

SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: 844 5ave s
Age of Property (Completion Year): 1948 2017
Gross Building Area: 7,075 sq ft



PROPERTY INCOME

Property Annual Income: \$244,800
Property Square Footage: -
Property Vacancy: -
Property Additional Income: \$7,613

LOAN & DEBT ANALYSIS

Loan Amount: \$1,052,441
Down Payment: \$1,286,317
Interest Rate: 7%
Amortization Period: 30 Year
Monthly Payment: \$7,002
Annual Debt Service: \$84,023
Debt Coverage Ratio: 1.82

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$99,636

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 5.51 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$2,338,758
Property Cap Rate: 6.53%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$244,800
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 5.35%

	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 @ 3%/yr -With a % Vacancy Rate):	\$244,800	\$252,144	\$259,708	\$267,499	\$275,524	\$283,790	\$292,304	\$301,073	\$310,105	\$319,408	\$328,990
Average Rent per Square Foot:											
Less Expenses (Growing @ 1%/yr):	(\$ 99,636)	(\$ 100,632)	(\$ 101,638)	(\$ 102,654)	(\$ 103,681)	(\$ 104,718)	(\$ 105,765)	(\$ 106,823)	(\$ 107,891)	(\$ 108,970)	(\$ 110,060)
Net Operating Income (NOI):	\$ 152,777	\$ 159,125	\$ 165,683	\$ 172,458	\$ 179,456	\$ 186,685	\$ 194,152	\$ 201,863	\$ 209,827	\$ 218,051	\$ 226,543
Less Loan Payment 1st Mortgage	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)	(\$84,023)
Net Cash Flow	\$ 61,141	\$ 67,489	\$ 74,047	\$ 80,822	\$ 87,820	\$ 95,049	\$ 102,516	\$ 110,227	\$ 118,191	\$ 126,415	\$ 134,907
Cash on Cash Return (Return on Equity):	4.75%	5.25%	5.76%	6.28%	6.83%	7.39%	7.97%	8.57%	9.19%	9.83%	10.49%
Principal Reduction:	\$11,879	\$12,737	\$13,658	\$14,646	\$15,704	\$16,840	\$18,057	\$19,362	\$20,762	\$22,263	\$23,872
Cumulative Principal Reduction:	\$11,879	\$24,616	\$38,274	\$52,920	\$68,624	\$85,463	\$103,520	\$122,882	\$143,644	\$165,907	\$189,779
Cash Flow Plus Principal Reduction:	\$ 73,020	\$ 80,226	\$ 87,705	\$ 95,468	\$ 103,524	\$ 111,889	\$ 120,573	\$ 129,589	\$ 138,953	\$ 148,678	\$ 158,779
Total Return Before Taxes:	5.68%	6.24%	6.82%	7.42%	8.05%	8.70%	9.37%	10.07%	10.80%	11.56%	12.34%

IRR: 13.91%