



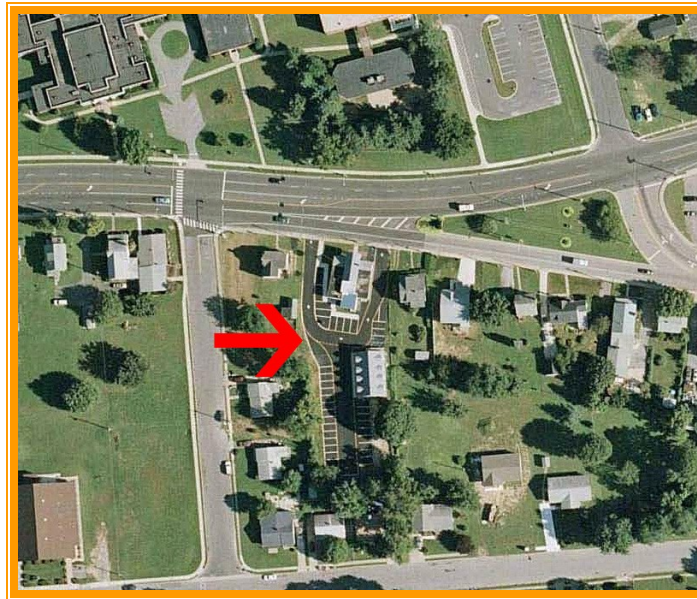
**555 East Lookerman St.
Dover, Delaware 19901**

