Property Address
223 W. Main St., Hummelstown, PA 17036

Turnkey Rental Pro Forma
Income and Expenses

Input:	**Resale Price**	$216,500.00		
	Down Payment	$43,300.00	**20%**	Bank's Equity
	Mortgage Loan	$173,200.00		
	Mortgage Terms	4.75%		30 Years
	Owner's Tax Bracket	30.0%		
	Cost Recovery	27.5	Years	
	Land Value	$21,650.00	10%	Percent of Total Value
	Closing Costs	$9,959.00	5%	

Projected First-Year Operating Statement

Potential Annual Gros	Current		$29,280
	$2,440.00	House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%		-$1,464
Potential Annual Effective Gross Income			**$27,816**
Less: Annual Operating Expenses			
Property Taxes	$2,263		
Insurance	600		
Water & Sewer	2,400		
Electric	0	tenant	
trash	0		
Replacement/Reserves	1,464	5.0%	*of annual effective income*
Management	1,757	6.0%	
Total Expenses	$8,484		
ESTIMATED ANNUAL NET OPERATING INCOME			**$19,332**
Less: Annual Dept Service			-$10,842
$903 Monthly mortgage payment			
Cash Flow Before Taxes			**$8,490**
Cash Flow Per Month			**$708**
Add: Principal for year (Equity Build-up)			$2,673
Debt to Credit Ratio			1.783097748
Taxable Income Before Cost Recovery			$11,163
Less: Cost Recovery	Tax deductible depreciation		-$7,085
TAXABLE INCOME			**$4,077**
CAP Rate	*(NOI/Purchase Price)*		8.93%
Gross Rent Multiplier	*(Purchase Price/Gross Inc*		7.39
Cash on Cash Rate of Return	*(Cash Before Taxes/Down*		15.9%
Equity Yield Rate	*(Assumes 3% Appreciatior*		37.96%
Net Spendable Rate of Return	(Cash Flow & Tax Savings/		13.6%