

<b>Property Address</b>			
707 E. Philadelphia St., York, PA 17403			
Turnkey Rental Pro Forma			
<b>Income and Expenses</b>			
<b>Input:</b>	<b>Resale Price</b>	<b>\$99,995.00</b>	
	Down Payment	\$19,999.00	20% Bank's Equity
	Mortgage Loan	\$79,996.00	
	<b>Mortgage Terms</b>	5.0%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5	Years
	Land Value	\$9,999.50	10% Percent of Total Value
	Closing Costs	\$4,599.77	5%
<b>Projected First-Year Operating Statement</b>			
	Potential Annual Gros Current		\$13,140
		<b>\$1,095.00</b> House	
	Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$657
	<b>Potential Annual Effective Gross Income</b>		<b>\$12,483</b>
	Less: Annual Operating Expenses		
	Property Taxes	<b>\$2,601</b>	
	Insurance	425	
	Water & Sewer		
	Electric	0	tenant
	trash	0	
	Replacement/Reserves	657	5.0% of annual effective in
	Management	788	6.0%
	Total Expenses	\$4,471	
	<b>ESTIMATED ANNUAL NET OPERATING INCOME</b>		<b>\$8,012</b>
	Less: Annual Dept Service		-\$5,153
		<b>\$429</b> Monthly mortgage payment	
	<b>Cash Flow Before Taxes</b>		<b>\$2,858</b>
	<b>Cash Flow Per Month</b>		<b>\$238</b>
	<b>Add: Principal for year (Equity Build-up)</b>		\$1,180
	<b>Debt to Credit Ratio</b>		1.554675445
	<b>Taxable Income Before Cost Recovery</b>		\$4,039
	Less: Cost Recovery	<b>Tax deductible depreciation</b>	<b>-\$3,273</b>
	<b>TAXABLE INCOME</b>		<b>\$766</b>
	<b>CAP Rate</b>	(NOI/Purchase Price)	<b>8.01%</b>
	<b>Gross Rent Multiplier</b>	(Purchase Price/Gross Inc	7.61
	<b>Cash on Cash Rate of Return</b>	(Cash Before Taxes/Down	<b>11.6%</b>

	<b>Equity Yield Rate</b>		<i>(Assumes 3% Appreciation)</i>	34.04%
	<b>Net Spendable Rate of Return</b>		<i>(Cash Flow &amp; Tax Savings)</i>	10.7%