

FOR SALE | REAL ESTATE

PROPERTY INFORMATION

Address | 205- 219 N. Cherry
Lennox, SD 57039

Property Type | Multi-Family

Sale Price | ~~\$750,000.00~~ \$700,000.00

Unit Price | Sold as One Unit



PROPERTY OVERVIEW

Income Producing Property: 8-plex Ranch style townhomes in Lennox, SD, built by the owner in 2008, which are fully leased at \$800.00 per month. Units are numbered 205, 207, 209, 211, 213, 215, 217 & 219 N. Cherry in Lennox.

All showings must go through listing agent!

CONTACT INFORMATION

Mark Luke Real Estate, LLC | Structured Success
MARKLUKE.com | 4603 N. Cliff Ave., Sioux Falls, SD 57104
C 605-370-6770
p 605-370-6770 | f 605-370-6607 | e mark@markluke.com

PROPERTY DETAILS

Legal Description- Lot 3,4,5,6,7 & 8 of block 11 of Jacobs Addition to the City of Lennox, Lincoln County, South Dakota.

Each unit is a 960 sq.ft. two bedroom, one handicap accessible bathroom, with bedroom's having double closets. Beautiful open kitchen to living room, with each unit having new (2008) appliances, including side by side refrigerator/ freezer (with water and ice in the door), dishwasher, microwave and stove with electric vent. Each unit has electric heat (in-floor) and air conditioning, electric fireplace in living room, hot water heater and washer and dryer. Each unit is separately metered for electricity and water. Each unit has a over-sized single attached garage, with a parking spot in front of the garage and a back patio for relaxing and grilling out. Four units have dogs (and pay \$35/mth extra for the privilege).

Taxes are \$11,430/year, and the owner's insurance is approximately \$1900/year.

Owner is responsible for garbage (\$126/mth) and internet (\$35.00/mth), snow removal and lawn care.

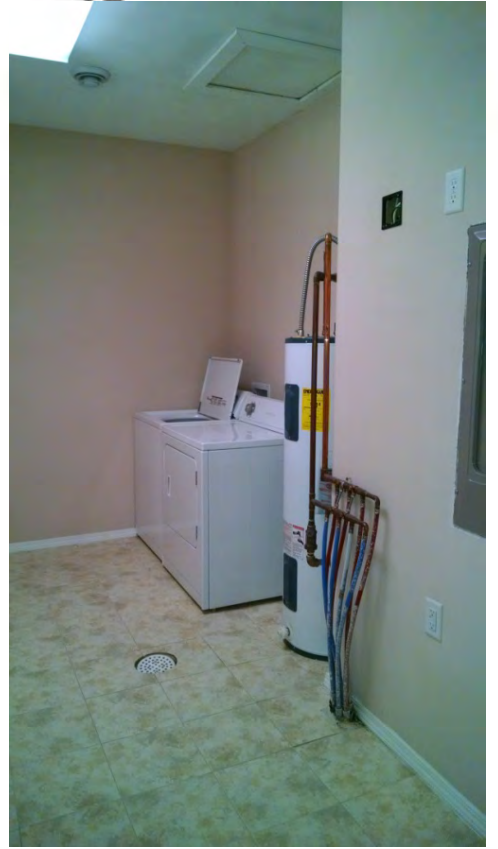
All information is deemed reliable but not guaranteed.





LUKE
REAL ESTATE





AERIAL

PROPERTY LOCATION

205 N Cherry Street | Lennox, SD | 57039



Subject property highlighted with blue line. Shop building and land, highlighted in red, will be re-platted to separate property upon sale. It may be available for sale with subject property, to be negotiated.

