy Muljat

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
<b>Effective Gross Income</b> -Growing @ 1.25%/yr -With a 0% Vacancy Rate):	\$2,689,425	\$2,723,043	\$2,757,081	\$2,791,545	\$2,826,439	\$2,861,769	\$2,897,541	\$2,933,760	\$2,970,432	\$3,007,562	\$3,045,157
<b>Average Rent per Square Foot:</b>	\$12.38	\$12.53	\$12.69	\$12.85	\$13.01	\$13.17	\$13.33	\$13.50	\$13.67	\$13.84	\$14.01
<b>Less Expenses (Growing @ 2%/yr):</b>	(\$ 53,789)	(\$ 54,865)	(\$ 55,962)	(\$ 57,081)	(\$ 58,223)	(\$ 59,387)	(\$ 60,575)	(\$ 61,787)	(\$ 63,023)	(\$ 64,283)	(\$ 65,569)
<b>Net Operating Income (NOI):</b>	\$ 2,635,636	\$ 2,668,178	\$ 2,701,119	\$ 2,734,464	\$ 2,768,216	\$ 2,802,382	\$ 2,836,966	\$ 2,871,973	\$ 2,907,409	\$ 2,943,279	\$ 2,979,588
<b>Less Loan Payment 1st Mortgage</b>	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)	(\$1,948,053)
<b>Net Cash Flow</b>	\$ 687,583	\$ 720,125	\$ 753,066	\$ 786,411	\$ 820,163	\$ 854,329	\$ 888,913	\$ 923,920	\$ 959,356	\$ 995,226	\$ 1,031,535
<b>Cash on Cash Return (Return on Equity):</b>	7.51%	7.87%	8.23%	8.59%	8.96%	9.34%	9.71%	10.10%	10.48%	10.88%	11.27%
<b>Principal Reduction:</b>	\$522,908	\$559,318	\$598,262	\$639,917	\$684,474	\$732,132	\$783,109	\$837,635	\$895,958	\$958,342	\$1,025,069
<b>Cumulative Principal Reduction:</b>	\$522,908	\$1,082,226	\$1,680,488	\$2,320,405	\$3,004,879	\$3,737,011	\$4,520,119	\$5,357,754	\$6,253,712	\$7,212,054	\$8,237,123
<b>Cash Flow Plus Principal Reduction:</b>	\$ 1,210,491	\$ 1,279,443	\$ 1,351,328	\$ 1,426,328	\$ 1,504,637	\$ 1,586,461	\$ 1,672,022	\$ 1,761,555	\$ 1,855,314	\$ 1,953,568	\$ 2,056,604
<b>Total Return Before Taxes:</b>	13.23%	13.98%	14.77%	15.59%	16.44%	17.34%	18.27%	19.25%	20.28%	21.35%	22.48%

IRR: 20.92%