

Property Report



Irvington Investment Sale

216 Orange Ave
Irvington, NJ 07111

Presented by:

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Overview

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Purchase Info

Square Feet (5 Units)	4,231
Purchase Price	\$799,000
Initial Cash Invested	\$255,680

Income Analysis

	Monthly	Annual
Net Operating Income	\$5,074	\$60,882
Cash Flow	\$1,538	\$18,460

Financial Metrics

Cap Rate (Purchase Price)	7.6%
Cash on Cash Return (Year 1)	7.2%
Internal Rate of Return (Year 10)	15.0%
Sale Price (Year 10)	\$1,073,789



Purchase Analysis

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Purchase Info	
Purchase Price	\$799,000
- First Mortgage	-\$559,300
- Second Mortgage	-\$0
= Downpayment	\$239,700
+ Buying Costs	\$15,980
+ Initial Improvements	\$0
= Initial Cash Invested	\$255,680
Square Feet (5 Units)	4,231
Cost per Square Foot	\$189
Monthly Rent per Square Foot	\$1.87
Cost per Unit	\$159,800
Average Monthly Rent per Unit	\$1,583

Mortgages	First	Second
Loan-To-Cost Ratio	70%	0%
Loan-To-Value Ratio	70%	0%
Loan Amount	\$559,300	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	6.5%	
Payment	\$3,535.16	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	8.4
Operating Expense Ratio	32.5%
Debt Coverage Ratio	1.44
Cap Rate (Purchase Price)	7.6%
Cash on Cash Return	7.2%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	5.0%
Income Inflation Rate	3.0%
Expense Inflation Rate	3.0%
LTV for Refinance	70.0%
Selling Costs	\$55,930

Income	Monthly	Annual
Gross Rent	\$7,916	\$94,992
Vacancy Loss	-\$396	-\$4,750
Operating Income	\$7,520	\$90,242

Expenses (% of Income)	Monthly	Annual
Cleaning & Maintenance (4%)	-\$292	-\$3,500
Insurance (8%)	-\$625	-\$7,500
Taxes (20%)	-\$1,500	-\$18,000
Water & Sewer (0%)	-\$30	-\$360
Operating Expenses (33%)	-\$2,447	-\$29,360

Net Performance	Monthly	Annual
Net Operating Income	\$5,074	\$60,882
- Mortgage Payments	-\$3,535	-\$42,422
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$1,538	\$18,460

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	\$94,992	\$97,842	\$100,777	\$106,914	\$123,943	\$166,569	\$223,855
Vacancy Loss	-\$4,750	-\$4,892	-\$5,039	-\$5,346	-\$6,197	-\$8,328	-\$11,193
Operating Income	\$90,242	\$92,950	\$95,738	\$101,569	\$117,746	\$158,241	\$212,662

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Cleaning & Maintenance	-\$3,500	-\$3,605	-\$3,713	-\$3,939	-\$4,567	-\$6,137	-\$8,248
Insurance	-\$7,500	-\$7,725	-\$7,957	-\$8,441	-\$9,786	-\$13,151	-\$17,674
Taxes	-\$18,000	-\$18,540	-\$19,096	-\$20,259	-\$23,486	-\$31,563	-\$42,418
Water & Sewer	-\$360	-\$371	-\$382	-\$405	-\$470	-\$631	-\$848
Operating Expenses	-\$29,360	-\$30,241	-\$31,148	-\$33,045	-\$38,308	-\$51,483	-\$69,189

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	\$60,882	\$62,709	\$64,590	\$68,524	\$79,438	\$106,758	\$143,473
- Mortgage Payments	-\$42,422	-\$42,422	-\$42,422	-\$42,422	-\$42,422	-\$42,422	-\$42,418
- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
= Cash Flow	\$18,460	\$20,287	\$22,168	\$26,102	\$37,016	\$64,336	\$101,055
Cap Rate (Purchase Price)	7.6%	7.8%	8.1%	8.6%	9.9%	13.4%	18.0%
Cap Rate (Market Value)	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%
Cash on Cash Return	7.2%	7.9%	8.7%	10.2%	14.5%	25.2%	39.5%
Return on Equity	6.8%	6.7%	6.6%	6.5%	6.2%	5.7%	5.2%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	\$822,970	\$847,659	\$873,089	\$926,260	\$1,073,789	\$1,443,083	\$1,939,383
- Loan Balance	-\$553,049	-\$546,378	-\$539,262	-\$523,566	-\$474,152	-\$311,334	-\$0
= Equity	\$269,921	\$301,281	\$333,827	\$402,694	\$599,637	\$1,131,749	\$1,939,383
Loan-to-Value Ratio	67.2%	64.5%	61.8%	56.5%	44.2%	21.6%	0.0%
Potential Cash-Out Refi	\$23,030	\$46,983	\$71,901	\$124,816	\$277,500	\$698,824	\$1,357,568

