

Property Address

23 Hickory St., Harrisburg, PA 17113

Turnkey Rental Pro Forma

Income and Expenses

Input:	Resale Price	\$138,500.00	
	Down Payment	\$27,700.00	20% Bank's Equity
	Mortgage Loan	\$110,800.00	
	Mortgage Terms	4.00%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$13,850.00	10% Percent of Total Value
	Closing Costs	\$6,371.00	5%

Projected First-Year Operating Statement

Potential Annual Gros Current		\$15,540
	\$1,295.00 House	
Less: Estimated Vacancy Factor/Rental Loss	5.0%	-\$777
Potential Annual Effective Gross Income		\$14,763
Less: Annual Operating Expenses		
Property Taxes	\$959	
Insurance	425	
Water & Sewer		
Electric	0 tenant	
trash	0	
Registration	25	
Business Priviledge License	30	
Municipal Rental Tax	50	
Replacement/Reserves	777	5.0% of annual effective income
Management	1,554	10.0%
Total Expenses	\$3,820	
ESTIMATED ANNUAL NET OPERATING INCOME		\$10,943
Less: Annual Dept Service		-\$6,348
	<i>\$529 Monthly mortgage payment</i>	
Cash Flow Before Taxes		\$4,595
Cash Flow Per Month		\$383
Add: Principal for year (Equity Build-up)		\$1,951
Debt to Credit Ratio		1.723927763
Taxable Income Before Cost Recovery		\$6,547
Less: Cost Recovery	Tax deductible depreciation	-\$4,533
TAXABLE INCOME		\$2,014
CAP Rate	(NOI/Purchase Price)	7.90%
Gross Rent Multiplier	(Purchase Price/Gross Inc	8.91
Cash on Cash Rate of Return	(Cash Before Taxes/Down	13.5%
Equity Yield Rate	(Assumes 3% Appreciation	36.45%
Net Spendable Rate of Return	(Cash Flow & Tax Savings	11.7%