

Investment Analysis

In Place Income/Expense

Income Stream	Type	Income/YR	Income/MO
Hangar Rentals	Mo/Mo	\$25,860.50	\$2,155.04
Land Leases	Land	\$7,370.00	\$614.17
House Rents	Residential	\$18,000.00	\$1,500.00
Oil Royalties*	Perpetual	\$439,895.87	\$36,657.99 *4 Year Average
User Fees	Mo/Mo	\$1,831.00	\$152.58
Misc	Misc	\$9,871.60	\$822.63
Gross Income (YR)		\$502,828.97	\$41,902.41
Expenses (YR)		\$50,013.44	(10% of Income)
NET INCOME		\$452,815.53	
CAP RATE		13.76%	
Purchase Price		\$ 3,290,000.00	

Potential Income Proforma

Income Stream	Type	Income/YR	Income/MO
In Place (See Above)	Current	\$502,828.97	\$41,902.41
Fenced RV/Boat Storage	10 AC (600 Spaces)	\$576,000.00	\$48,000.00 (\$80/mo per 12'x50')
Usage Fees to Hangar Condos	80 Units	\$144,000.00	\$12,000.00 (\$150/mo x 40 existing x 40 new hangars)
Install 40 new 50x50 hangars	Land Lease	\$288,000.00	\$24,000.00 (Sell as Condos, charge Land Lease & Use Fee)
Fuel Farm	Fuel Sales	\$20,000.00	\$1,666.67 (20K Gallons at \$1/G Profit)
Gross Income (YR)		\$1,530,828.97	\$125,902.41
Vacancy Loss		\$229,624.35	(15% on the entire project)
Expenses (YR)		\$153,082.90	(10% of Income as current)
NOI		\$1,148,121.73	
CAP RATE		21.50%	(Before Hangar Sale Recoup Below)
Purchase Price		\$ 3,290,000.00	
Costs To Expand		\$2,050,000.00	
Total Investment		\$ 5,340,000.00	
Hangar Sales Recoup		\$ 2,000,000.00	(\$50K each X 40 Hangars)
Investment after Recoup		\$ 3,340,000.00	
CAP RATE AFTER RECOUP		34.37%	

COSTS TO EXPAND

Planning/Permits	\$150,000.00 (Surveys, Permits, Legal Counsel, etc)
Fenced Yard Construction	\$250,000.00 (Fence/Gates, site markers, dirt work, gravel, entry keyfob system, solar lighting)
Hangar Construction	\$1,400,000.00 (Metal buildings, dirt floor. Buyer to finish Interior, hangar door, electrical/solar, etc)
Potential Requirements	\$150,000.00 (Fire Safety - hydrants, access, etc)
Site Prep / Dirt Work	\$100,000.00
TOTAL INVESTMENT	\$2,050,000.00