

## SUMMARY

**Analysis Type: Buying**  
**Property Type: Multi-Family**  
**Address: Market St- Kokomo, IN**

## PROPERTY INCOME

**Property Annual Income: \$67,200**  
**Property Square Footage: -**  
**Property Vacancy: 2%**  
**Property Additional Income: -**

## LOAN & DEBT ANALYSIS

**Loan Amount: \$350,000**  
**Down Payment: \$150,000**  
**Interest Rate: 7%**  
**Amortization Period: 20 Year**  
**Monthly Payment: \$2,714**  
**Annual Debt Service: \$32,563**  
**Debt Coverage Ratio: 1.21**

## PROPERTY EXPENSES

**Triple Net Lease (NNN)**  
**Property Annual Expenses: \$26,328**

## CASH FLOW ASSUMPTIONS

**Annual Income Growth Rate: 2 %**  
**Annual Expense Growth Rate: 2 %**  
**Cap Rate at Sale: 8 %**  
**Cost of Sale: 5%**  
**Number of Years: 10**

## PROPERTY VALUE & CAP RATE

**Property Value / Sale Price: \$500,000**  
**Property Cap Rate: 7.91%**

## 10 YEAR CASH FLOW ANALYSIS

**Potential Income: \$67,200**  
**Vacancy Rate: 2%**  
**Cash on Cash Return (Return on Equity): 4.64%**

# Income Analysis

Market St- Kokomo, IN

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
<b>Effective Gross Income</b> -Growing @ 2%/yr -With a 2% Vacancy Rate:	\$65,856	\$67,173	\$68,517	\$69,887	\$71,284	\$72,710	\$74,164	\$75,648	\$77,161	\$78,705	\$80,279
<b>Average Rent per Square Foot:</b>											
<b>Less Expenses (Growing @ 2%/yr):</b>	(\$ 26,328)	(\$ 26,855)	(\$ 27,392)	(\$ 27,940)	(\$ 28,499)	(\$ 29,069)	(\$ 29,650)	(\$ 30,243)	(\$ 30,848)	(\$ 31,465)	(\$ 32,094)
<b>Net Operating Income (NOI):</b>	\$ 39,528	\$ 40,318	\$ 41,125	\$ 41,947	\$ 42,785	\$ 43,641	\$ 44,514	\$ 45,405	\$ 46,313	\$ 47,240	\$ 48,185
<b>Less Loan Payment 1st Mortgage</b>	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)	(\$32,563)
<b>Net Cash Flow</b>	\$ 6,965	\$ 7,756	\$ 8,562	\$ 9,384	\$ 10,223	\$ 11,079	\$ 11,952	\$ 12,843	\$ 13,751	\$ 14,677	\$ 15,622
<b>Cash on Cash Return (Return on Equity):</b>	4.64%	5.17%	5.71%	6.26%	6.82%	7.39%	7.97%	8.56%	9.17%	9.78%	10.41%
<b>Principal Reduction:</b>	\$8,326	\$8,928	\$9,574	\$10,266	\$11,008	\$11,804	\$12,657	\$13,572	\$14,553	\$15,605	\$16,733
<b>Cumulative Principal Reduction:</b>	\$8,326	\$17,255	\$26,828	\$37,094	\$48,102	\$59,905	\$72,562	\$86,134	\$100,687	\$116,292	\$133,025
<b>Cash Flow Plus Principal Reduction:</b>	\$ 15,291	\$ 16,684	\$ 18,136	\$ 19,650	\$ 21,231	\$ 22,883	\$ 24,609	\$ 26,415	\$ 28,304	\$ 30,282	\$ 32,355
<b>Total Return Before Taxes:</b>	10.19%	11.12%	12.09%	13.10%	14.15%	15.26%	16.41%	17.61%	18.87%	20.19%	21.57%

IRR: 18.71%