

1101 Queen St, Alexandria, VA 22314 - Analysis for

Unlevered & Levered Analysis



UNLEVERED SUMMARY

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Net Operating Income	\$183,000	\$187,575	\$192,264	\$197,071	\$201,998	\$207,048	\$212,224	\$217,529	\$222,968	\$228,542	\$234,255
Cash Flow Before Debt Service	\$183,000	\$187,575	\$192,264	\$197,071	\$201,998	\$207,048	\$212,224	\$217,529	\$222,968	\$228,542	\$234,255
Cap Rate	7.04%	7.29%	7.54%	7.79%	8.04%	8.29%	8.54%	8.79%	9.04%	9.29%	9.29%
Gross Valuation	\$0	\$2,573,588	\$2,550,446	\$2,530,294	\$2,512,891	\$2,498,023	\$2,485,505	\$2,475,171	\$2,466,877	\$2,460,493	\$2,522,005
Unlevered Income Return	7.04%	7.21%	7.39%	7.58%	7.77%	7.96%	8.16%	8.37%	8.58%	8.79%	9.01%
Unlevered Cash Return	7.04%	7.21%	7.39%	7.58%	7.77%	7.96%	8.16%	8.37%	8.58%	8.79%	9.01%
Unlevered IRR		6.85%	6.84%	6.92%	7.03%	7.15%	7.28%	7.41%	7.54%	7.66%	7.94%

PURCHASE

Square Footage: RSF

Purchase price:

\$382 Per RSF

CASH FLOWS

Occupancy :

Year 1 NOI: **\$183,000**

Year 1 Cap Rate: **7.04%**

SALE

Holding period:

Sale Year NOI: **\$228,542**

Forward Year NOI: **\$234,255**

Sale Cap Rate :

Sale Capitalization NOI:

Sale Valuation: **\$2,460,493** | **\$362/RSF**

UNLEVERED RETURNS

IRR: **7.66%**

Equity Multiple : **1.735x**

Net Cash Flow: **\$1,910,712**

NPV @ : **(\$359,916)**

% NCF from Residual : **54.55%**

LEVERED ANALYSIS

Loan sized by: **Loan To Value**

Amortizing: **Yes**

Loan To Value: **75.00%**

Year 1 DSCR: **1.543x**

Year 1 Debt Yield : **9.38%**

Interest rate :

Principal Remaining at Exit Date: **\$1,561,744**

IRR: **15.14%**

Equity Multiple: **2.713x**

Net Cash Flow: **\$1,113,324**

NPV @ : **\$226,621**

PARTNER EQUITY CONTRIBUTIONS

Sponsor: **100.00%**

PARTNER EQUITY IRR/MULTIPLE

Sponsor: /

Investor: /

Equity Partner: /

SOURCES & USES OF FUNDS

USES OF FUNDS (acquisition only)		
Purchase Price	\$2,600,000	100.00%
Acquisition Costs	\$0	
Loan Fee	\$0	
Total Uses	\$2,600,000	100.00%
SOURCES OF FUNDS (including any deficits)		
Sponsor/Owner Equity	\$650,000	25.00%
Partner Equity	\$0	
Third Party Investor Equity	\$0	
Senior Acquisition Loan	\$1,950,000	75.00%
Total Sources	\$2,600,000	100.00%

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Annual Cash Flow

	Total	Time 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
For the year ending												
Total Reimbursement Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Gross Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Revenue	\$2,484,210	\$0	\$199,000	\$203,975	\$209,074	\$214,301	\$219,659	\$225,150	\$230,779	\$236,548	\$242,462	\$248,524
Total Operating Expenses	\$199,735	\$0	\$16,000	\$16,400	\$16,810	\$17,230	\$17,661	\$18,103	\$18,555	\$19,019	\$19,494	\$19,982
Net Operating Income	\$2,284,474	\$0	\$183,000	\$187,575	\$192,264	\$197,071	\$201,998	\$207,048	\$212,224	\$217,529	\$222,968	\$228,542
Total Leasing & Capital Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Debt Service	\$2,284,474	\$0	\$183,000	\$187,575	\$192,264	\$197,071	\$201,998	\$207,048	\$212,224	\$217,529	\$222,968	\$228,542
Asset Management Fee to Sponsor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Renovation Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
One-Time Fees												
Acquisition Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Broker Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recording Fees/Misc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposition Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total One-Time Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ACQUISITION/DISPOSITION												
Property Purchase Price	(\$2,600,000)	(\$2,600,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisition Transaction Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposition Net Proceeds	\$2,460,493	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,460,493
UNLEVERED CASH FLOW	\$1,910,712	(\$2,600,000)	\$183,000	\$187,575	\$192,264	\$197,071	\$201,998	\$207,048	\$212,224	\$217,529	\$222,968	\$2,689,035
Unlevered IRR : 7.66%												
Unlevered Equity Multiple : 1.735x												
	Total	Time 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Debt Service	(\$1,185,644)	\$0	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)	(\$118,564)
Net Revenue After Debt Service	\$725,068	(\$2,600,000)	\$64,436	\$69,011	\$73,700	\$78,507	\$83,433	\$88,483	\$93,660	\$98,965	\$104,403	\$2,570,470
Financing Cash Flows												
Sponsor Equity incl. Acquisition Loan Fees	(\$650,000)	(\$650,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sponsor Deficit Draw	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Partner Equity incl. Acquisition Loan Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Partner Deficit Draw	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investor Equity incl. Acquisition Loan Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investor Deficit Draw	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Senior Loan Proceeds (at Acquisition)	\$1,950,000	\$1,950,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Senior Loan Repayment (at End of Year)	(\$1,561,744)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,561,744)
LEVERED CASH FLOW	\$1,113,324	(\$650,000)	\$64,436	\$69,011	\$73,700	\$78,507	\$83,433	\$88,483	\$93,660	\$98,965	\$104,403	\$1,008,726
Levered IRR : 15.14%												
Levered Equity Multiple : 2.713x												
Leveraged Yield (Levered Cash Flow/Equity)			9.91%	10.62%	11.34%	12.08%	12.84%	13.61%	14.41%	15.23%	16.06%	16.92%
Debt Coverage Ratio (NOI/Debt Service)			1.543x	1.582x	1.622x	1.662x	1.704x	1.746x	1.790x	1.835x	1.881x	1.928x

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