

**Property Address**

915 Norwood St., Harrisburg, PA 17104

Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$108,000.00</b>	
	Down Payment	\$21,600.00	20% Bank's Equity
	Mortgage Loan	\$86,400.00	
	<b>Mortgage Terms</b>	4.00%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$10,800.00	10% Percent of Total Value
	Closing Costs	\$4,968.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gros Current		\$13,200
	<b>\$1,100.00</b> House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$660
<b>Potential Annual Effective Gross Income</b>		<b>\$12,540</b>
Less: Annual Operating Expenses		
Property Taxes	<b>\$1,943</b>	
Insurance	425	
Water & Sewer		
Electric	0 tenant	
trash	0	
Business Privilege License	50	
Municipal Rental License	75	
Replacement/Reserves	660	5.0% of annual effective income
Management	792	6.0%
Total Expenses	\$3,945	
<b>ESTIMATED ANNUAL NET OPERATING INCOME</b>		<b>\$8,595</b>
Less: Annual Dept Service		-\$4,950
	<i>\$412 Monthly mortgage payment</i>	
<b>Cash Flow Before Taxes</b>		<b>\$3,645</b>
<b>Cash Flow Per Month</b>		<b>\$304</b>
<b>Add: Principal for year (Equity Build-up)</b>		<b>\$1,522</b>
<b>Debt to Credit Ratio</b>		1.736419137
<b>Taxable Income Before Cost Recovery</b>		<b>\$5,167</b>
Less: Cost Recovery	Tax deductible depreciation	<b>-\$3,535</b>
<b>TAXABLE INCOME</b>		<b>\$1,632</b>
<b>CAP Rate</b>	(NOI/Purchase Price)	<b>7.96%</b>
<b>Gross Rent Multiplier</b>	(Purchase Price/Gross Inc	8.18
<b>Cash on Cash Rate of Return</b>	(Cash Before Taxes/Down	<b>13.7%</b>
<b>Equity Yield Rate</b>	(Assumes 3% Appreciation	36.65%
<b>Net Spendable Rate of Return</b>	(Cash Flow & Tax Savings	11.9%