

SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: Bayshore Flats
Age of Property (Completion Year): 1975 49
Site Area: 82,764 sq ft
Gross Building Area: 29,208 sq ft



PROPERTY INCOME

Property Annual Income: \$1,008,000
Property Square Footage: 82,764
Property Vacancy: -
Property Additional Income: \$63,066

LOAN & DEBT ANALYSIS

Loan Amount: \$599,961
Down Payment: \$599,961
Interest Rate: 7%
Amortization Period: 30 Year
Monthly Payment: \$3,992
Annual Debt Service: \$47,899
Debt Coverage Ratio: 13.5

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$424,308

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 4.75 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$1,199,922
Property Cap Rate: 53.9%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$1,008,000
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 99.82%

	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):	\$1,008,000	\$1,038,240	\$1,069,387	\$1,101,469	\$1,134,513	\$1,168,548	\$1,203,604	\$1,239,712	\$1,276,903	\$1,315,210	\$1,354,666
Average Rent per Square Foot:	\$12.18	\$12.54	\$12.92	\$13.31	\$13.71	\$14.12	\$14.54	\$14.98	\$15.43	\$15.89	\$16.37
Less Expenses (Growing @ 1%/yr):	(\$ 424,308)	(\$ 428,551)	(\$ 432,837)	(\$ 437,165)	(\$ 441,537)	(\$ 445,952)	(\$ 450,412)	(\$ 454,916)	(\$ 459,465)	(\$ 464,060)	(\$ 468,701)
Net Operating Income (NOI):	\$ 646,758	\$ 672,755	\$ 699,616	\$ 727,370	\$ 756,042	\$ 785,662	\$ 816,258	\$ 847,862	\$ 880,504	\$ 914,216	\$ 949,031
Less Loan Payment 1st Mortgage	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)	(\$47,899)
Net Cash Flow	\$ 535,793	\$ 561,790	\$ 588,651	\$ 616,405	\$ 645,077	\$ 674,697	\$ 705,293	\$ 736,897	\$ 769,539	\$ 803,251	\$ 838,066
Cash on Cash Return (Return on Equity):	89.30%	93.64%	98.11%	102.74%	107.52%	112.46%	117.56%	122.82%	128.26%	133.88%	139.69%
Principal Reduction:	\$53,989	\$57,892	\$62,077	\$66,565	\$71,377	\$76,537	\$82,070	\$88,003	\$94,364	\$101,186	\$108,501
Cumulative Principal Reduction:	\$53,989	\$111,882	\$173,959	\$240,524	\$311,901	\$388,438	\$470,508	\$558,510	\$652,875	\$754,061	\$862,561
Cash Flow Plus Principal Reduction:	\$ 589,782	\$ 619,682	\$ 650,728	\$ 682,970	\$ 716,454	\$ 751,234	\$ 787,363	\$ 824,900	\$ 863,903	\$ 904,437	\$ 946,567
Total Return Before Taxes:	98.30%	103.29%	108.46%	113.84%	119.42%	125.21%	131.24%	137.49%	143.99%	150.75%	157.77%

IRR: 96.67%