



NEW HISTORY

AMERICAN LEGION MEMORIAL LIBRARY
 106 THIRD AVENUE NORTH | SOUTH ST. PAUL, MN

OPERATIONAL ANALYSIS					
		ANNUAL (GROSS)			
		\$0/SF	\$12/SF	\$16/SF	\$20/SF
		Phase 1	Phase 2	Phase 3A	Phase 3B
Gross Operating Income		0.00	122,400.00	163,150.00	203,950.00
Gross Scheduled Rent		0.00	128,820.00	171,760.00	214,700.00
Vacancies	5.0%	0.00	6,441.00	8,588.00	10,735.00
Operational Expense		31,000.00	47,050.00	50,900.00	55,250.00
(Operating Expense Ratio)			38.44%	31.20%	27.09%
Advertising					
Grounds (Snow and Lawn)		1,500.00	1,500.00	1,500.00	1,500.00
Cleaning					
Insurance		6,000.00	6,000.00	6,000.00	6,000.00
Property Mgt.	5.00%	0.00	6,441.00	8,588.00	10,735.00
Property Taxes	1.13%	N/A	10,622.00	15,820.00	21,018.00
Water, Sewer					
Trash		500.00	500.00	500.00	500.00
Repairs and Maintenance		10,000.00	10,000.00	7,500.00	5,000.00
Utilities		13,000.00	12,000.00	11,000.00	10,500.00
Miscellaneous					
NET OPERATING INCOME		-31,000.00	75,350.00	112,250.00	148,700.00
TARGETED FAIR MARKET VALUE		589,000.00	940,000.00	1,400,000.00	1,860,000.00
CAP RATE	6.0%		1,255,833.33	1,870,833.33	2,478,333.33
	7.0%		1,076,428.57	1,603,571.43	2,124,285.71
	8.0%	(assumed)	941,875.00	1,403,125.00	1,858,750.00
	9.0%		837,222.22	1,247,222.22	1,652,222.22
MAX DEBT (75% of FMV)		N/A	705,000.00	1,050,000.00	1,395,000.00
Debt Coverage Ratio (Min 1.2)			1.34	1.34	1.34
Break Even Ratio			0.84	0.83	0.82
Annual Mortgage Payments		N/A	-56,284.59	-83,828.11	-111,371.64
Interest Rate (r)	7.0%		0.58%	0.58%	0.58%
Term in Months (n)	360		360.00	360.00	360.00
Amount Borrowed (PV)			705,000.00	1,050,000.00	1,395,000.00
Balloon Payment (FV)			0.00	0.00	0.00
Monthly Payment (D)			-4,690.38	-6,985.68	-9,280.97
			56,300.00	83,850.00	111,350.00
CASH FLOW		-31,000.00	19,050.00	28,400.00	37,350.00
Private Equity (25%)			235,000.00	350,000.00	465,000.00
Cash on Cash (Private Equity)			8.1%	8.1%	8.0%
Property Taxes	1.13%	0.00	10,622.00	15,820.00	21,018.00
City Equity		-31,000.00	388,000.00	1,010,000.00	1,107,250.00
Cash on Cash (Property Taxes)			2.7%	1.6%	1.9%