

Property Address**137 S 2nd St, Mount Wolf, PA 17347**

Turnkey Rental Pro Forma

Income and Expenses

Input:	Resale Price	\$119,995.00	
	Down Payment	\$23,999.00	20% Bank's Equity
	Mortgage Loan	\$95,996.00	
	Mortgage Terms	5.0%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$11,999.50	10% Percent of Total Value
	Closing Costs	\$5,519.77	5%

Projected First-Year Operating Statement

Potential Annual Gross Current		\$15,000
	\$1,250.00 House	

Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$750
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Potential Annual Effective Gross Income		\$14,250
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Less: Annual Operating Expenses

Property Taxes	\$2,547	
Insurance	425	
Water & Sewer		
Electric	0 tenant	
trash		
Replacement/Reserves	750	5.0% of annual effective income
Management	900	6.0%
Total Expenses	\$4,622	

ESTIMATED ANNUAL NET OPERATING INCOME		\$9,628
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Less: Annual Debt Service		-\$6,184
	<i>\$515 Monthly mortgage payment</i>	

Cash Flow Before Taxes		\$3,444
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Cash Flow Per Month		\$287
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Add: Principal for year (Equity Build-up)		\$1,416
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Debt to Credit Ratio		1.556939359
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Less: Cost Recovery	Tax deductible depreciation	-\$3,927
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CAP Rate	(NOI/Purchase Price)	8.02%
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Gross Rent Multiplier	(Purchase Price/Gross Inc	8.00
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Cash on Cash Rate of Return	<i>(Cash Before Taxes/Down</i>	11.7%
Equity Yield Rate	<i>(Assumes 3% Appreciator</i>	34.09%
Net Spendable Rate of Return	<i>(Cash Flow & Tax Savings</i>	10.7%