

SUMMARY

Analysis Type: Build
Property Type: Mixed-Use
Address: Vila E Sharafat
Age of Property (Completion Year): Proposed
Site Area: 500 sq ft
Gross Building Area: 520 sq ft



PROPERTY INCOME

Property Annual Income: \$60,000
Property Square Footage: 500
Property Vacancy: 5%
Property Additional Income: \$12,000

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$6,000

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$1,000,000
Property Cap Rate: 6.30%

LOAN & DEBT ANALYSIS

Loan Amount: \$998,582
Down Payment: \$1,418
Interest Rate: 5%
Amortization Period: 10 Year
Monthly Payment: \$10,592

Annual Income Growth Rate: 5 %

Annual Expense Growth Rate: 5 %

Cap Rate at Sale: 2 %

Cost of Sale: 2%

Number of Years: 7

Income Analysis

Vila E Sharafat

Report courtesy of Buy It, Rent It, Profit

7 YEAR CASH FLOW ANALYSIS

Potential Income: \$60,000

Vacancy Rate: 5%

Cash on Cash Return (Return on Equity): -

4520.32%

Annual Debt Service: \$127,098

Debt Coverage Ratio: 0.50

Construction Overview

10/SF » \$5,000

\$100

Income Analysis

Vila E Sharafat

Site Work: \$100

Report courtesy of Buy It, Rent It, Profit

Construction Hard Cost: 5/SF » \$2,500

Construction Hard Cost Sales Tax: 50.00% » \$1,250

Signage \$100

Architectural \$100

Civil/Survey/Geo \$

Other Fees/Building Permit \$100

Accountant \$100

Project Manager \$100

Legal Fees \$

Appraisal \$

Total Construction Costs (including Land Costs): **\$9,450**

Total Development Budget with Land: **\$0**

Total Development Budget without Land: **\$0**

Contingency (without Land Costs): **\$223**

Total Cost with Land & Contingency: **\$9,673**

Implied Equity: **\$990,550**

Owner's Equity Contribution: **\$1,418**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Effective Gross Income -Growing @ 5%/yr -With a 5% Vacancy Rate):	\$57,000	\$59,850	\$62,843	\$65,985	\$69,284	\$72,749	\$76,387	\$80,206
Average Rent per Square Foot:	\$114.00	\$119.70	\$125.69	\$131.97	\$138.57	\$145.50	\$152.78	\$160.42
Less Expenses (Growing @ 5%/yr):	(\$ 6,000)	(\$ 6,300)	(\$ 6,615)	(\$ 6,946)	(\$ 7,293)	(\$ 7,658)	(\$ 8,041)	(\$ 8,443)
Net Operating Income (NOI):	\$ 63,000	\$ 65,550	\$ 68,228	\$ 71,039	\$ 73,991	\$ 77,091	\$ 80,346	\$ 83,763
Less Loan Payment 1st Mortgage	(\$127,098)	(\$127,098)	(\$127,098)	(\$127,098)	(\$127,098)	(\$127,098)	(\$127,098)	(\$127,098)
Net Cash Flow	\$ -76,098	\$ -73,548	\$ -70,871	\$ -68,059	\$ -65,107	\$ -62,007	\$ -58,752	\$ -55,335
Cash on Cash Return (Return on Equity):	-5,366.57%	-5,186.74%	-4,997.95%	-4,799.65%	-4,591.47%	-4,372.85%	-4,143.30%	-3,902.33%
Principal Reduction:	\$78,962	\$83,002	\$87,249	\$91,713	\$96,405	\$101,337	\$106,522	\$111,971
Cumulative Principal Reduction:	\$78,962	\$161,964	\$249,213	\$340,926	\$437,330	\$538,667	\$645,189	\$757,160
Cash Flow Plus Principal Reduction:	\$ 2,864	\$ 9,454	\$ 16,378	\$ 23,654	\$ 31,298	\$ 39,330	\$ 47,770	\$ 56,636
Total Return Before Taxes:	201.97%	666.71%	1,155.01%	1,668.12%	2,207.19%	2,773.62%	3,368.83%	3,994.08%

IRR: 69.87%