

# FINANCIAL OVERVIEW | FREEWAY CROSSING



**1031 EXCHANGE  
ELIGIBLE**

Please consult with your tax professional concerning 1031 exchange eligibility.

<b>Freeway Crossing</b>						
Hold Period:	5 Years					
Exit Date:	11/30/29					
Net Rentable Area:	88,647 SF					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
	11/30/25	11/30/26	11/30/27	11/30/28	11/30/29	
<b>Revenues</b>						
Potential Base Rent	\$ 841,598	\$ 855,103	\$ 866,544	\$ 920,880	\$ 947,978	
Absorption & Turnover Vacancy	\$ (93,263)	\$ (93,702)	\$ (64,370)	\$ (44,938)	\$ (37,986)	
Free Rent	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Scheduled Base Rental Revenue</b>	<b>\$ 748,335</b>	<b>\$ 761,401</b>	<b>\$ 802,174</b>	<b>\$ 875,941</b>	<b>\$ 909,993</b>	
+Expense Reimbursement Revenue	\$ 261,346	\$ 269,441	\$ 288,211	\$ 303,736	\$ 315,277	
+Other Revenue	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	
<b>Potential Gross Revenue</b>	<b>\$ 1,011,482</b>	<b>\$ 1,032,642</b>	<b>\$ 1,092,185</b>	<b>\$ 1,181,478</b>	<b>\$ 1,227,070</b>	
-General Vacancy	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Effective Gross Revenue</b>	<b>\$ 1,011,482</b>	<b>\$ 1,032,642</b>	<b>\$ 1,092,185</b>	<b>\$ 1,181,478</b>	<b>\$ 1,227,070</b>	
<b>Operating Expenses</b>						
- CAM	\$ 133,827	\$ 137,447	\$ 139,800	\$ 143,311	\$ 147,083	
- Insurance	\$ 39,836	\$ 41,031	\$ 42,262	\$ 43,530	\$ 44,836	
- Property Taxes	\$ 99,421	\$ 102,404	\$ 105,476	\$ 108,640	\$ 111,899	
- Property Management Fee	\$ 49,653	\$ 50,696	\$ 53,635	\$ 58,028	\$ 60,266	
<b>Total Operating Expenses</b>	<b>\$ 322,738</b>	<b>\$ 331,578</b>	<b>\$ 341,173</b>	<b>\$ 353,509</b>	<b>\$ 364,083</b>	
<b>Net Operating Income</b>	<b>\$ 688,744</b>	<b>\$ 701,064</b>	<b>\$ 751,012</b>	<b>\$ 827,969</b>	<b>\$ 862,986</b>	
<b>Administrative Expenses</b>						
-General and Administrative Expenses	\$ 42,544	\$ 42,931	\$ 42,860	\$ 42,971	\$ 43,510	
-Asset Management Fee	\$ 11,943	\$ 12,096	\$ 12,494	\$ 13,295	\$ 15,252	
<b>Capital Expenses</b>						
-Tenant Improvements	\$ -	\$ 238,350	\$ 97,500	\$ 182,283	\$ 2,110	
-Leasing Commissions	\$ 281	\$ 8,970	\$ 16,250	\$ 19,464	\$ 5,777	
-Capital Improvements	\$ 606,900	\$ -	\$ -	\$ -	\$ -	
<b>Debt &amp; Reserves</b>						
-Lender Required Reserve	\$ 17,729	\$ 17,729	\$ 66,485	\$ 115,241	\$ 115,241	
+Release of Reserves	\$ (607,181)	\$ (247,320)	\$ (162,505)	\$ (299,259)	\$ (105,399)	
<b>Total Capital, Debt and Admin Costs</b>	<b>\$ 72,216</b>	<b>\$ 72,756</b>	<b>\$ 73,084</b>	<b>\$ 73,995</b>	<b>\$ 76,491</b>	
<b>Cash Flow Before Debt Service</b>	<b>\$ 616,528</b>	<b>\$ 628,307</b>	<b>\$ 677,928</b>	<b>\$ 753,974</b>	<b>\$ 786,495</b>	
<b>Debt Service</b>	<b>\$ 369,189</b>	<b>\$ 369,189</b>	<b>\$ 369,189</b>	<b>\$ 369,189</b>	<b>\$ 369,189</b>	
<b>Net Distributable Cash Flow</b>	<b>\$ 247,339</b>	<b>\$ 259,118</b>	<b>\$ 308,739</b>	<b>\$ 384,785</b>	<b>\$ 417,306</b>	
<b>Targeted Cash on Cash Returns</b>	<b>4.4%</b>	<b>4.7%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>7.5%</b>	
<b>Targeted Average Cash on Cash Return</b>	<b>5.8%</b>					

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