

### SUMMARY

**Analysis Type: Buying**  
**Property Type: Multi-Family**  
**Address: Columbia Park**  
**Age of Property (Completion Year): 2004**  
**Site Area: 102,802 sq ft**  
**Gross Building Area: 24,960 sq ft**



### PROPERTY INCOME

**Property Annual Income: \$489,600**  
**Property Square Footage: 102,802**  
**Property Vacancy: -**  
**Property Additional Income: \$35,940**

### LOAN & DEBT ANALYSIS

**Loan Amount: \$2,337,500**  
**Down Payment: \$1,912,500**  
**Interest Rate: 7%**  
**Amortization Period: 30 Year**  
**Monthly Payment: \$15,551**  
**Annual Debt Service: \$186,617**  
**Debt Coverage Ratio: 1.25**

### PROPERTY EXPENSES

**Triple Net Lease (NNN)**  
**Property Annual Expenses: \$291,528**

### CASH FLOW ASSUMPTIONS

**Annual Income Growth Rate: 3 %**  
**Annual Expense Growth Rate: 1 %**  
**Cap Rate at Sale: 4.92 %**  
**Cost of Sale: 1.5%**  
**Number of Years: 10**

### PROPERTY VALUE & CAP RATE

**Property Value / Sale Price: \$4,250,000**  
**Property Cap Rate: 5.51%**

### 10 YEAR CASH FLOW ANALYSIS

**Potential Income: \$489,600**  
**Vacancy Rate: -**  
**Cash on Cash Return (Return on Equity): 2.48%**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
<b>Effective Gross Income</b> -Growing @ 3%/yr -With a % Vacancy Rate):	\$489,600	\$504,288	\$519,417	\$535,000	\$551,050	\$567,582	\$584,609	\$602,147	\$620,211	\$638,817	\$657,982
<b>Average Rent per Square Foot:</b>	\$4.76	\$4.91	\$5.06	\$5.21	\$5.37	\$5.53	\$5.70	\$5.87	\$6.05	\$6.23	\$6.42
<b>Less Expenses (Growing @ 1%/yr):</b>	(\$ 291,528)	(\$ 294,443)	(\$ 297,387)	(\$ 300,361)	(\$ 303,365)	(\$ 306,399)	(\$ 309,463)	(\$ 312,558)	(\$ 315,684)	(\$ 318,841)	(\$ 322,029)
<b>Net Operating Income (NOI):</b>	\$ 234,012	\$ 245,785	\$ 257,970	\$ 270,579	\$ 283,625	\$ 297,123	\$ 311,086	\$ 325,529	\$ 340,467	\$ 355,916	\$ 371,893
<b>Less Loan Payment 1st Mortgage</b>	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)	(\$186,617)
<b>Net Cash Flow</b>	\$ 11,455	\$ 23,228	\$ 35,413	\$ 48,022	\$ 61,068	\$ 74,566	\$ 88,529	\$ 102,972	\$ 117,910	\$ 133,359	\$ 149,336
<b>Cash on Cash Return (Return on Equity):</b>	0.60%	1.21%	1.85%	2.51%	3.19%	3.90%	4.63%	5.38%	6.17%	6.97%	7.81%
<b>Principal Reduction:</b>	\$21,334	\$22,876	\$24,530	\$26,303	\$28,204	\$30,243	\$32,430	\$34,774	\$37,288	\$39,983	\$42,874
<b>Cumulative Principal Reduction:</b>	\$21,334	\$44,210	\$68,740	\$95,043	\$123,247	\$153,490	\$185,920	\$220,694	\$257,982	\$297,965	\$340,839
<b>Cash Flow Plus Principal Reduction:</b>	\$ 32,789	\$ 46,104	\$ 59,943	\$ 74,325	\$ 89,272	\$ 104,809	\$ 120,959	\$ 137,746	\$ 155,198	\$ 173,342	\$ 192,210
<b>Total Return Before Taxes:</b>	1.71%	2.41%	3.13%	3.89%	4.67%	5.48%	6.32%	7.20%	8.11%	9.06%	10.05%

IRR: 13.63%