

**Property Address**

2035 Logan St., Harrisburg, PA 17102

Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$135,000.00</b>	
	Down Payment	\$27,000.00	20% Bank's Equity
	Mortgage Loan	\$108,000.00	
	<b>Mortgage Terms</b>	4.75%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$13,500.00	10% Percent of Total Value
	Closing Costs	\$6,210.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gros Current		\$19,200
	<b>\$1,600.00</b> House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$960
<b>Potential Annual Effective Gross Income</b>		<b>\$18,240</b>
Less: Annual Operating Expenses		
Property Taxes	<b>\$1,169</b>	
Insurance	800	
Water & Sewer	2,400	
Electric	0 tenant	
trash	0	
Business Privilage License	50 1st Year	
Municipal Rental License	150	
Replacement/Reserves	960 5.0% of annual effective income	
Management	1,152 6.0%	
Total Expenses	\$6,681	
<b>ESTIMATED ANNUAL NET OPERATING INCOME</b>		<b>\$11,559</b>
Less: Annual Dept Service		-\$6,761
	<i>\$563 Monthly mortgage payment</i>	
<b>Cash Flow Before Taxes</b>		<b>\$4,798</b>
<b>Cash Flow Per Month</b>		<b>\$400</b>
<b>Add: Principal for year (Equity Build-up)</b>		<b>\$1,667</b>
<b>Debt to Credit Ratio</b>		<b>1.709772265</b>
<b>Taxable Income Before Cost Recovery</b>		<b>\$6,465</b>
Less: Cost Recovery Tax deductible depreciation		-\$4,418
<b>TAXABLE INCOME</b>		<b>\$2,047</b>
<b>CAP Rate</b>	(NOI/Purchase Price)	<b>8.56%</b>
<b>Gross Rent Multiplier</b>	(Purchase Price/Gross Inc	7.03
<b>Cash on Cash Rate of Return</b>	(Cash Before Taxes/Down	<b>14.4%</b>
<b>Equity Yield Rate</b>	(Assumes 3% Appreciation	36.67%
<b>Net Spendable Rate of Return</b>	(Cash Flow & Tax Savings	12.6%