

SUMMARY

Analysis Type: Buying
Property Type: Retail
Address: 4130 Rozzelles Ferry Rd

PROPERTY INCOME

Property Annual Income: \$121,503
Property Square Footage: -
Property Vacancy: -
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$1,104,750
Down Payment: \$368,250
Interest Rate: 6.5%
Amortization Period: 30 Year
Monthly Payment: \$6,983
Annual Debt Service: \$83,793
Debt Coverage Ratio: 1.41

PROPERTY EXPENSES

Gross Lease
Property Annual Expenses: \$3,645

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %
Annual Expense Growth Rate: 2 %
Cap Rate at Sale: 8.5 %
Cost of Sale: 2%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$1,473,000
Property Cap Rate: 8.00%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$121,503
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 9.25%

Income Analysis

4130 Rozzelles Ferry Rd

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	\$121,503	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Vacancy Rate	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Effective Gross Income -Growing @ 2%/yr -With a % Vacancy Rate):	\$121,503	\$123,933	\$126,412	\$128,940	\$131,519	\$134,149	\$136,832	\$139,569	\$142,360	\$145,207	\$148,111
Average Rent per Square Foot:											
Less Expenses (Growing @ 2%/yr):	(\$ 3,645)	(\$ 3,718)	(\$ 3,792)	(\$ 3,868)	(\$ 3,945)	(\$ 4,024)	(\$ 4,104)	(\$ 4,186)	(\$ 4,270)	(\$ 4,355)	(\$ 4,442)
Net Operating Income (NOI):	\$ 117,858	\$ 120,215	\$ 122,620	\$ 125,072	\$ 127,574	\$ 130,125	\$ 132,728	\$ 135,383	\$ 138,090	\$ 140,852	\$ 143,669
Less Loan Payment 1st Mortgage	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)	(\$83,793)
Net Cash Flow	\$ 34,065	\$ 36,422	\$ 38,827	\$ 41,279	\$ 43,781	\$ 46,332	\$ 48,935	\$ 51,590	\$ 54,297	\$ 57,059	\$ 59,876
Cash on Cash Return (Return on Equity):	9.25%	9.89%	10.54%	11.21%	11.89%	12.58%	13.29%	14.01%	14.74%	15.49%	16.26%
Principal Reduction:	\$12,348	\$13,175	\$14,057	\$14,999	\$16,003	\$17,075	\$18,219	\$19,439	\$20,741	\$22,130	\$23,612
Cumulative Principal Reduction:	\$12,348	\$25,523	\$39,581	\$54,579	\$70,583	\$87,658	\$105,877	\$125,315	\$146,056	\$168,186	\$191,798
Cash Flow Plus Principal Reduction:	\$ 46,413	\$ 49,597	\$ 52,884	\$ 56,278	\$ 59,784	\$ 63,407	\$ 67,154	\$ 71,029	\$ 75,038	\$ 79,189	\$ 83,488
Total Return Before Taxes:	12.60%	13.47%	14.36%	15.28%	16.23%	17.22%	18.24%	19.29%	20.38%	21.50%	22.67%

IRR: 16.30% (Iterative Method)

15.76% (Newton's Method)

Income Analysis

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Future Value in Year 10	Cost of Sale	Loan Balance
\$1,690,224	\$33,804	\$936,564