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	\$269,921	\$301,281	\$333,827	\$402,694	\$599,637	\$1,131,749	\$1,939,383
- Selling Costs	-\$57,608	-\$59,336	-\$61,116	-\$64,838	-\$75,165	-\$101,016	-\$135,757
= Proceeds After Sale	\$212,314	\$241,945	\$272,711	\$337,856	\$524,472	\$1,030,733	\$1,803,626
+ Cumulative Cash Flow	\$18,460	\$38,747	\$60,916	\$111,123	\$273,729	\$787,494	\$1,623,852
- Initial Cash Invested	-\$255,680	-\$255,680	-\$255,680	-\$255,680	-\$255,680	-\$255,680	-\$255,680
= Net Profit	-\$24,906	\$25,012	\$77,947	\$193,299	\$542,521	\$1,562,547	\$3,171,798
Internal Rate of Return	-9.7%	4.9%	9.9%	13.4%	15.0%	14.7%	14.3%
Return on Investment	-10%	10%	30%	76%	212%	611%	1,241%

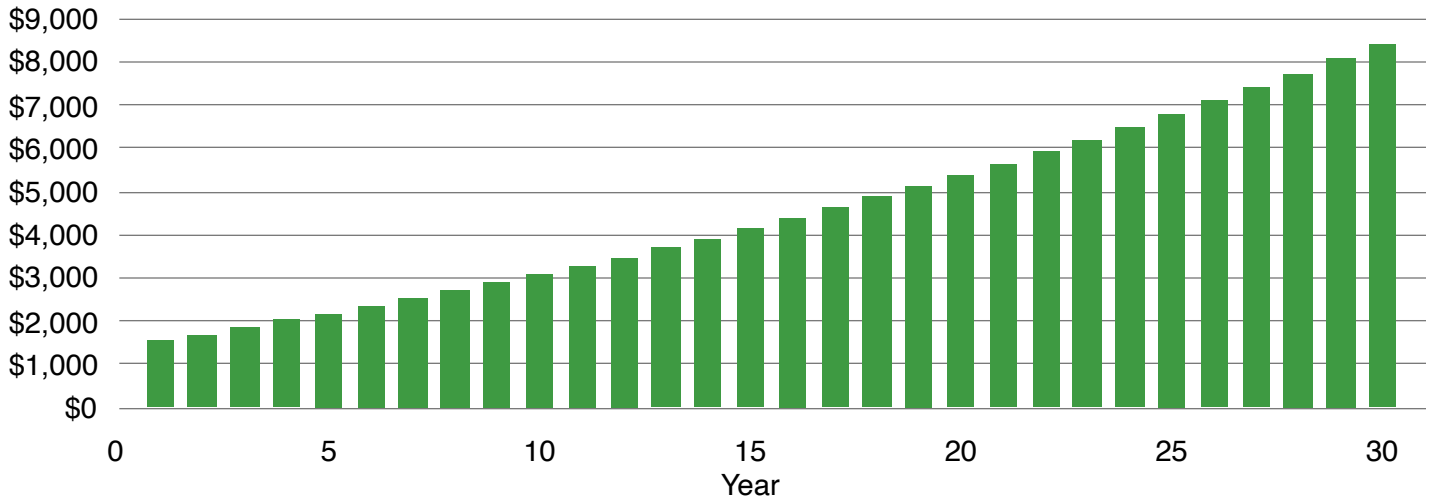
Graphs

