

SUMMARY

Analysis Type: Buying

Property Type: Multi-Family

Address: 536 CHARLOTTE AVE, ROCK HILL

Age of Property (Completion Year): 1938

Site Area: 3,319 sq ft

Gross Building Area: 3,319 sq ft

PROPERTY INCOME

Property Annual Income: \$145,227

Property Square Footage: 3,319

Property Vacancy: -

Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$749,999

Down Payment: \$250,000

Interest Rate: 8%

Amortization Period: 20 Year

Monthly Payment: \$6,273

Annual Debt Service: \$75,280

Debt Coverage Ratio: 1.49

PROPERTY EXPENSES

Triple Net Lease (NNN)

Property Annual Expenses: \$33,072

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 11.22 %

Cost of Sale: 5%

Number of Years: 5

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$999,999

Property Cap Rate: 11.22%

5 YEAR CASH FLOW ANALYSIS

Potential Income: \$145,227

Vacancy Rate: -

Cash on Cash Return (Return on Equity): 14.75%

Income Analysis

536 CHARLOTTE AVE, ROCK HILL

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):	\$145,227	\$148,132	\$151,095	\$154,117	\$157,199	\$160,343
Average Rent per Square Foot:	\$43.76	\$44.63	\$45.52	\$46.43	\$47.36	\$48.31
Less Expenses (Growing @ 2%/yr):	(\$ 33,072)	(\$ 33,733)	(\$ 34,408)	(\$ 35,096)	(\$ 35,798)	(\$ 36,514)
Net Operating Income (NOI):	\$ 112,155	\$ 114,399	\$ 116,687	\$ 119,021	\$ 121,401	\$ 123,829
Less Loan Payment 1st Mortgage	(\$75,280)	(\$75,280)	(\$75,280)	(\$75,280)	(\$75,280)	(\$75,280)
Net Cash Flow	\$ 36,875	\$ 39,119	\$ 41,407	\$ 43,741	\$ 46,121	\$ 48,549
Cash on Cash Return (Return on Equity):	14.75%	15.65%	16.56%	17.50%	18.45%	19.42%
Principal Reduction:	\$15,852	\$17,168	\$18,593	\$20,136	\$21,808	\$23,618
Cumulative Principal Reduction:	\$15,852	\$33,021	\$51,614	\$71,750	\$93,558	\$117,176
Cash Flow Plus Principal Reduction:	\$ 52,727	\$ 56,287	\$ 60,000	\$ 63,877	\$ 67,929	\$ 72,167
Total Return Before Taxes:	21.09%	22.51%	24.00%	25.55%	27.17%	28.87%

IRR: 30.66%