Phone: 302.736.2710 Fax: 302.736.2715

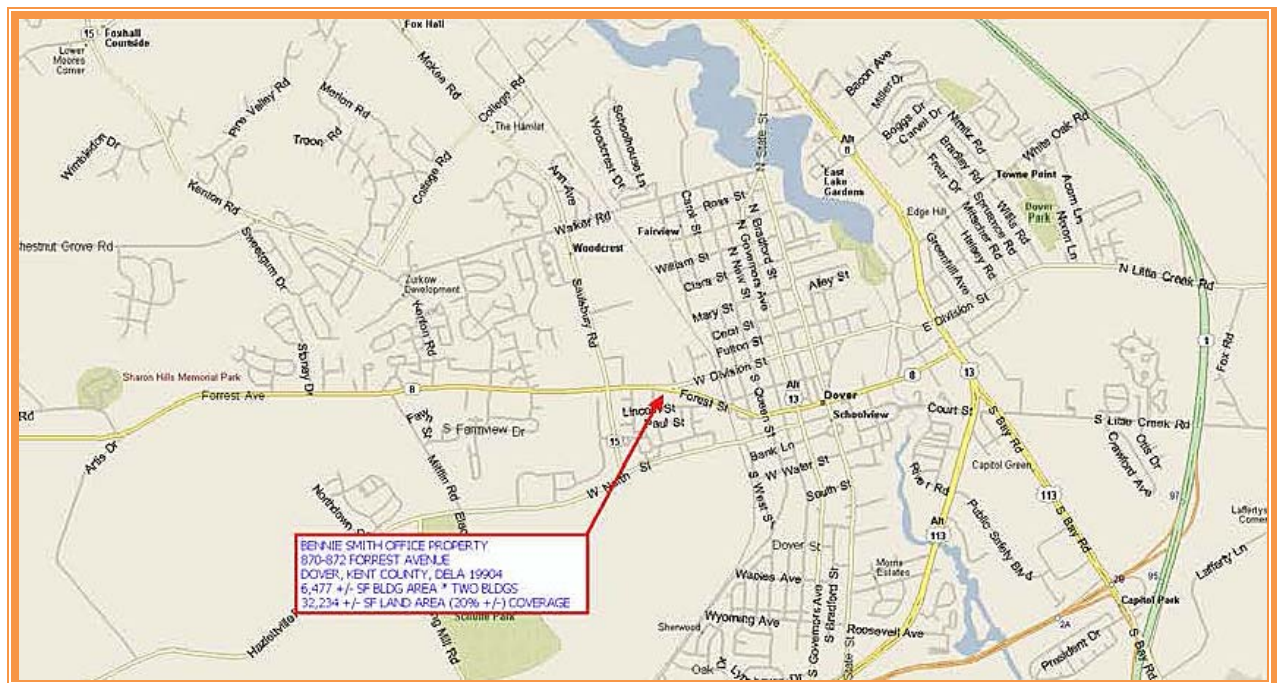
www.mcginnisrealty.com

BENNIE SMITH PROPERTIES

870 - 872 FORREST STREET, DOVER, KENT COUNTY, DELAWARE 19904
OFFICE FILE #29063 * MLS #6760618



SALE PRICE \$ 395,000 * 10.2 % CAP RATE * \$61 PSF BLDG AREA



**ALL INFORMATION SUBMITTED SUBJECT TO ERRORS AND MODIFICATIONS. ALL INFORMATION
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Tax Map Identification ED05-076.12-01-08.00

Deed Reference D429 - 326

Zoning C1-A, Limited Commercial Zone, City of Dover

Land Area 32,552 sq ft +/- 0.747 acre

Frontage 118.32 ft +/-

Depth 307.41 ft +/-

Bldg Area (sq ft) 6,477 sq ft +/-

Coverage Ratio 19.90%

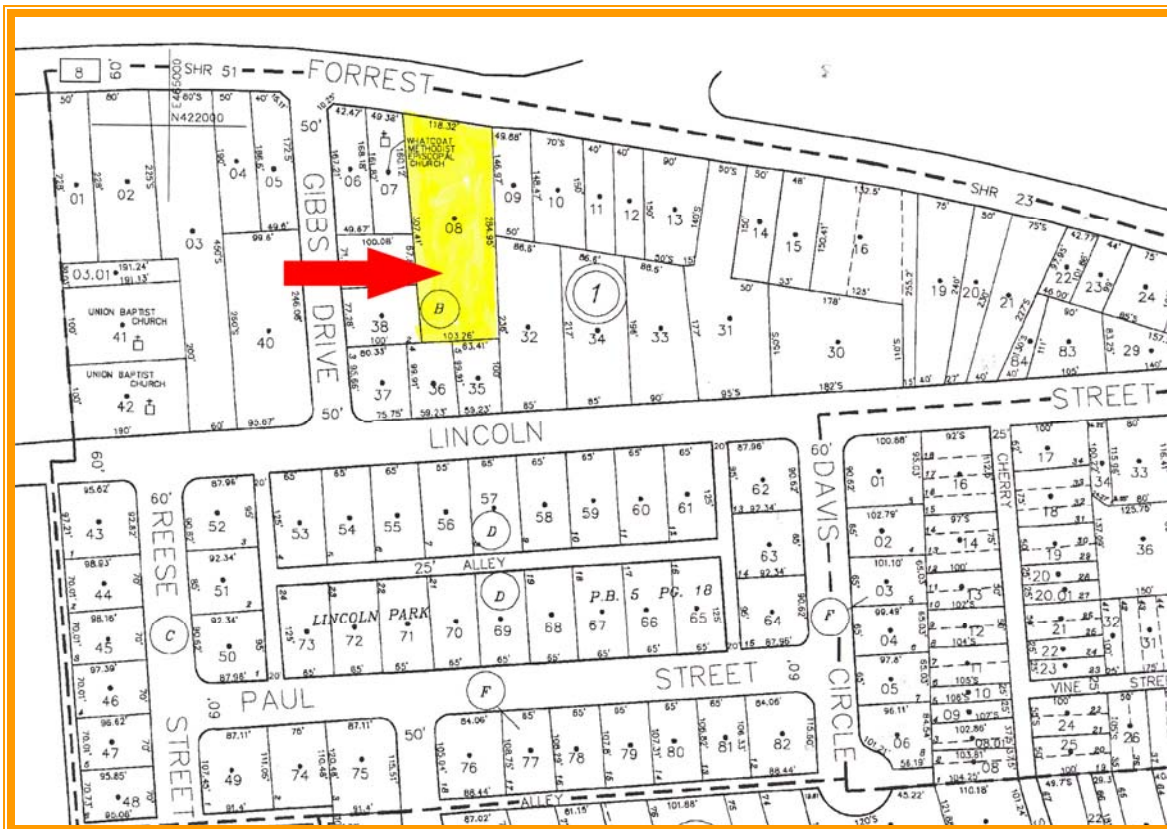
Parking Spaces 34

Parking Ratio 2.62 per 500 sf

City Tax Assessment	Per Sq Ft	Rate	Tax	Per Sq Ft
\$722,800	\$111.59	\$0.405	\$2,927.34	\$0.45

