

Impressario

United States

Purchase Info		
Square Feet		4,223
Purchase Price		\$900,000
Initial Cash Invested		\$921,000
Income Analysis		
	Monthly	Annual
Net Operating Income	\$2,902	\$34,826
Cash Flow	\$2,902	\$34,826
Financial Metrics		
Cap Rate (Purchase Price)		3.9%
Cash on Cash Return (Year 1)		3.8%
Internal Rate of Return (Year 10)		6.0%
Sale Price (Year 10)		\$1,209,525



Purchase Analysis

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Purchase Info	
Purchase Price	\$900,000
+ Buying Costs	\$9,000
+ Initial Improvements	\$12,000
= Initial Cash Invested	\$921,000
Square Feet	4,223
Cost per Square Foot	\$213
Monthly Rent per Square Foot	\$0.94

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	19.0
Operating Expense Ratio	25.8%
Cap Rate (Purchase Price)	3.9%
Cash on Cash Return	3.8%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	1.0%
Income Inflation Rate	3.0%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	\$63,000

Income	Monthly	Annual
Gross Rent	\$3,950	\$47,400
Vacancy Loss	-\$40	-\$474
Operating Income	\$3,910	\$46,926

Expenses (% of Income)	Monthly	Annual
Insurance (3%)	-\$120	-\$1,440
Management Fees (0%)	-\$0	-\$0
Taxes (10%)	-\$403	-\$4,840
Sewer Utilities (1%)	-\$20	-\$240
HOA Association Fees (0%)	-\$0	-\$0
Trash (0%)	-\$15	-\$180
Pool Landscaping (12%)	-\$450	-\$5,400
Operating Expenses (26%)	-\$1,008	-\$12,100

Net Performance	Monthly	Annual
Net Operating Income	\$2,902	\$34,826
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$2,902	\$34,826

Buy and Hold Projection

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Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Gross Rent	\$47,400	\$48,822	\$50,287	\$53,349	\$61,846	\$83,116	\$111,701
Vacancy Loss	-\$474	-\$488	-\$503	-\$533	-\$618	-\$831	-\$1,117
Operating Income	\$46,926	\$48,334	\$49,784	\$52,816	\$61,228	\$82,285	\$110,584

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Insurance	-\$1,440	-\$1,483	-\$1,528	-\$1,621	-\$1,879	-\$2,525	-\$3,393
Management Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Taxes	-\$4,840	-\$4,985	-\$5,135	-\$5,447	-\$6,315	-\$8,487	-\$11,406
Sewer Utilities	-\$240	-\$247	-\$255	-\$270	-\$313	-\$421	-\$566
HOA Association Fees	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Trash	-\$180	-\$185	-\$191	-\$203	-\$235	-\$316	-\$424
Pool Landscaping	-\$5,400	-\$5,562	-\$5,729	-\$6,078	-\$7,046	-\$9,469	-\$12,725
Operating Expenses	-\$12,100	-\$12,463	-\$12,837	-\$13,619	-\$15,788	-\$21,217	-\$28,514

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	\$34,826	\$35,871	\$36,947	\$39,197	\$45,440	\$61,068	\$82,070
- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
= Cash Flow	\$34,826	\$35,871	\$36,947	\$39,197	\$45,440	\$61,068	\$82,070
Cap Rate (Purchase Price)	3.9%	4.0%	4.1%	4.4%	5.0%	6.8%	9.1%
Cap Rate (Market Value)	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
Cash on Cash Return	3.8%	3.9%	4.0%	4.3%	4.9%	6.6%	8.9%
Return on Equity	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	\$927,000	\$954,810	\$983,454	\$1,043,347	\$1,209,525	\$1,625,500	\$2,184,536
- Loan Balance	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
= Equity	\$927,000	\$954,810	\$983,454	\$1,043,347	\$1,209,525	\$1,625,500	\$2,184,536
Potential Cash-Out Refi	\$648,900	\$668,367	\$688,418	\$730,343	\$846,667	\$1,137,850	\$1,529,175

