

**Property Address**

159 Stevens Ave., York, PA 17401

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>	4.00%	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		\$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>\$2,068</b>	
Insurance	425	
Water & Sewer		
Electric		tenant
trash		
Registration	25	
Municipal Rental License	113	
Replacement/Reserves	660	5.0% of annual effective income
Management	1,320	10.0%
Total Expenses	\$4,611	
<b>ESTIMATED ANNUAL NET OPERATING INCOME</b>		<b>\$7,930</b>
Less: Annual Dept Service		-\$4,812
	<i>\$401 Monthly mortgage payment</i>	
<b>Cash Flow Before Taxes</b>		<b>\$3,117</b>
<b>Cash Flow Per Month</b>		<b>\$260</b>
<b>Add: Principal for year (Equity Build-up)</b>		\$1,479
<b>Debt to Credit Ratio</b>		1.647740978
<b>Taxable Income Before Cost Recovery</b>		\$4,596
Less: Cost Recovery	Tax deductible depreciation	-\$3,436
<b>TAXABLE INCOME</b>		<b>\$1,160</b>
<b>CAP Rate</b>	(NOI/Purchase Price)	<b>7.55%</b>
<b>Gross Rent Multiplier</b>	(Purchase Price/Gross Income)	7.95
<b>Cash on Cash Rate of Return</b>	(Cash Before Taxes/Down Pmt.+Closing Costs)	<b>12.1%</b>
<b>Equity Yield Rate</b>	(Assumes 3% Appreciation)	35.23%
<b>Net Spendable Rate of Return</b>	(Cash Flow & Tax Savings/Dn. Pmt.+Closing Costs)	10.7%