

SUMMARY

Analysis Type: Buying

Property Type: Office

Address: 605 nw 72nd ave #508

Age of Property (Completion Year): 1980



PROPERTY INCOME

Property Annual Income: \$25,200

Property Square Footage: -

Property Vacancy: 2%

Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$159,834

Down Payment: \$80,000

Interest Rate: 7.25%

Amortization Period: 30 Year

Monthly Payment: \$1,090

Annual Debt Service: \$13,084

Debt Coverage Ratio: 1.15

PROPERTY EXPENSES

Gross Lease

Property Annual Expenses: \$9,660

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 2 %

Annual Expense Growth Rate: 2 %

Cap Rate at Sale: 7.75 %

Cost of Sale: 5%

Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$239,834

Property Cap Rate: 6.27%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$25,200

Vacancy Rate: 2%

Cash on Cash Return (Return on Equity): 2.44%

Income Analysis

605 nw 72nd ave #508

Report courtesy of FWD Coaching

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Effective Gross Income -Growing @ 2%/yr -With a 2% Vacancy Rate):	\$24,696	\$25,190	\$25,694	\$26,207	\$26,731	\$27,267	\$27,811	\$28,368	\$28,935	\$29,515	\$30,105
Average Rent per Square Foot:											
Less Expenses (Growing @ 2%/yr):	(\$ 9,660)	(\$ 9,853)	(\$ 10,050)	(\$ 10,251)	(\$ 10,456)	(\$ 10,665)	(\$ 10,878)	(\$ 11,096)	(\$ 11,318)	(\$ 11,544)	(\$ 11,775)
Net Operating Income (NOI):	\$ 15,036	\$ 15,337	\$ 15,644	\$ 15,956	\$ 16,275	\$ 16,602	\$ 16,933	\$ 17,272	\$ 17,617	\$ 17,971	\$ 18,330
Less Loan Payment 1st Mortgage	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)	(\$13,084)
Net Cash Flow	\$ 1,952	\$ 2,253	\$ 2,559	\$ 2,872	\$ 3,191	\$ 3,517	\$ 3,849	\$ 4,188	\$ 4,533	\$ 4,886	\$ 5,245
Cash on Cash Return (Return on Equity):	2.44%	2.82%	3.20%	3.59%	3.99%	4.40%	4.81%	5.24%	5.67%	6.11%	6.56%
Principal Reduction:	\$1,547	\$1,663	\$1,788	\$1,922	\$2,066	\$2,220	\$2,387	\$2,566	\$2,758	\$2,965	\$3,187
Cumulative Principal Reduction:	\$1,547	\$3,210	\$4,997	\$6,919	\$8,985	\$11,205	\$13,592	\$16,158	\$18,916	\$21,881	\$25,068
Cash Flow Plus Principal Reduction:	\$ 3,499	\$ 3,916	\$ 4,347	\$ 4,794	\$ 5,257	\$ 5,737	\$ 6,236	\$ 6,754	\$ 7,291	\$ 7,851	\$ 8,432
Total Return Before Taxes:	4.37%	4.90%	5.43%	5.99%	6.57%	7.17%	7.80%	8.44%	9.11%	9.81%	10.54%

IRR: 12.29%