

Property Address

715 Ono Rd., Annville, PA 17003

Turnkey Rental Pro Forma

Income and Expenses

Input:	Resale Price	\$159,995.00	
	Down Payment	\$31,999.00	20% Bank's Equity
	Mortgage Loan	\$127,996.00	
	Mortgage Terms	4.75%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$15,999.50	10% Percent of Total Value
	Closing Costs	\$7,359.77	5%

Projected First-Year Operating Statement

Potential Annual Gros Current		\$18,840
	\$1,570.00 House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$942
Potential Annual Effective Gross Income		\$17,898
Less: Annual Operating Expenses		
Property Taxes	\$1,781 estimated	
Insurance	425	
Water & Sewer		
Electric	0 tenant	
trash	0	
Replacement/Reserves	942	5.0% of annual effective income
Management	1,130	6.0%
Total Expenses	\$4,278	
ESTIMATED ANNUAL NET OPERATING INCOME		\$13,620
Less: Annual Dept Service		-\$8,012
	<i>\$668 Monthly mortgage payment</i>	
Cash Flow Before Taxes		\$5,607
Cash Flow Per Month		\$467
Add: Principal for year (Equity Build-up)		\$1,975
Debt to Credit Ratio		1.699846537
Taxable Income Before Cost Recovery		\$7,582
Less: Cost Recovery	Tax deductible depreciation	-\$5,236
TAXABLE INCOME		\$2,346
CAP Rate	(NOI/Purchase Price)	8.51%
Gross Rent Multiplier	(Purchase Price/Gross Inc)	8.49
Cash on Cash Rate of Return	(Cash Before Taxes/Down	14.2%
Equity Yield Rate	(Assumes 3% Appreciator	36.50%
Net Spendable Rate of Return	(Cash Flow & Tax Savings,	12.5%