

Medical Clinic Development Triple Net

Project Budget

Land	Feet		\$ Per		
100*125		12,500	50.00		625,000
Hard Costs					
Site Work	Units		\$ Per		
Site Preparation		12,500	12		150,000
Buildings	(cost to build out)				
2 floors @ 6,000 ft e		12,000	165		1,980,000
Tenant Allowances					
floors 1 & 2		12,000	30.00		360,000
					<u>3,115,000</u>
Soft Costs					
Real Estate Comm (5&2.5)		5.00%	270,000		13,500
Legal Appraisal Etc		0.75%	3,115,000		23,363
Design		9.00%	3,115,000		280,350
Financing Fees		1.00%	3,115,000		31,150
Interest		3.00%	3,115,000		93,450
Development Fee		7.50%	3,253,100		243,983
					<u>685,795</u>
Total Land & Construction Costs					<u>3,800,795</u>
				cost/foot	\$ 316.73

Revenue

CRU			years 1-5		years 6-10	
Tenant	6,000	\$	22.50	\$	22.50	\$
Tenant	6,000	\$	22.50	\$	25.00	\$
Total	12,000		\$ 270,000.00		\$ 270,000.00	

Appraisal

Net Rental Income		\$	270,000.00		\$	270,000.00
Less Management						
Vacancy	CRU Only	5.00%	6,750			
CAM on Vacancy		5.00%	3,600			
Structural		1.00%	2,700			
Adjusted Rental Income					256,950	
Capitalization Rate		6.50%				
Appraisal					<u>3,953,077</u>	

Mortgage and Equity

Of Costs	0.85	3,230,676
Of Appraised Value	0.70	2,767,154
Equity Required		
Financing on Cost Basis		
75% of lower: Costs or Appraised		3,230,676
Equity		570,119
Pre Sale Profit		-
Cash in		570,119

Cash Flow

Mortgage financing		3,230,676
Interest		4.250%
Debt Service	Yearly	
Years	20	(243,011)
Years	25	(212,302)
Positive Cash Flow after Debt Service		
Years	25	57,698
DSR on 20 Yrs	-	1.21

Doctor Distribution (annually)

Cash on Cash 25 yr am years 1-5
Cash on Cash 25 yr am years 6-10

10.12%
10.12%

Mortgage Ammount outstanding

yr 1	\$	2,974,453.98
yr 2	\$	2,901,186.61
yr 3	\$	2,824,772.29
yr 4	\$	2,745,075.86
yr 5	\$	2,661,956.34
Equity Earned yrs 1-5	\$	568,719.41

30.00%