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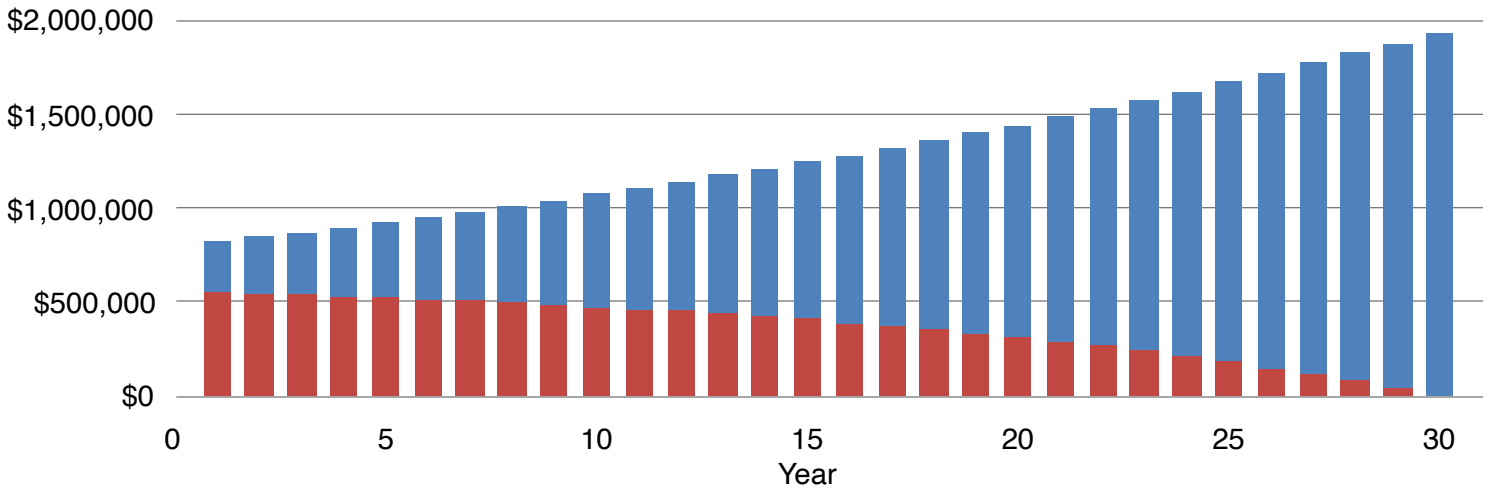


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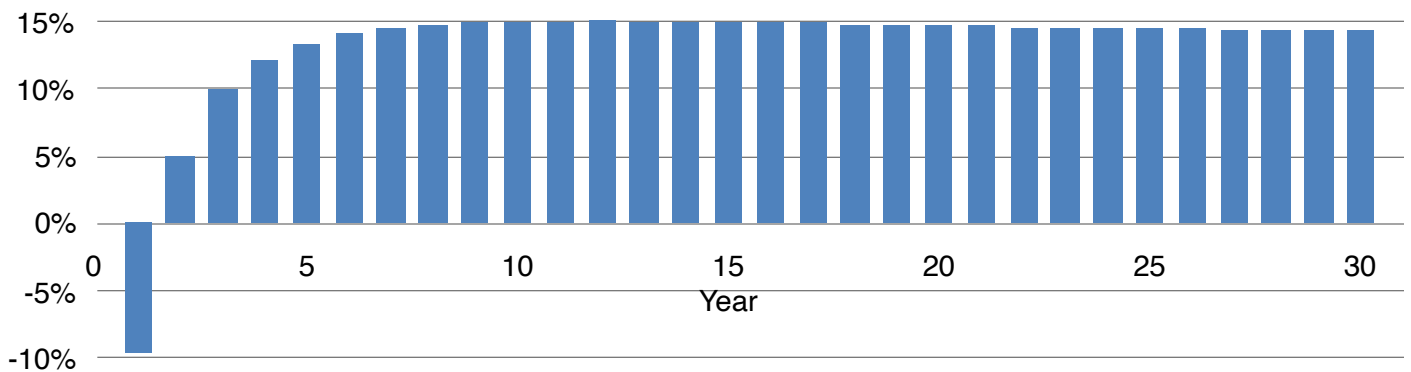
Monthly Cash Flow



■ Loan Balance + ■ Equity = Market Value



Internal Rate of Return (IRR)



Rent Roll

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Unit Description	Square Feet	Units of This Type	Rent (Per Unit)
Unit #1 (Grocery Store)	877	1	\$1,350 Per Month
Unit #2 (Bill Pay Store)	877	1	\$1,200 Per Month
Unit #3 (Barbership)	877	1	\$1,650 Per Month
Unit #4 (1 BR / 1 FBTH)	800	1	\$1,761 Per Month
Unit #5 (2BR / 1BTH)	800	1	\$1,955 Per Month
Totals for Year 1			
Total Number of Units			5
Total Area (Sum of Units)			4,231 Square Feet
Total Rent (Sum of Units)			\$7,916 Per Month, \$94,992 Per Year