



## SUMMARY

**Analysis Type: Buying**  
**Property Type: Multi-Family**  
**Address: 8721 E 14th Ave Denver CO 80220**  
**Age of Property (Completion Year): 1958**  
**Site Area: 7,500 sq ft**  
**Gross Building Area: 4,713 sq ft**

## PROPERTY INCOME

**Property Annual Income: \$116,400**  
**Property Square Footage: 7,500**  
**Property Vacancy: 5%**  
**Property Additional Income: \$11,064**

## LOAN & DEBT ANALYSIS

**Loan Amount: \$700,000**  
**Down Payment: \$300,000**  
**Interest Rate: 6.25%**  
**Amortization Period: 30 Year**  
**Monthly Payment: \$4,310**  
**Annual Debt Service: \$51,720**  
**Debt Coverage Ratio: 1.5**

## PROPERTY EXPENSES

**Triple Net Lease (NNN)**  
**Property Annual Expenses: \$43,980**

## CASH FLOW ASSUMPTIONS

**Annual Income Growth Rate: 2 %**  
**Annual Expense Growth Rate: 2 %**  
**Cap Rate at Sale: 8.27 %**  
**Cost of Sale: 2%**  
**Number of Years: 5**

## PROPERTY VALUE & CAP RATE

**Property Value / Sale Price: \$1,000,000**  
**Property Cap Rate: 7.77%**

## 5 YEAR CASH FLOW ANALYSIS

**Potential Income: \$116,400**  
**Vacancy Rate: 5%**  
**Cash on Cash Return (Return on Equity): 8.65%**

# Income Analysis

8721 E 14th Ave Denver CO 80220

Report courtesy of Troy Muljat

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Gross Income	\$116,400	\$122,220	\$128,331	\$134,748	\$141,485	\$148,559
Vacancy Rate (5%)	\$5,820	\$6,111	\$6,417	\$6,737	\$7,074	\$7,428
Effective Gross Income -Growing @ 2%/yr -With a 5% Vacancy Rate):	\$110,580	\$112,792	\$115,048	\$117,349	\$119,696	\$122,090
Average Rent per Square Foot:	\$14.74	\$15.04	\$15.34	\$15.65	\$15.96	\$16.28
Less Expenses (Growing @ 2%/yr):	(\$ 43,980)	(\$ 44,860)	(\$ 45,757)	(\$ 46,672)	(\$ 47,605)	(\$ 48,557)
Net Operating Income (NOI):	\$ 77,664	\$ 78,996	\$ 80,355	\$ 81,741	\$ 83,155	\$ 84,597
Less Loan Payment 1st Mortgage	(\$51,720)	(\$51,720)	(\$51,720)	(\$51,720)	(\$51,720)	(\$51,720)
Net Cash Flow	\$ 14,880	\$ 16,211	\$ 17,571	\$ 18,957	\$ 20,371	\$ 21,813
Cash on Cash Return (Return on Equity):	4.96%	5.40%	5.86%	6.32%	6.79%	7.27%
Principal Reduction:	\$8,203	\$8,730	\$9,292	\$9,889	\$10,525	\$11,202
Cumulative Principal Reduction:	\$8,203	\$16,933	\$26,224	\$36,114	\$46,639	\$57,842
Cash Flow Plus Principal Reduction:	\$ 23,083	\$ 24,941	\$ 26,863	\$ 28,846	\$ 30,896	\$ 33,015
Total Return Before Taxes:	7.69%	8.31%	8.95%	9.62%	10.30%	11.01%

IRR: 11.61%

Future Value in Year 5	Cost of Sale	Loan Balance
\$263,761	\$5,275	\$589,664