

818 Madison Ave Building

5.3 CAP

0% LTV

Purchase Price	\$ 406.71 /sf	\$2,450,000
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Rent Roll	Rate	Feet	Rents
Annual Gross Income	\$ 34.17 /sf	6,024	\$ 205,849
Annual Operating Expenses	\$ 10.40 /sf		\$62,647

SWAGs

Vacancy Rate	5.00%
Annual Increase to Rents	4.05%
Annual Increase to OpEx	3.00%
Operating Expenses/Direct Expenses	\$ 65,780
Investor's Marginal Tax Rate:	37%
CAP Rate Used at Disposition:	5.30%
Capital Gains Tax at Disposition:	15.00%
Cost of Sale at Disposition:	9.00%



Financing at 0%

Min. DSCR/Max LTV:	1.25	0.00%
Loan Amount:		\$0
Interest rate		7.125%
Amortization period (years)		30
Loan term (years)		10
Loan Costs		1.00%

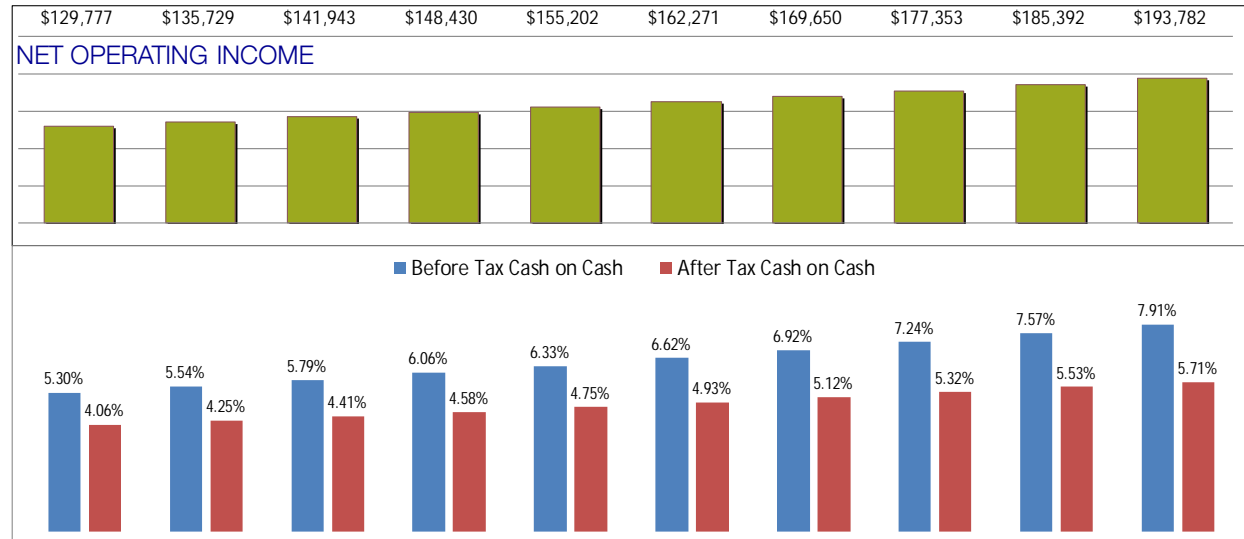


Acquisition Price	\$2,450,000
Plus Loan Costs	0
Minus Mortgages	0
Initial Investment	\$2,450,000

Income	\$205,849
Vacancies	(\$10,292)
Operating Income	\$195,557
Operating Expenses	(\$65,780)
Net Operating Income	\$129,777

Actual DSCR	N/A
Actual LTV	N/A
<u>Actual OpEx as % of Gross</u>	31.96%

Sales Price	\$2,450,000
CAP Rate	5.30%



INVESTMENT CASH FLOW SUMMARY:

Before Tax Cash Flows:

Equity Required:	\$ 2,450,000	Cash on Cash
Year 1	\$129,777	5.3%
Year 2	\$135,729	5.5%
Year 3	\$141,943	5.8%
Year 4	\$148,430	6.1%
Year 5	\$155,202	6.3%
Year 6	\$162,271	6.6%
Year 7	\$169,650	6.9%
Year 8	\$177,353	7.2%
Year 9	\$185,392	7.6%
Year 10	\$193,782	7.9%
Net Proceeds, Sale in Y 10:	\$3,479,840	
Profit:	\$2,629,370	

After Tax Cash Flows:

Equity Required:	\$ 2,450,000
Year 1	\$99,578
Year 2	\$104,103
Year 3	\$108,018
Year 4	\$112,105
Year 5	\$116,371
Year 6	\$120,825
Year 7	\$125,474
Year 8	\$130,326
Year 9	\$135,391
Year 10	\$139,901
Net Proceeds, Sale in Y 10:	\$3,200,778
Profit:	\$1,942,869

Before Tax:

ROI (IRR):	9.1%
Multiple:	2.07 x
1st Year CAP Rate:	5.30%
Effective Tax Rate:	37.00%

After Tax:

ROI (IRR):	7.0%
Multiple:	1.79 x
Effective Tax Rate:	23.08%

