

Appendix 22

144 Henderson Drive

NOI & CAP Rate Calculation

City's Variables	Description	Coefficient	Eff. Rate
Constant	Warehouse space		\$ 6.28
WH_GE100K	Whse lease space >= 100,000 sf	\$ (2.52)	\$ 3.76
AGE_GE1990	Buildings built in 1990 or newer	\$ 1.25	\$ 7.53
UPP_FLR	Space above the main floor	-17%	
SHELL_WHSE	Unheated & Uninsulated Space	-50%	
Vacancy	O:164,763, T:2,960,877, V:13,624		0.43%
Shortfall	0.33 x 0.88 x 0.0043 = .12%		0.12%
Cap Rate: 4 sales	Whse >= 25,000 sqft		10.72%
16 sales	Yr. Built >= 1970 & <25,000 sqft		6.79%
2 sales	Yr. Built <1970 & <25,000 sqft		10.18%

Property Variables	Value
Total SQFT	66,446
Condition	
Heated Area (Sqft)	62,446
Unheated Area(Sqft)	4,000
Effective Year	1990
Study Area	5203

Assessment Variables	Value
Base Rent	\$ 392,160.88
Adjustments:	
Space Area	\$ -
Age	\$ 83,057.50
Upper Floor	\$ -
Unheated Space	\$ 12,560.00
Total Adjustments	\$ 95,617.50
Gross Value	\$ 487,778.38
Vacancy	0.43%
Subtotal	\$ 485,680.93
Shortfall	0.12%
Net Total	\$ 485,098.12
Cap Rate	10.72%
Assessment Total	\$ 4,525,168.99

City Applied Cap Rate=	9.43%
City Modeled Cap Rate	
9.26% =	\$ 407,500.00
	\$ 4,399,891.00

Altus Applied Cap Rate=	11.02%
Altus Modeled Cap Rate	
11.02% =	\$ 485,000.00
	\$ 4,399,891.00

City Applied NOI =	\$	415,000.00
City Modeled Modeled NOI =	\$	407,467.42
Adjusted Sale Price =	\$	4,399,891.00
Actual Modeled NOI =	\$	485,098.12
Actual Modeled NOI (Rounded) =	\$	485,000.00

Capitalization Rate= $\frac{\text{Predicted Income (NOI)}}{\text{Adjusted Sale Price}}$