

## **RECONSTRUCTED OPERATING STATEMENT**

**MOORE ENTERPRISES  
YADKIN ROAD, FAYETTEVILLE, NORTH CAROLINA**

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**Gross Potential Income: \$37,025.54/mo x 12** **\$ 453,708.00**  
**(\$10.74/sf gross)**

**Vacancy and Collection Losses @ 4%** **- \$ 18,148.32**

**Effective Gross Income: .....** **\$ 435,559.68**

**Expenses:**

<b>Taxes: .....</b>	<b>\$ 28,638.56</b>
<b>Insurance: .....</b>	<b>\$ 14,308.70</b>
<b>C.A.M. ....</b>	<b>\$ 2,400.00</b>
<b>Utilities: .....</b>	<b>\$ 1,800.00</b>
<b>Management (8%): .....</b>	<b>\$ 34,844.74</b>
<b>Misc. Expenses/Repairs: .....</b>	<b><u>\$ 5,000.00</u></b>
	<b>\$ 86,992.03</b>

**Total Expenses: ..... \$ 86,992.03**

**Replacements for Reserves (4%+-): ..... \$ 17,000.00**

**Total Expenses and Reserves (24%): ..... - \$ 103,992.03**

**NET OPERATING INCOME ..... \$ 331,567.65**

NOI            \$331,567.65

Several factors influencing the applicable CAP rate:

- Rental rates are considered to be well below market levels. Currently at \$10.74/sf gross.
- Historical occupancy levels close to 100%
- Same owner for over 50 years and long-term tenants.
- The condition of the property is good and there is a good routine maintenance schedule in place.
- The building setbacks are good and there are multiple access points and great visibility. Great potential for value-add opportunities or redevelopment.
- Great location on Yadkin Road which is the main access onto Fort Liberty Military Base.

Given these factors a CAP rate of 7.5% is considered to be applicable.

Taking \$331,567.65 and dividing by .075 gives a value of \$4,420,902, rounded to \$4,420,000.

There is an additional 3.80+- acres of excess commercial land suitable for future development that is a part of this property. It has been valued at \$3.50 per sf. Taking 3.80 acres, or 165,528 sf and multiplying by \$3.50 gives a value of \$579,348, rounded to \$580,000.

Taking \$4,420,000 and adding the \$580,000 gives a value of \$5,000,000.

**This adequately supports our listing price for this property at \$4,950,000.**