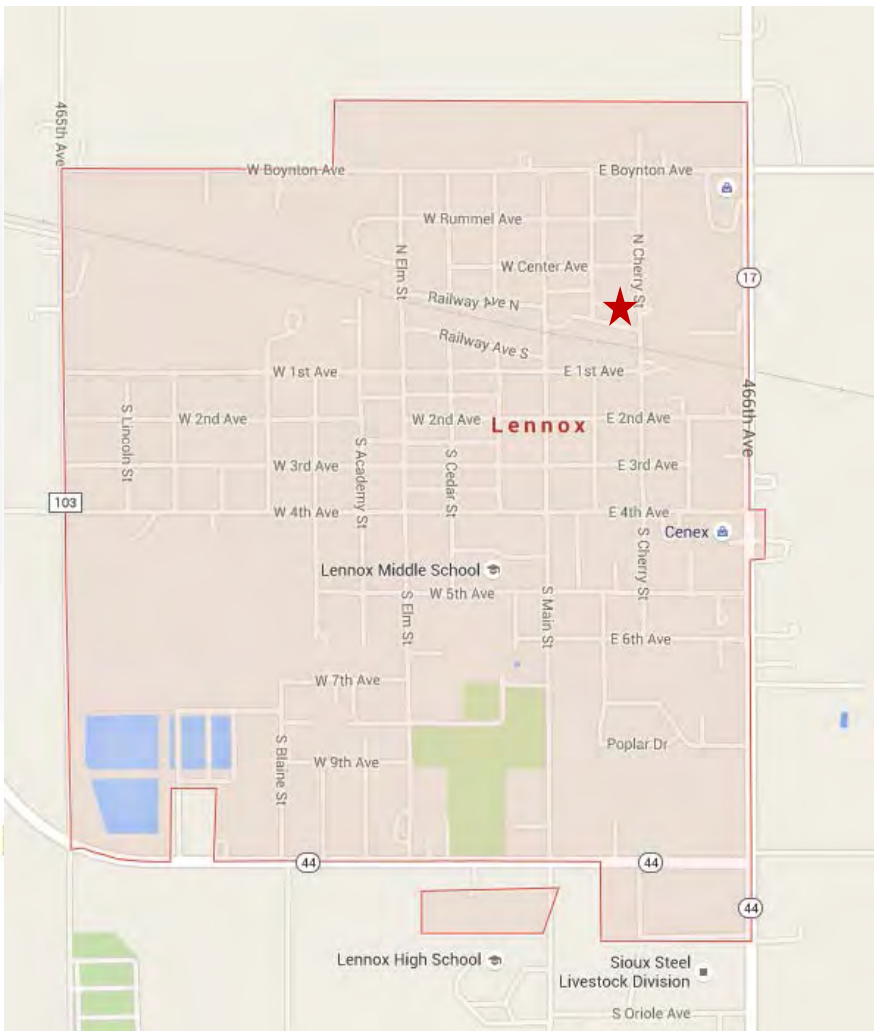
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MAP

PROPERTY LOCATION

205 N Cherry St | Lennox, SD | 57039



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Property Name Lennox 8-Plex
 Location Lennox,SD
 Type of Property multi-family
 Size of Property 960 (Sq. Ft./Units)

Annual Property Operating Data

Purchase Price 700,000
 Plus Acquisition Costs 30,000 Real Estate Commission
 Plus Loan Fees/Costs From CashFlows Worksheet
 Less Mortgages 600,000 From CashFlows Worksheet
 Equals Initial Investment 130,000 Automatically Calculated

Current Rent Matrix

Units at Rate	Rate	\$35/month		
		# of Pets	Monthly	Yearly
205	\$ 765.00	1	\$ 800.00	\$ 9,600.00
207	\$ 830.00	2	\$ 900.00	\$ 10,800.00
209	\$ 865.00		\$ 865.00	\$ 10,380.00
211	\$ 780.00	2	\$ 850.00	\$ 10,200.00
213	\$ 850.00		\$ 850.00	\$ 10,200.00
215	\$ 850.00	1	\$ 885.00	\$ 10,620.00
217	\$ 835.00	1	\$ 870.00	\$ 10,440.00
219	\$ 850.00		\$ 850.00	\$ 10,200.00
	\$ 6,625.00	7	\$ 6,870.00	\$ 82,440.00
Yearly	\$ 79,500.00	\$ 2,940.00		

Purpose of analysis

Assessed/Appraised Values			
Land	0	15%	15% DEFAULT
Improvements	0	85%	85% DEFAULT
Personal Property	0	0%	
Total	0	100%	

	Balance	Periodic Pmt	Pmts/Yr	Interest	Amort Period	Loan Term	
1st	\$600,000	\$3,715	12	4.25%	20	20	Automatically Calculated
2nd			12				Automatically Calculated

Adjusted Basis as of: 2-Mar-17 \$730,000

ALL FIGURES ARE ANNUAL	\$/SQ FT or \$/Unit	% of GOI		COMMENTS/FOOTNOTES
POTENTIAL RENTAL INCOME		<--fill in \$/sf-or-Potential Rent-->	79,500	
Less: Vacancy & Cr. Losses		(5.% of PRI)	3,975	
EFFECTIVE RENTAL INCOME			75,525	
Plus: Other Income (collectable)			2,940	Pet Rent Expense
GROSS OPERATING INCOME	\$/s.f.	% of GOI	78,465	
OPERATING EXPENSES:	Column	Column	Column	
Real Estate Taxes			15,200	
Personal Property Taxes				
Property Insurance			1,900	
Off Site Management				
Payroll				
Expenses/Benefits				
Taxes/Worker's Compensation				
Repairs and Maintenance				
Utilities:				
Garbage			1,512	
Internet			420	
Accounting and Legal				
Licenses/Permits				
Advertising				
Supplies				
Miscellaneous Contract Services:				
Lawn Care			750	
Snow Removal			2,000	
TOTAL OPERATING EXPENSES			21,782	
NET OPERATING INCOME			56,683	
Less: Annual Debt Service			44,585	
Less: Participation Payments (from Assumptions)			-	
Less: Leasing Commissions				
Less: Funded Reserves				
CASH FLOW BEFORE TAXES			\$12,098	