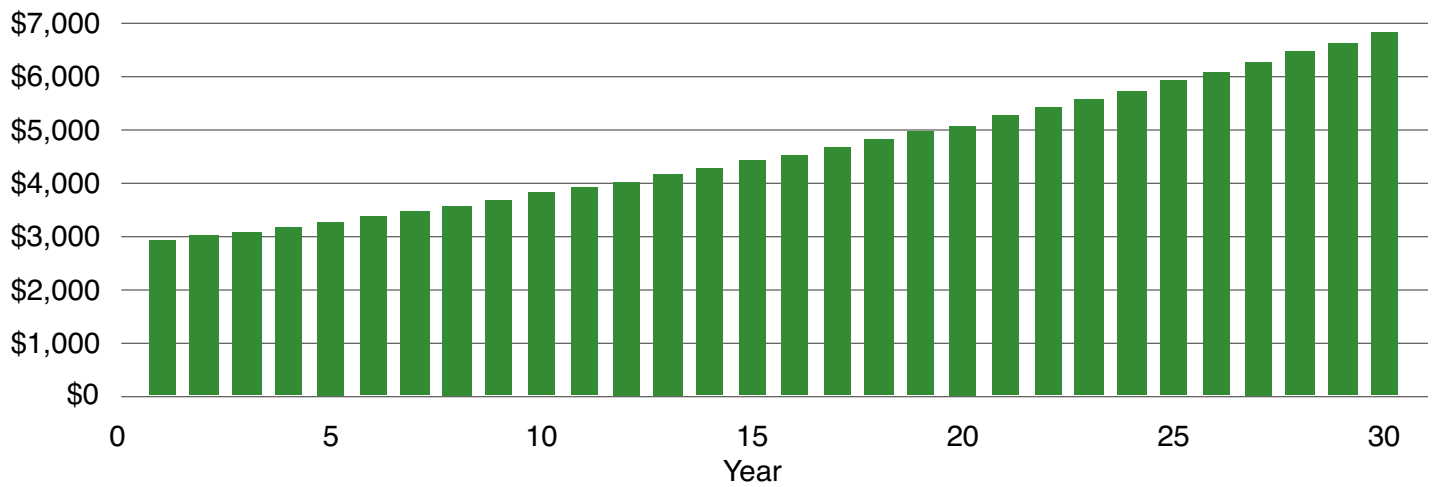
Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	\$927,000	\$954,810	\$983,454	\$1,043,347	\$1,209,525	\$1,625,500	\$2,184,536
- Selling Costs	-\$64,890	-\$66,837	-\$68,842	-\$73,034	-\$84,667	-\$113,785	-\$152,918
= Proceeds After Sale	\$862,110	\$887,973	\$914,612	\$970,312	\$1,124,858	\$1,511,715	\$2,031,619
+ Cumulative Cash Flow	\$34,826	\$70,697	\$107,644	\$184,896	\$399,241	\$935,788	\$1,656,861
- Initial Cash Invested	-\$921,000	-\$921,000	-\$921,000	-\$921,000	-\$921,000	-\$921,000	-\$921,000
= Net Profit	-\$24,064	\$37,670	\$101,256	\$234,208	\$603,099	\$1,526,503	\$2,767,480
Internal Rate of Return	-2.6%	2.1%	3.7%	5.0%	6.0%	6.4%	6.6%
Return on Investment	-3%	4%	11%	25%	65%	166%	300%

Graphs

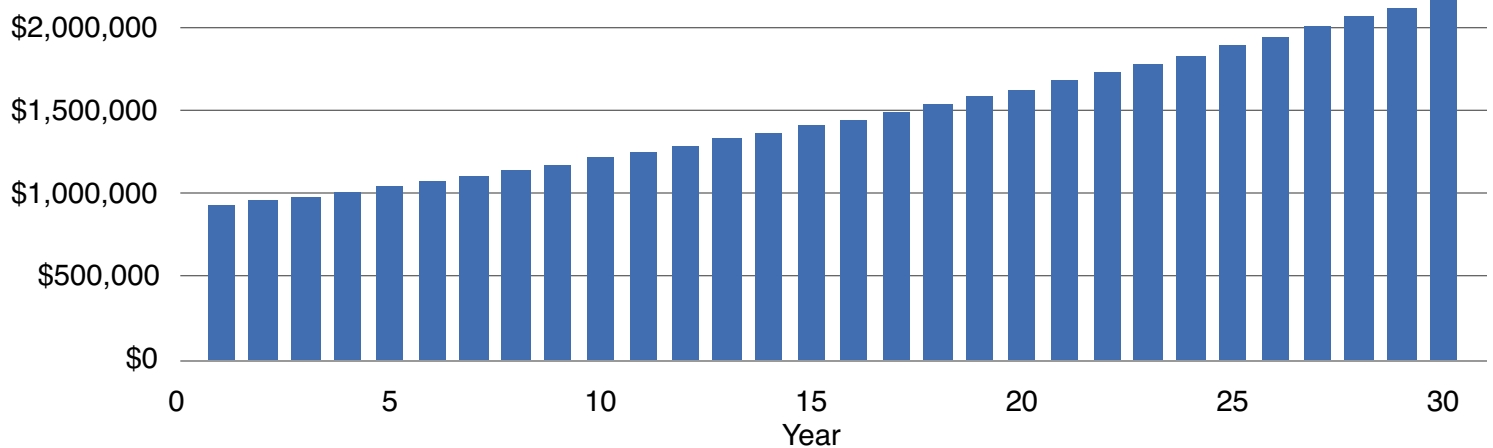
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Monthly Cash Flow



Market Value



Internal Rate of Return (IRR)

