

Budget Artists in Real Estate  
Interchange Artist Grant

6/3/2019

Income	Item	Value
	Interchange Artist Grant	\$ 20,000.00
	Partnership Investment	\$ 70,535.00
	Loan	\$ 320,000.00
<b>Total Income</b>		<b>\$ 410,535.00</b>

Expense	Category	Item	Quantity	Value	Total Value	Money from Grant
	Monthly Meetings					
		Food	12	\$ 125.00	\$ 1,500.00	\$ 1,500.00
		Drinks	12	\$ 125.00	\$ 1,500.00	\$ 1,500.00
		Printing	12	\$ 50.00	\$ 600.00	\$ 600.00
	Total Monthly Meetings		12	\$ 300.00	\$ 3,600.00	\$ 3,600.00
	Website					
		Design	1	\$ 500.00	\$ 500.00	\$ 500.00
		Hosting	1	\$ 125.00	\$ 125.00	\$ 125.00
	Total Website		1	\$ 625.00	\$ 625.00	\$ 625.00
	LLC and Partnership Establishment					
		Legal	10	\$ 375.00	\$ 3,750.00	\$ 3,750.00
		Accounting	12	\$ 130.00	\$ 1,560.00	\$ 1,560.00
	Total LLC and Partnership Establishment		22	\$ 252.50	\$ 5,310.00	\$ 5,310.00
	Artist Fee					
		Artist Fee (5%)	1	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Total Artist Fee		1	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Initial Investment (see AiR sample pro-forma)					
		Development	1	\$ 400,000.00	\$ 400,000.00	\$ 9,465.00
	Total Initial Investment		1	\$ 400,000.00	\$ 400,000.00	\$ 9,465.00
<b>Total Expense</b>					<b>\$ 410,535.00</b>	<b>\$ 20,000.00</b>

Square Feet	2,000
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Income	Annual	Per Sq. Ft.
Gross Rental	\$ 36,000.00	\$ 18.00
<b>Total Income</b>	<b>\$ 36,000.00</b>	<b>\$ 18.00</b>

Expense	Annual	Per Sq. Ft.
CAM		
Landscaping	\$ 1,500.00	\$ 0.75
Snow Removal	\$ 500.00	\$ 0.25
Utilities (Water)	\$ 2,400.00	\$ 1.20
<b>Total CAM</b>	<b>\$ 4,400.00</b>	<b>\$ 3.20</b>
Building Repairs	\$ 2,000.00	\$ 1.00
Insurance (property, liability, umbrella)	\$ 2,000.00	\$ 1.00
Taxes		
Property	\$ 2,000.00	\$ 1.00
<b>Total Taxes</b>	<b>\$ 2,000.00</b>	<b>\$ 1.00</b>
Professional Fees		
Accounting	\$ 500.00	\$ 0.25
Management (5% gross rental)	\$ 1,800.00	\$ 0.90
<b>Total Professional Fees</b>	<b>\$ 2,300.00</b>	<b>\$ 1.15</b>
<b>Total Expense</b>	<b>\$ 12,700.00</b>	<b>\$ 6.35</b>
<b>Net Operating Income</b>	<b>\$ 23,300.00</b>	<b>\$ 11.65</b>

Cap Rate	6.5%
Value	\$ 358,461.54
Total Cost	\$ 300,000.00
Loan Amount	\$ 229,465.00
Cash Down	\$ 70,535.00
Loan to Value	64%
Cash to Loan	31%

Loan Amount	\$ 229,465.00
Effective Amortization in Years	23

Interest Rate	Year	Annual Debt Service	Net Income	DSCR	Cash on Cash Return
5.00%	1 (interest only)	\$ 5,736.63	\$ 2,029.27	4.06	2.88%
5.00%	2 (interest only 6 months)	\$ 14,242.53	\$ 9,057.47	1.64	12.84%
5.00%	3	\$ 17,011.81	\$ 6,288.19	1.37	8.91%
5.00%	4	\$ 17,011.81	\$ 6,288.19	1.37	8.91%
5.00%	5	\$ 17,011.81	\$ 6,288.19	1.37	8.91%
	<b>Total</b>	<b>\$ 71,014.57</b>	<b>\$ 29,951.32</b>	<b>1.37</b>	<b>42%</b>

Cap Rate	7.77%
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