



**555 East Loockerman St.
Dover, Delaware 19901**

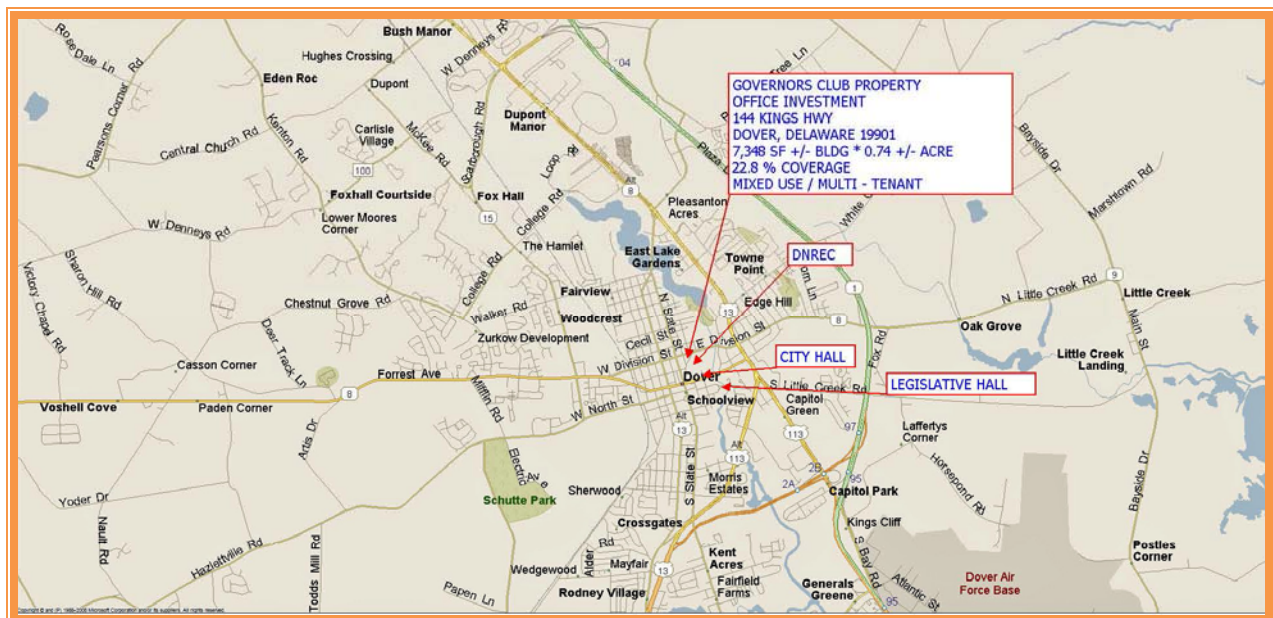
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**GOVERNORS CLUB OFFICE PROPERTY INVESTMENT
144 KINGS HWY * DOVER, KENT COUNTY, DELA 19904
OFFICE FILE # 215244 * MLS # 6671742**



\$820,000 * \$112 +/- PER SQUARE FOOT BUILDING AREA



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Tax Map Identification ED05 - 077.05 - 04 - 40.00

Deed Reference D7490 - 315

Zoning RGO, GROUP RESIDENTIAL & OFFICE

Census Tract 413

Flood Hazard Map 10001C0167H; ZONE AE; May 5, 2003

Land Area			32,234	sq ft +/-	0.740	acres
	Frontage	233.00	ft +/-			
	Depth	308.00	ft +/-			
Building Area			7,348	sq ft +/-		
	Width	70	ft +/-			
	Depth	72	ft +/-			
COVERAGE RATIO			22.80%			
PARKING SPACES		12				
PARKING RATIO			0.49	PER 300 SF BLDG AREA		

City Tax Assessment	Per SF Bldg	Rate	Tax	Per SF Bldg
\$983,800	\$133.89	\$0.405	\$3,984.39	\$0.54

