

KIHEI COMMERCIAL CENTER - Typical B3 Flex

NET COST OF BUYING (Cost/Benefits Analysis)

Net Cost BEFORE APPRECIATION of \$0.31 per sq. ft. per month*

Floor Area	1,331 sq.ft.	Gross Leaseable Area
		Net Useable Area - 1,265 sq.ft.
Purchase Price	\$ 459,000.00	\$345 Per Sq. Ft.
Interior Improvements @ \$0 per sq. ft.	\$ 0.00	THE VALUE OF YOUR IMPROVEMENTS
Total	\$ 459,000.00	IS YOURS AND NOT THE LANDLORD'S
First Mortgage (50%)	\$ 229,500.00	Bank Loan
Second Mortgage (40%)	\$ 183,600.00	SBA Loan
Cash Down Payment (10%)	\$ 45,900.00	Plus closing costs
First Mortgage Payment	\$ 1,148.93	Assuming 3.50%, 25 yr. amortization
Second Mortgage Payment	\$ 802.56	Assuming 2.27%, 25 yr. amortization
Total Monthly Payment	\$ 1,951.49	Plus Maint. Fee, RE Tax & Insurance
Per Sq. Ft. Per Month	\$ 1.47	Interest of \$0.75 & Principal of \$0.71
Savings of Future Rent Increases	\$ 0.17	Assuming a rent of \$1.45, 3% annual increases, 10-year term, and a 3.50% discount rate
Savings of General Excise Tax (1 st year)	\$ 0.06	General Excise Tax is only paid on rent.
Savings from Depreciation	\$ 0.22	85% on Unit, 100% on Interior Improvements, 39 yrs., 35% Tax Bracket
Net Cost after Cash Savings	\$ 1.02	
Principal Payment Per Sq. Ft. (1 st 12 mos.)	\$ 0.71	This is your money - Building Your Equity
(Compare interest of \$0.75 with rent)		\$130,000 Principal paid over 10 years
Net Cost of Buying Before Appreciation	\$ 0.31	Compare with rent for a new space
Appreciation Assuming a 25% increase in 10 years (Doubling in 32 years), Discounted at the First Mortgage Rate (3.50%)	\$ 0.60	Over the long run your equity will build. This analysis assumes \$115,000 in 10 yrs.
Estimated Net Cost of Buying	\$ -0.29	

Build Equity with the Rent that Your Business would otherwise Pay!

(Approximately \$245,000 in Equity in 10 Years - a Return on Equity of 5.3x)

PEAKE // LEVOY
COMMERCIAL REAL ESTATE SERVICES

Mario Cardone

PB, CardOneRealty Corp., Exclusive Subagent

891-8469

www.MauiCommercialProperties.com

September 15, 2020

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Peake & Levoy, LLC

80 Puunene Avenue, Kahului, Hawaii 96732

(808) 877-7073

KIHEI COMMERCIAL CENTER - Typical B2 Flex

NET COST OF BUYING (Cost/Benefits Analysis)

Net Cost BEFORE APPRECIATION of \$0.30 per sq. ft. per month*

Floor Area	2,128 sq.ft.	Gross Leaseable Area
		Net Useable Area - 2,041 sq.ft.
Purchase Price	\$ 713,000.00	\$335 Per Sq. Ft.
Interior Improvements @ \$0 per sq. ft.	\$ 0.00	THE VALUE OF YOUR IMPROVEMENTS IS YOURS AND NOT THE LANDLORD'S
Total	\$ 713,000.00	
First Mortgage (50%)	\$ 356,500.00	Bank Loan
Second Mortgage (40%)	\$ 285,200.00	SBA Loan
Cash Down Payment (10%)	\$ 71,300.00	Plus closing costs
First Mortgage Payment	\$ 1,784.72	Assuming 3.50%, 25 yr. amortization
Second Mortgage Payment	\$ 1,246.67	Assuming 2.27%, 25 yr. amortization
Total Monthly Payment	\$ 3,031.39	Plus Maint. Fee, RE Tax & Insurance
Per Sq. Ft. Per Month	\$ 1.42	Interest of \$0.73 & Principal of \$0.69
Savings of Future Rent Increases	\$ 0.16	Assuming a rent of \$1.35, 3% annual increases, 10-year term, and a 3.50% discount rate
Savings of General Excise Tax (1 st year)	\$ 0.06	General Excise Tax is only paid on rent.
Savings from Depreciation	\$ 0.21	85% on Unit, 100% on Interior Improvements, 39 yrs., 35% Tax Bracket
Net Cost after Cash Savings	\$ 0.99	
Principal Payment Per Sq. Ft. (1 st 12 mos.)	\$ 0.69	This is your money - Building Your Equity
(Compare interest of \$0.73 with rent)		\$202,000 Principal paid over 10 years
Net Cost of Buying Before Appreciation	\$ 0.30	Compare with rent for a new space
Appreciation Assuming a 25% increase in 10 years (Doubling in 32 years), Discounted at the First Mortgage Rate (3.50%)	\$ 0.58	Over the long run your equity will build. This analysis assumes \$178,000 in 10 yrs.
Estimated Net Cost of Buying	\$ -0.28	

Build Equity with the Rent that Your Business would otherwise Pay!

