

SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: park view
Age of Property (Completion Year): 1985
Gross Building Area: 28,600 sq ft



PROPERTY INCOME

Property Annual Income: \$592,800
Property Square Footage: -
Property Vacancy: -
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$2,498,716
Down Payment: \$2,498,716
Interest Rate: 7%
Amortization Period: 30 Year
Monthly Payment: \$16,624
Annual Debt Service: \$199,488
Debt Coverage Ratio: 2.31

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$132,336

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 6.03 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$4,997,432
Property Cap Rate: 9.21%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$592,800
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 10.44%

	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 0% Vacancy Rate:	\$592,800	\$610,584	\$628,902	\$647,769	\$667,202	\$687,218	\$707,835	\$729,070	\$750,942	\$773,470	\$796,674
Average Rent per Square Foot:											
Less Expenses (Growing @ 1%/yr):	(\$ 132,336)	(\$ 133,659)	(\$ 134,996)	(\$ 136,346)	(\$ 137,709)	(\$ 139,086)	(\$ 140,477)	(\$ 141,882)	(\$ 143,301)	(\$ 144,734)	(\$ 146,181)
Net Operating Income (NOI):	\$ 460,464	\$ 476,925	\$ 493,906	\$ 511,423	\$ 529,493	\$ 548,132	\$ 567,358	\$ 587,188	\$ 607,641	\$ 628,736	\$ 650,493
Less Loan Payment 1st Mortgage	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)	(\$199,488)
Net Cash Flow	\$ 260,976	\$ 277,437	\$ 294,418	\$ 311,935	\$ 330,005	\$ 348,644	\$ 367,870	\$ 387,700	\$ 408,153	\$ 429,248	\$ 451,005
Cash on Cash Return (Return on Equity):	10.44%	11.10%	11.78%	12.48%	13.21%	13.95%	14.72%	15.52%	16.33%	17.18%	18.05%
Principal Reduction:	\$25,382	\$27,217	\$29,185	\$31,294	\$33,557	\$35,982	\$38,584	\$41,373	\$44,364	\$47,571	\$51,010
Cumulative Principal Reduction:	\$25,382	\$52,599	\$81,784	\$113,078	\$146,635	\$182,617	\$221,201	\$262,574	\$306,938	\$354,508	\$405,518
Cash Flow Plus Principal Reduction:	\$ 286,358	\$ 304,654	\$ 323,603	\$ 343,229	\$ 363,562	\$ 384,626	\$ 406,454	\$ 429,073	\$ 452,517	\$ 476,819	\$ 502,015
Total Return Before Taxes:	11.46%	12.19%	12.95%	13.74%	14.55%	15.39%	16.27%	17.17%	18.11%	19.08%	20.09%

IRR: 21.41%