County Tax Assessment	Per Sq Ft	Rate	Tax	Per Sq Ft
\$82,400	\$12.72	\$2.2530	\$1,856.47	\$0.29

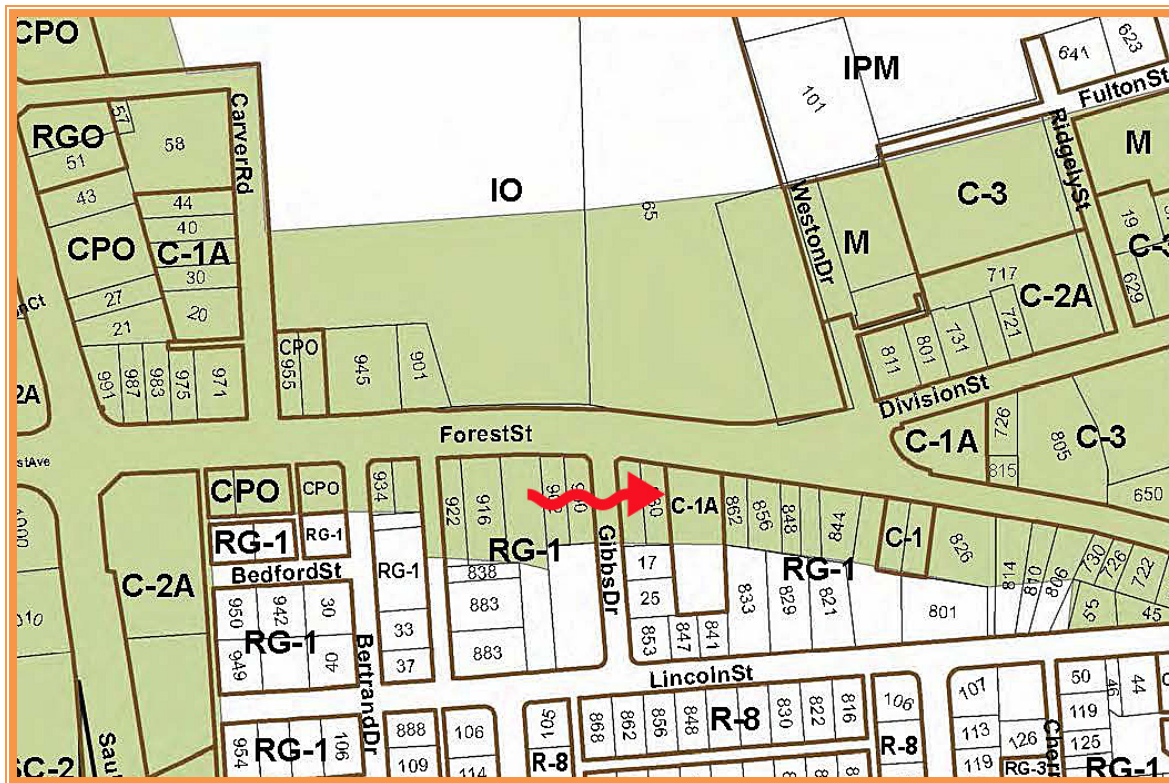
TOTAL PROPERTY TAX \$4,783.81 \$0.74



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TENANT RENT ROLL

Bldg #1		SIZE		START	TERM	END
	Vacant	3,322	51%	1-May-16	3	1-May-19
Bldg #2						
	Cindy's Bright Stars	3,155	49%	1-Oct-12	5	30-Sep-17
TOTAL PROPERTY		6,477	100%			

INCOME PRO FORMA

Bldg #1	SIZE	RENT PSF	RENTAL INCOME	PASS THRU	TOTAL RENT	ANNUAL INCOME
Vacant	3,322	\$7.00	\$23,254	\$1.97	\$8.97	\$29,792
Bldg #2						
Cindy's Bright Stars	3,155	\$9.13	\$28,800	\$1.97	\$11.10	\$35,009
TOTAL PROPERTY	6,477	\$8.04	\$52,054		\$10.00	\$64,801
TOTAL RENTAL INCOME	\$52,054	At stabilized income				
TOTAL PASS THRU INCOME	\$12,747	At stabilized income				

