

## Benefits of Ownership - Conventional Loan

Property Address: The Park at Horizon Ridge

### OWN

Purchase Assumptions	
Size (Square Feet)	4,256
Total Project Cost	\$1,274,000

Start-Up Costs:	
Down Payment	15% \$191,100
Total Start-Up Costs	\$191,100

Monthly Costs	Per Sq. ft.	
Mortgage Payment (P&I)	\$1.91	\$8,148
Operating Expenses	\$0.25	\$1,064
Property Taxes	\$0.10	<u>\$426</u>
Total Monthly Costs		\$9,637

Monthly Ownership Benefits (Estimated)	
<b>Tax Benefits</b>	
Depreciation Benefit	\$762
Operating Expense Deduction	\$426
Property Tax Deduction	\$170
Interest Deduction (7 yr Avg.)	\$2,543
<b>Other Benefits</b>	
Rental Income	\$0
Avg. Appreciation	2.0% <u>\$2,123</u>
Total Ownership Benefits	\$6,024

**Total Effective Monthly Cost: \$3,613**

### LEASE

Lease Assumptions	
Size (Square Feet)	4,256
Lease rate per sq ft/mth NNN	\$1.95
Monthly Lease	\$8,299

Start-Up Costs	
Prepaid Rent	\$9,789
Security Deposit	<u>\$9,789</u>
Total Start-Up Costs	\$19,578

Monthly Costs	Per Sq. ft.	
Lease Payment	\$1.95	\$8,299
Operating Expense	\$0.25	\$1,064
Property Taxes	\$0.10	<u>\$426</u>
Total Monthly Costs		\$9,789

Monthly Lease Benefits (Estimated)	
<b>Tax Benefits</b>	
Depreciation Benefit	n/a
Operating Expense Deduction	\$426
Lease Deduction	\$3,320
Interest Deduction	n/a
<b>Other Benefits</b>	
Rental Income	\$0
Avg. Appreciation	<u>n/a</u>
Total Lease Benefits	\$3,745

**Total Effective Monthly Cost: \$6,044**

\* Rate for this scenario is 7.6% / Tax Bracket is based on 40% / Assumes \$70 per Sq Ft improvement costs

Ownership Analysis Summary	
Annual Effective Cost Difference	\$29,162
Average Annual Principal Pay down	<u>\$21,493</u>
<b>Annual Wealth Creation</b>	<b>\$50,655</b>
<b>15 Year Wealth Creation</b>	<b>\$759,824</b>

### Financing with GE Business Property Offers You Real Benefits

25 Year Fixed Rates, No Balloon or Resets  
Lock Rate 12 Months Prior to Closing  
No Restrictive Financial Covenants

Quick Response (24 Hour Pre-Qualification Available)  
Low Down Payments  
Longer Terms to Preserve Cash Flow

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