(Approximately \$380,000 in Equity in 10 Years - a Return on Equity of 5.3x)

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KIHEI COMMERCIAL CENTER - Typical Office Space

NET COST OF BUYING (Cost/Benefits Analysis)

Net Cost BEFORE APPRECIATION of \$0.28 per sq. ft. per month*

Floor Area (does not include the mezzanine)	616 sq.ft.	Gross Leaseable Area
		Net Useable Area - 588 sq.ft. plus mezzanine
Purchase Price	\$ 200,000.00	\$325 Per Sq. Ft.
Interior Improvements @ \$0 per sq. ft.	\$ 0.00	THE VALUE OF YOUR IMPROVEMENTS
Total	\$ 200,000.00	IS YOURS AND NOT THE LANDLORD'S
First Mortgage (50%)	\$ 100,000.00	Bank Loan
Second Mortgage (40%)	\$ 80,000.00	SBA Loan
Cash Down Payment (10%)	\$ 20,000.00	Plus closing costs
First Mortgage Payment	\$ 500.62	Assuming 3.50%, 25 yr. amortization
Second Mortgage Payment	\$ 349.70	Assuming 2.27%, 25 yr. amortization
Total Monthly Payment	\$ 850.32	Plus Maint. Fee, RE Tax & Insurance
Per Sq. Ft. Per Month	\$ 1.38	Interest of \$0.71 & Principal of \$0.67
Savings of Future Rent Increases	\$ 0.16	Assuming a rent of \$1.35, 3% annual increases,
		10-year term, and a 3.50% discount rate
Savings of General Excise Tax (1 st year)	\$ 0.06	General Excise Tax is only paid on rent.
Savings from Depreciation	\$ 0.21	85% on Unit, 100% on Interior Improvements,
		39 yrs., 35% Tax Bracket
Net Cost after Cash Savings	\$ 0.95	
Principal Payment Per Sq. Ft. (1 st 12 mos.)	\$ 0.67	This is your money - Building Your Equity
(Compare interest of \$0.71 with rent)		\$57,000 Principal paid over 10 years
Net Cost of Buying Before Appreciation	\$ 0.28	Compare with rent for a new space
Appreciation Assuming a 25% increase in 10 years (Doubling in 32 years), Discounted at the First Mortgage Rate (3.50%)	\$ 0.57	Over the long run your equity will build.
		This analysis assumes \$50,000 in 10 yrs.
Estimated Net Cost of Buying	\$ -0.29	

Build Equity with the Rent that Your Business would otherwise Pay!

(Approximately \$107,000 in Equity in 10 Years - a Return on Equity of 5.4x)

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KIHEI COMMERCIAL CENTER - Typical Warehouse

NET COST OF BUYING (Cost/Benefits Analysis)

Net Cost BEFORE APPRECIATION of \$0.28 per sq. ft. per month*

Floor Area	1,232 sq.ft.	Gross Leaseable Area
		Net Useable Area - 1,175 sq.ft.
Purchase Price	\$ 400,000.00	\$325 Per Sq. Ft.
Interior Improvements @ \$0 per sq. ft.	\$ 0.00	THE VALUE OF YOUR IMPROVEMENTS
Total	\$ 400,000.00	IS YOURS AND NOT THE LANDLORD'S
First Mortgage (50%)	\$ 200,000.00	Bank Loan
Second Mortgage (40%)	\$ 160,000.00	SBA Loan
Cash Down Payment (10%)	\$ 40,000.00	Plus closing costs
First Mortgage Payment	\$ 1,001.25	Assuming 3.50%, 25 yr. amortization
Second Mortgage Payment	\$ 699.40	Assuming 2.27%, 25 yr. amortization
Total Monthly Payment	\$ 1,700.65	Plus Maint. Fee, RE Tax & Insurance
Per Sq. Ft. Per Month	\$ 1.38	Interest of \$0.71 & Principal of \$0.67
Savings of Future Rent Increases	\$ 0.16	Assuming a rent of \$1.35, 3% annual increases,
		10-year term, and a 3.50% discount rate
Savings of General Excise Tax (1 st year)	\$ 0.06	General Excise Tax is only paid on rent.
Savings from Depreciation	\$ 0.21	85% on Unit, 100% on Interior Improvements,
		39 yrs., 35% Tax Bracket
Net Cost after Cash Savings	\$ 0.95	
Principal Payment Per Sq. Ft. (1 st 12 mos.)	\$ 0.67	This is your money - Building Your Equity
(Compare interest of \$0.71 with rent)		\$113,000 Principal paid over 10 years
Net Cost of Buying Before Appreciation	\$ 0.28	Compare with rent for a new space
Appreciation Assuming a 25% increase in 10 years (Doubling in 32 years), Discounted at the First Mortgage Rate (3.50%)	\$ 0.57	Over the long run your equity will build.
		This analysis assumes \$100,000 in 10 yrs.
Estimated Net Cost of Buying	\$ -0.29	

Build Equity with the Rent that Your Business would otherwise Pay!

(Approximately \$213,000 in Equity in 10 Years - a Return on Equity of 5.3x)

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