

114 EAST 25TH ST

114 EAST 25TH STREET
66-EXTENDED STAY RESIDENCES & RETAIL

Summary - 114 East 25th St

Description	
Property Name	114 East 25th St
Asset Type	Commercial
Market	New York, NY
Gross Sq Ft	42,048

INVESTMENT RESULTS	Levered
XIRR of Required Equity	39.62%
Net Profit	33,614,095
Equity	22,344,434
Multiple	2.50 x

USES	Amount	%	psf
Purchase Price	36,500,000	57.2%	868.06
Hard Costs	18,921,600	29.6%	450.00
Soft Costs	1,261,440	2.0%	30.00
Transaction Costs	2,074,840	3.2%	49.34
Interest Reserve	5,083,359	8.0%	120.89
Total Uses	63,841,239	100.0%	

SOURCES	Amount	%	psf
Aquisition Loan	41,496,805	65.0%	986.89
Equity	22,344,434	35.0%	531.40
Total Sources	63,841,239	100.0%	

AQUISITION LOAN ASSUMPTIONS		LTC	psf
Loan Amount	41,496,805	65.0%	986.89
Closing Date	01-Aug-14		
I. Rate - Type	Fixed		
I/O - Period	21		
I/O - Rate	7.00%		

Planning Period	6 months
Approval Period	3 months
Buildout Period	12 months
Operational Period	12 months

Commercial Lease	5/1/16	Commercial Lease 3-Months of Free Rent
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	Operational Yr Investment Year Begins	8/1/14	8/1/15	5/1/16	Total
INCOME					
Development					
Annual Rent Growth	3.0%				
Commercial Space (monthly per unit)	20,833.33	0	0	187,500	187,500
66-Extended Stay Residences (monthly per unit)	10,000.00	0	0	7,920,000	7,920,000
Vacancy Rate	15.0%	0	0	-1,188,000	-1,188,000
Effective Gross Income		0	0	6,919,500	6,919,500
EXPENSES					
Operating Expenses (30% of EGI) or \$85 per unit per day					
Daily Room Turn Over	50.00	0	0	-1,204,500	-1,204,500
FFE Replacement	15.00	0	0	-361,350	-361,350
Utilities	5.00	0	0	-120,450	-120,450
Customer Aquisition	5.00	0	0	-120,450	-120,450
Operations	10.00	0	0	-240,900	-240,900
Total Expenses		0	0	-2,047,650	-2,047,650
Expense Margin				-29.59%	-29.59%
NET OPERATING INCOME		0	0	4,871,850	4,871,850
TOTAL FINANCING					
Aquisition Loan		41,496,805	0	0	41,496,805
Equity		22,344,434	0	0	22,344,434
Total Financing		63,841,239	0	0	63,841,239
TOTAL COSTS					
Purchase Price		-36,500,000	0	0	-36,500,000
Hard Costs		-18,921,600	0	0	-18,921,600
Soft Costs		-1,261,440	0	0	-1,261,440
Transaction Costs		-2,074,840	0	0	-2,074,840
Total Costs		-58,757,880	0	0	-58,757,880
DEBT					
Principal Balance		-41,496,805	-41,496,805	0	0
Interest Reserve		-5,083,359	0	0	-5,083,359
Interest Pmts		0	0	-2,904,776	-2,904,776
Payoff		0	0	-41,496,805	-41,496,805
Ending Balance		-5,083,359	0	-44,401,582	-49,484,940
SALE OF BUILDING					
Sale of Building (5 cap)		0	0	97,437,000	97,437,000
Sale Closing Costs (2%)		0	0	-1,948,740	-1,948,740
Net Sale		0	0	95,488,260	95,488,260
Annual Pre-Tax Profit		0	0	55,958,528	55,958,528
Return of Equity		0	0	-22,344,434	-22,344,434
Net Profit		0	0	33,614,095	33,614,095

Sensitivity Table					
		XIRR	Net Profit	Multiple	
Current	5.0%	49.43%	45,101,226	3.02 x	
Vacancy Rate	7.5%	47.08%	42,229,443	2.89 x	
	15.0%	10.0%	44.67%	39,357,661	2.76 x
		12.5%	42.18%	36,485,878	2.63 x
Toggle	15.0%	15.0%	39.62%	33,614,095	2.50 x
	2.5%	17.5%	36.97%	30,742,312	2.38 x
		20.0%	34.23%	27,870,529	2.25 x
		22.5%	31.39%	24,998,746	2.12 x
		25.0%	28.43%	22,126,963	1.99 x