County Tax Assessment	Per SF Bldg	Rate	Tax	Per SF Bldg
\$143,800	\$19.57	\$2.2530	\$3,239.81	\$0.44

TOTAL PROPERTY TAX			\$7,224.20	\$0.98
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FIRST FLOOR PLAN

The first floor plan shows a large central area labeled 'GOVERNORS CAFE 2036 SQUARE FEET'. To the left of this central area is a 'GOV CAFE TAPROOM 388 SQUARE FEET'. To the left of the taproom is a 'GOV CAFE STORAGE 348 SQUARE FEET'. To the right of the central area is a 'STAIR 87 SQ. FT.'. Below the central area is a 'GOVERNORS CAFE PORCH DINING AREA 734 SQUARE FEET'. A dimension line indicates a width of '248 sq ft' for the central area. The plan also shows various corridors and service areas.

GOVERNORS CAFE
2036 SQUARE FEET

GOV CAFE TAPROOM
388 SQUARE FEET

GOV CAFE STORAGE
348 SQUARE FEET

STAIR
87 SQ. FT.

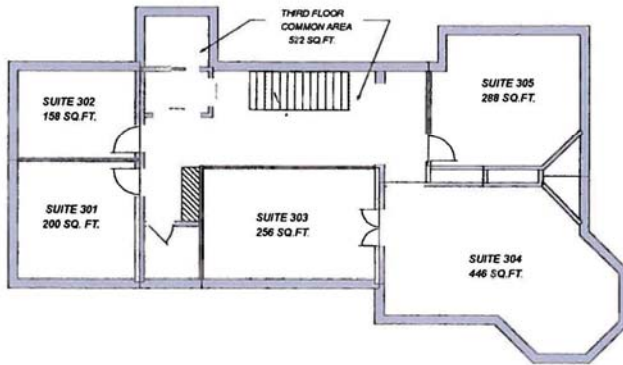
248 sq ft

GOVERNORS CAFE
PORCH DINING AREA
734 SQUARE FEET



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THIRD FLOOR PLAN



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100.00%	purchase price	YEAR #1 \$820,000			AT STABILIZATION \$820,000	
	closing costs	\$65,600	8.00%		\$65,600	8.00%
20.00%	equity	\$164,000			\$164,000	
	cash investment	\$229,600			\$229,600	
	gross rental income	\$116,045	100.00%		\$153,365	100.00%
	vacancy	\$25,164	21.68%		\$7,668	5.00%
	gross operating income	\$90,881	78.32%		\$145,696	95.00%
	operating expenses	\$48,735	42.00%		\$63,970	41.71%
	net operating income	\$42,146	36.32%		\$81,726	53.29%
80.00%	debt amount	\$656,000			\$656,000	
6.81%	annual debt service	\$44,696	5.50%	30 years	\$44,696	
	cash flow before tax	-\$2,551			\$37,030	
	equity dividend rate	-1.1%	pre-tax		16.1%	pre-tax
	tax liability/(savings)	\$2,500	39.6%	marginal tax rate	\$10,235	39.6%
	cash flow after tax	-\$5,050			\$26,795	
	equity dividend rate	-2.2%	after-tax		11.7%	after-tax

		<u>Year 0</u>	<u>Year 1</u>	<u>Stabilized</u>
Operating Expense ratio	$\frac{OE}{EGI}$		53.63%	43.91%
debt coverage ratio	$\frac{NOI}{DS}$		0.94	1.83
Net income ratio	$\frac{NOI}{EGI}$		46.37%	56.09%
Equity dividend rate	$\frac{BTCF}{initial\ equity}$		-1.11%	16.13%
Implied cap rate at purchase	$\frac{NOI}{purchase\ price}$	4.76%		9.23%
Break point	$\frac{OE+DS}{EGI}$		102.81%	74.58%
Break-even ratio	$\frac{OE+DS}{PGI}$		80.51%	70.86%

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