

BREAKEVEN COST OF PURCHASING

Address:

Fill in Yellow Boxes

Enter Sale Price per Square Foot	\$ 345.00	Includes \$60/TI	Enter Square Feet	6,000
Purchase Price		\$ 2,070,000		
Enter Construction - Tenant finish per Sq. Ft. (Estimate)		Possible add'l TI		
Construction Cost		\$ -		
Total Capital Cost		\$ 2,070,000		
Enter Down Payment (example: enter .10 not 10)	15%	\$ 310,500		
Loan Amount		\$ 1,759,500		
Interest Rate Annual estimate (example: enter .0625 not 6.25)	6.00%			
Amortization per (yrs)	25			
Debt Service per month		\$ 11,336		
Condo Assn. Fee per month & Janitorial-Utilities (Estimate) OPEX + Tax	(as positive number)	\$ 3,750	HOA Dues + Est. Property Taxes	\$ 5.00
Total Monthly Cost		\$ 15,086	Janitorial & Utilities psf	\$ 2.50
Net Rental Income from Tenants per Month, if any	(as negative number)	\$ -	Monthly Rent from other tenants	\$ -
Total Annual Pretax Cost PSF - Sale		\$ 30.17		
Amount of Principal in Debt monthly payment		\$ 2,539		
Amount of Interest in Debt monthly payment		\$ 8,798		

<- Taxes Est in this

Size Rate

- \$ -

POTENTIAL TAX BENEFITS (PLEASE CONSULT YOUR TAX ADVISOR)

Total State & Federal Tax rate	30%			
Depreciation @ 80%/20% bldg to land, 39 yrs (annual) at tax rate		\$12,738		
Interest Deduction (annual) at tax rate		\$31,671		
Total tax benefits		\$44,409		
Principal Reduction				
Principal Reduction 1st Year	Increases Each Year	\$30,468		
Total Potential Tax and Equity Benefits	\$ 12.48	\$74,877		
Net Potential After-Tax Cost of Owning PSF		\$ 17.69	<---- Actual	\$8,846.71

<-- After Tax & Equity Build - NET monthly cost

The above information represents our estimate of your lease vs. purchase comparison. Please consult with legal and tax advisors prior to making any decision relating to this investment. The above terms of loan are an example only. We do not have control over these terms; we are not acting as lenders or offering to lend money for such a purchase.

Lease Same Space	
Base Rate:	\$20.74 <-- Included \$60/TI Allowance
OPEX / HOA	\$7.50
TI ALLOWANCE	\$60.00

LEASE / MONTHLY	\$14,120.00
VS.	
PURCHASE / MONTHLY	\$8,846.71 <- after tax-equity benefits