Executive Summary

Do nothing and your at **7.19%** caprate.

Add condos which is none load bearing walls etc cap rate is at **12.1%**

Option 3 condo and building on 992. Giving you estimated revenue.

Please let me know if this helps and please confirmed received.

Measurements:

- 994 Springfield Ave – land approx. 0.06 acres (2,613.6 sqft)
- 1000 Springfield Ave – approx. 4,300 SF (as provided)
    - Tony Subs 1st floor approx 1,100 sqft
    - Jackson Hewitt tax service 1st floor 1,100 sqft
    - Uniforms 1st floor 2,100
    - 2nd floor and basement 4,300 not used.
- 992 Springfield Ave – approx. 4,600 SF (as provided)
    - T-Mobile approx. 2,300 SF
    - 2nd floor approx. 2,300 SF
    - Basement approx. 2,300 SF

As is at 4.4MM (Option 1)

409,082 (net profit) -92,712.06 (expense) = 316.369.94 gross profit

(316.369.94 gross profit / 4.4MM)*100% = **Cap-rate at 7.19%**

Adding condos for 992 above the T mobile and 1000 Springfield (Option 2)

Condo above T-Mobile (4,500 sqft) estimated 5 condos at 900 sqft

- 7 myrtle ave is approximately 1400 sqft generating income (1.28 per sqft)
- Therefore 992 Springfield 4500 sqft should provide you 69,428.58 per year plus 1000 Springfield ave 69,428.58 per year as well but this would be a new build and should be on the high range at 216,000
- Building the condos is a 3 year return or less based on the above.
- Estimate cost on a 3 year plan is a budget of 324K but truly just plumbing, electrical, floor and paint. I know my team would be under this value.
- After the 3 years, below is your new cap rate.

625,082 (net profit) -92,712.06 (expense) = 532,370 gross profit

532,370 gross profit / 4.4MM)*100% = **Cap-rate at 12.1%**

You still have to facture what the build out would be.

Option 3: Breakdown Adding condos for 992 above the T mobile and building 994 mix use. (commercial rental first floor and 2 condos.

This will be only revenue and not cost estimation

2 condos at 22K per year

Commercial rental range is 85K to 120K.

Total increase of revenue 164K per year and this is a low estimate. This is based on existing and not new build numbers. This should be 200K to 240K as a new construction rental revenue.

We can discussion this section more if you like.