

SUMMARY**Analysis Type: Buying****Property Type: Retail****Address: Windhaven****Age of Property (Completion Year): 2026****Site Area: 1,213 sq ft****PROPERTY INCOME****Property Annual Income: \$38,848****Property Square Footage: 1,213****Property Vacancy: -****Property Additional Income: -****LOAN & DEBT ANALYSIS****Loan Amount: \$262,224****Down Payment: \$65,556****Interest Rate: 6.5%****Amortization Period: 30 Year****Monthly Payment: \$1,657****Annual Debt Service: \$19,889****Debt Coverage Ratio: 1.95****PROPERTY EXPENSES****Gross Lease****Property Annual Expenses: \$10****CASH FLOW ASSUMPTIONS****Annual Income Growth Rate: 3 %****Annual Expense Growth Rate: 2 %****Cap Rate at Sale: 10.78 %****Cost of Sale: 2%****Number of Years: 10****PROPERTY VALUE & CAP RATE****Property Value / Sale Price: \$327,780****Property Cap Rate: 11.85%****10 YEAR CASH FLOW ANALYSIS****Potential Income: \$38,848****Vacancy Rate: -****Cash on Cash Return (Return on Equity): 28.90%**

Income Analysis

Windhaven

Report courtesy of Ola van Zyl

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Gross Income	\$38,848	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Vacancy Rate	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Effective Gross Income -Growing @ 3%/yr -With a % Vacancy Rate):	\$38,848	\$40,013	\$41,213	\$42,449	\$43,722	\$45,034	\$46,385	\$47,777	\$49,210	\$50,686	\$52,207
Average Rent per Square Foot:	\$32.03	\$32.99	\$33.98	\$35.00	\$36.05	\$37.13	\$38.24	\$39.39	\$40.57	\$41.79	\$43.04
Less Expenses (Growing @ 2%/yr):	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)	(\$ 10)
Net Operating Income (NOI):	\$ 38,838	\$ 40,003	\$ 41,203	\$ 42,439	\$ 43,712	\$ 45,024	\$ 46,375	\$ 47,767	\$ 49,200	\$ 50,676	\$ 52,197
Less Loan Payment 1st Mortgage	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)	(\$19,889)
Net Cash Flow	\$ 18,949	\$ 20,114	\$ 21,314	\$ 22,550	\$ 23,823	\$ 25,135	\$ 26,486	\$ 27,878	\$ 29,311	\$ 30,787	\$ 32,308
Cash on Cash Return (Return on Equity):	28.91%	30.68%	32.51%	34.40%	36.34%	38.34%	40.40%	42.53%	44.71%	46.96%	49.28%
Principal Reduction:	\$2,931	\$3,127	\$3,337	\$3,560	\$3,799	\$4,053	\$4,324	\$4,614	\$4,923	\$5,253	\$5,604
Cumulative Principal Reduction:	\$2,931	\$6,058	\$9,395	\$12,955	\$16,754	\$20,807	\$25,131	\$29,745	\$34,668	\$39,921	\$45,525
Cash Flow Plus Principal Reduction:	\$ 21,880	\$ 23,241	\$ 24,651	\$ 26,110	\$ 27,622	\$ 29,188	\$ 30,810	\$ 32,492	\$ 34,234	\$ 36,040	\$ 37,912
Total Return Before Taxes:	33.38%	35.45%	37.60%	39.83%	42.13%	44.52%	47.00%	49.56%	52.22%	54.98%	57.83%

IRR: 37.84% (Iterative Method)

36.91% (Newton's Method)

Income Analysis

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Future Value in Year 10

\$484,202

Cost of Sale

\$9,684

Loan Balance

\$222,303