

**Property Address**

2226 Logan St., Harrisburg, PA 17110

Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$105,000.00</b>	
	Down Payment	\$21,000.00	20% Bank's Equity
	Mortgage Loan	\$84,000.00	
	<b>Mortgage Terms</b>	4.75%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$10,500.00	10% Percent of Total Value
	Closing Costs	\$4,830.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gros Current		\$12,600
	<b>\$1,050.00</b> House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$630
<b>Potential Annual Effective Gross Income</b>		<b>\$11,970</b>
Less: Annual Operating Expenses		
Property Taxes	<b>\$1,031</b>	
Insurance	425	
Water & Sewer		
Electric	0 tenant	
trash	0	
Business Priviledge License	50	
Municipal Rental License	75	
Replacement/Reserves	630	5.0% of annual effective income
Management	756	6.0%
Total Expenses	\$2,967	
<b>ESTIMATED ANNUAL NET OPERATING INCOME</b>		<b>\$9,003</b>
Less: Annual Dept Service		-\$5,258
	<i>\$438 Monthly mortgage payment</i>	
<b>Cash Flow Before Taxes</b>		<b>\$3,745</b>
<b>Cash Flow Per Month</b>		<b>\$312</b>
<b>Add: Principal for year (Equity Build-up)</b>		<b>\$1,296</b>
<b>Debt to Credit Ratio</b>		1.712181199
<b>Taxable Income Before Cost Recovery</b>		<b>\$5,041</b>
Less: Cost Recovery	Tax deductible depreciation	-\$3,436
<b>TAXABLE INCOME</b>		<b>\$1,605</b>
<b>CAP Rate</b>	(NOI/Purchase Price)	<b>8.57%</b>
<b>Gross Rent Multiplier</b>	(Purchase Price/Gross Inc	8.33
<b>Cash on Cash Rate of Return</b>	(Cash Before Taxes/Down	<b>14.5%</b>
<b>Equity Yield Rate</b>	(Assumes 3% Appreciation	36.71%
<b>Net Spendable Rate of Return</b>	(Cash Flow & Tax Savings	12.6%