

Property Address**550 Baltimore St, Hanover, PA 17331**

Turnkey Rental Pro Forma

Income and Expenses

Input:	Resale Price	\$159,900.00	
	Down Payment	\$31,980.00	20% Bank's Equity
	Mortgage Loan	\$127,920.00	
	Mortgage Terms	5.0%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$15,990.00	10% Percent of Total Value
	Closing Costs	\$7,355.40	5%

Projected First-Year Operating Statement

Potential Annual Gross Current		\$19,800
	\$1,650.00 House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$990
Potential Annual Effective Gross Income		\$18,810
Less: Annual Operating Expenses		
Property Taxes	\$3,149	
Insurance	425	
Water & Sewer		
Electric trash	0 tenant	
Replacement/Reserves	990	5.0% of annual effective income
Management	1,188	6.0%
Total Expenses	\$5,752	
ESTIMATED ANNUAL NET OPERATING INCOME		\$13,058
Less: Annual Debt Service		-\$8,240
	<i>\$687 Monthly mortgage payment</i>	
Cash Flow Before Taxes		\$4,818
Cash Flow Per Month		\$401
Add: Principal for year (Equity Build-up)		\$1,887
Debt to Credit Ratio		1.584626691
Less: Cost Recovery	Tax deductible depreciation	-\$5,233
CAP Rate	(NOI/Purchase Price)	8.17%
Gross Rent Multiplier	(Purchase Price/Gross Inc)	8.08
Cash on Cash Rate of Return	(Cash Before Taxes/Down	12.2%
Equity Yield Rate	(Assumes 3% Appreciator	34.59%
Net Spendable Rate of Return	(Cash Flow & Tax Savings	11.1%