

SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: Bayshore Flats
Age of Property (Completion Year): 1975 49
Site Area: 82,764 sq ft
Gross Building Area: 29,208 sq ft



PROPERTY INCOME

Property Annual Income: \$940,320
Property Square Footage: 82,764
Property Vacancy: -
Property Additional Income: \$63,066

LOAN & DEBT ANALYSIS

Loan Amount: \$5,314,920
Down Payment: \$7,190,774
Interest Rate: 7%
Amortization Period: 30 Year
Monthly Payment: \$35,360
Annual Debt Service: \$424,324
Debt Coverage Ratio: 1.25

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$471,894

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 4.75 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$12,505,694
Property Cap Rate: 4.25%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$940,320
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 1.49%

	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):	\$940,320	\$968,530	\$997,586	\$1,027,514	\$1,058,339	\$1,090,089	\$1,122,792	\$1,156,476	\$1,191,170	\$1,226,905	\$1,263,712
Average Rent per Square Foot:	\$11.36	\$11.70	\$12.05	\$12.41	\$12.78	\$13.16	\$13.55	\$13.96	\$14.38	\$14.81	\$15.25
Less Expenses (Growing @ 1%/yr):	(\$ 471,894)	(\$ 476,613)	(\$ 481,379)	(\$ 486,193)	(\$ 491,055)	(\$ 495,966)	(\$ 500,926)	(\$ 505,935)	(\$ 510,994)	(\$ 516,104)	(\$ 521,265)
Net Operating Income (NOI):	\$ 531,492	\$ 554,983	\$ 579,273	\$ 604,387	\$ 630,350	\$ 657,189	\$ 684,932	\$ 713,607	\$ 743,242	\$ 773,867	\$ 805,513
Less Loan Payment 1st Mortgage	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)	(\$424,324)
Net Cash Flow	\$ 44,102	\$ 67,593	\$ 91,883	\$ 116,997	\$ 142,960	\$ 169,799	\$ 197,542	\$ 226,217	\$ 255,852	\$ 286,477	\$ 318,123
Cash on Cash Return (Return on Equity):	0.61%	0.94%	1.28%	1.63%	1.99%	2.36%	2.75%	3.15%	3.56%	3.98%	4.42%
Principal Reduction:	\$53,989	\$57,892	\$62,077	\$66,565	\$71,377	\$76,537	\$82,070	\$88,003	\$94,364	\$101,186	\$108,501
Cumulative Principal Reduction:	\$53,989	\$111,882	\$173,959	\$240,524	\$311,901	\$388,438	\$470,508	\$558,510	\$652,875	\$754,061	\$862,561
Cash Flow Plus Principal Reduction:	\$ 98,091	\$ 125,485	\$ 153,960	\$ 183,562	\$ 214,337	\$ 246,336	\$ 279,612	\$ 314,220	\$ 350,216	\$ 387,663	\$ 426,624
Total Return Before Taxes:	1.36%	1.75%	2.14%	2.55%	2.98%	3.43%	3.89%	4.37%	4.87%	5.39%	5.93%

IRR: 7.24%