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Building Area		6,477	sq ft +/-
Vacant	\$7.00	\$23,254	
Cindy's Bright Stars	\$9.13	\$28,800	
Pass Thru Collections	\$2.07	\$13,384	
Potential Gross Income	\$8.04	\$65,438	
Vacancy & Credit Loss	5.00%	\$3,272	
Effective Gross Income		\$62,166	
Operating Expenses			
<u>Fixed</u>			
Property Taxes	\$0.74	\$4,784	
Hazard Insurance	\$0.57	\$3,700	
Total Fixed	\$1.31	\$8,484	
<u>Variable</u>			
Utilities	\$0.00	\$0	
Management	7.00%	\$4,352	
General Adminsitrative	\$0.15	\$1,000	
Repairs & Maintenance	\$0.76	\$4,900	
Total Variable	\$1.58	\$10,252	
Reserve For Replacement	\$0.50	\$3,239	
Total Operating Expenses	33.58%	\$21,974	
NET OPERATING INCOME	61.42%	\$40,192	

EXPENSE BUDGET	annual	monthly	PSF	
PROPERTY TAXES	\$4,783.81	\$398.65	\$0.74	FY 2016 actual
INSURANCE	\$3,700.00	\$308.33	\$0.57	2016 BROKER'S ESTIMATE
PARKING MAINTENANCE	\$0.00	\$0.00	\$0.00	Passed Through
UTILITIES	\$0.00	\$0.00	\$0.00	Separate Meters
REPAIRS	\$2,400.00	\$200.00	\$0.37	budget
SNOW	\$1,500.00	\$125.00	\$0.23	budget
GRASS	\$1,000.00	\$83.33	\$0.15	budget
JANITORIAL	\$0.00	\$0.00	\$0.00	Separate Accounts
ELEVATOR	\$0.00	\$0.00	\$0.00	None
TOTAL	\$13,383.81	\$1,115.32	\$2.07	

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Potential Gross Income	\$10.10	\$65,438			
Vacancy & Credit Loss	5.00%	\$3,272			
Effective Gross Income	\$9.60	\$62,166			
Operating Expenses					
<u>Fixed</u>					
Taxes & Insurance	\$1.31	\$8,484			
<u>Variable</u>					
Mgt/Maintenance/Admin	\$1.58	\$10,252			
Reserve For Replacement	\$0.50	\$3,239			
Total Operating Expenses	33.58%	\$3.39	\$21,974		
NET OPERATING INCOME	61.42%	\$6.21	\$40,192		
ASKING PRICE			\$395,000		
CAP RATE			10.18%		
LOAN AMOUNT	80.00%		\$316,000		
EQUITY	20.00%		\$79,000		
Interest Rate	7.00%				
Loan Term	25	Years			
Mortgage Constant	8.4814%	Annual			
Loan Amount			\$316,000	80%	Of Indicated Value
Debt Service	\$4.14		\$26,801	40.96%	Of Potential Gross Income
Debt Coverage Ratio			150%		
Equity			\$79,000	20%	Of Indicated Value
Cash Return			\$13,391	20.46%	Of Potential Gross Income
	yr #1	yr #2	yr #3	yr #4	yr #5
total income	\$65,438	\$67,401	\$69,423	\$71,506	\$73,651
vacancy	\$3,272	\$3,370	\$3,471	\$3,575	\$3,683
gross potential income	\$62,166	\$64,031	\$65,952	\$67,930	\$69,968
total expenses	\$21,974	\$22,633	\$23,312	\$24,012	\$24,732
NOI	\$40,192	\$41,398	\$42,640	\$43,919	\$45,236
debt service	\$26,801	\$26,801	\$26,801	\$26,801	\$26,801
cash flow before tax	\$13,391	\$14,597	\$15,839	\$17,118	\$18,435
cash on cash	17.0%	18.5%	20.0%	21.7%	23.3%

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