ALWAYS fill in these blanks with Text
 ALWAYS fill in these blanks with Numbers
 OPTIONALLY fill in these blanks with Numbers
 Normally calculated -- may be filled in BUT you are overwriting a formula (Numbers)
 Red Cells contain protected formulas
 Toggle the explanatory highlights and red comments by using the button below.
 (Suggest turn off before printing)

Prepared for:
 Prepared by:

Cash Flow Analysis Worksheet

Property Name	Lennox 8-Plex	Purchase Price	700,000
Prepared For		Plus Acquisition Costs	30,000
Prepared By		Plus Loan Fees/Costs	
Date Prepared	2-Mar-17	Less Mortgages	600,000
		Equals Initial	130,000

Real Estate Commission

Mortgage Data		Cost Recovery Data	
1st Mortgage	2nd Mortgage	Improvements	Personal Property
Amount	600,000	Value	620,500
Interest Rate	4.25%	C. R. Method	SL
Amortization Period	20 Years	Useful Life	39
Loan Term	20 Years	In Service Date	January-06
Payments/Year	12	Date of Sale	December-15
Periodic Payment	3,715.41	Recapture	
Annual Debt Service	44,585	Investment Tax	
Loan Fees/Costs		Credit (\$\$ or %)	

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Taxable Income

Year :	1	2	3	4	5	6	7	8	9	10	11th Year
1 Potential Rental Income	79,500	81,090	82,712	84,366	86,053	87,774	89,530	91,321	93,147	95,010	96,910
2 -Vacancy & Credit Losses		4,055	4,136	4,218	4,303	4,389	4,476	4,566	4,657	4,750	4,846
3 =Effective Rental Income	79,500	77,036	78,576	80,148	81,751	83,386	85,053	86,754	88,490	90,259	92,065
4 +Other Income (collectable)	2,940	2,999	3,059	3,120	3,182	3,246	3,311	3,377	3,445	3,514	3,584
5 =Gross Operating Income	82,440	80,034	81,635	83,268	84,933	86,632	88,364	90,132	91,934	93,773	95,648
6 -Operating Expenses	21,782	22,218	22,662	23,115	23,578	24,049	24,530	25,021	25,521	26,032	26,552
7 =NET OPERATING INCOME	60,658	57,817	58,973	60,152	61,356	62,583	63,834	65,111	66,413	67,741	69,096
8 -Interest - 1st Mortgage	25,124	24,280	23,400	22,482	21,525	20,525	19,482	18,395	17,260	16,075	
9 -Interest - 2nd Mortgage											
10 -Participation Payments											
11 -Cost Recovery - Improvements	15,246	15,910	15,910	15,910	15,910	15,910	15,910	15,910	15,910	15,246	
12 -Cost Recovery - Personal Property											
13 -Amortization of Loan Fees/Costs											
14 -Leasing Commissions											
15 =Real Estate Taxable Income	20,288	17,626	19,663	21,760	23,921	26,147	28,442	30,806	33,244	36,420	
16 Tax Liability (Savings) @ 35.00%	7,101	6,169	6,882	7,616	8,372	9,152	9,955	10,782	11,635	12,747	

Cash Flow

17 NET OPERATING INCOME (Line 7)	60,658	57,817	58,973	60,152	61,356	62,583	63,834	65,111	66,413	67,741
18 -Annual Debt Service	44,585	44,585	44,585	44,585	44,585	44,585	44,585	44,585	44,585	44,585
19 -Participation Payments										
20 -Leasing Commissions										
21 -Funded Reserves										
22 =CASH FLOW BEFORE TAXES	16,073	13,232	14,388	15,568	16,771	17,998	19,249	20,526	21,828	23,157
23 -Tax Liability (Savings) (Line 16)	7,101	6,169	6,882	7,616	8,372	9,152	9,955	10,782	11,635	12,747
24 =CASH FLOW AFTER TAXES	\$8,972	\$7,063	\$7,506	\$7,952	\$8,398	\$8,846	\$9,295	\$9,744	\$10,193	\$10,410

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The statements and figures herein, while not guaranteed, are secured from sources we believe authoritative.

Before Tax Cash Flow % 2.68%

CAP RATE 8.31%