

**Property Address**  
316 N. 2nd St., Steelton, PA 17113



Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$117,500.00</b>	
	Down Payment	\$23,500.00	20% Bank's Equity
	Mortgage Loan	\$94,000.00	
	<b>Mortgage Terms</b>	4.00%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$11,750.00	10% Percent of Total Value
	Closing Costs	\$5,405.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gros: Current		\$14,100
	<b>\$1,175.00</b> House	
Less: Estimated Vacancy Factor/Rental Loss	<b>5.0%</b>	-\$705
<b>Potential Annual Effective Gross Income</b>		<b>\$13,395</b>
Less: Annual Operating Expenses		
Property Taxes	<b>\$1,764</b>	
Insurance	425	
Water & Sewer		
Electric	0 tenant	
trash	0	
Registration	25	
Borough Administrative Fee	5	
Municipal Inspection	70 Every other year	
Replacement/Reserves	705 <b>5.0%</b> of annual effective income	
Management	1,410 <b>10.0%</b>	
Total Expenses	\$4,404	
<b>ESTIMATED ANNUAL NET OPERATING INCOME</b>		<b>\$8,991</b>
Less: Annual Dept Service		-\$5,385
	<i>\$449 Monthly mortgage payment</i>	
<b>Cash Flow Before Taxes</b>		<b>\$3,606</b>
<b>Cash Flow Per Month</b>		<b>\$300</b>
<b>Add: Principal for year (Equity Build-up)</b>		\$1,655
<b>Debt to Credit Ratio</b>		1.669562068
<b>Taxable Income Before Cost Recovery</b>		\$5,261
Less: Cost Recovery <b>Tax deductible depreciation</b>		<b>-\$3,845</b>
<b>TAXABLE INCOME</b>		<b>\$1,416</b>
<b>CAP Rate</b>	(NOI/Purchase Price)	<b>7.65%</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>12.5%</b>
<b>Equity Yield Rate</b>	(Assumes 3% Appreciation	35.58%
<b>Net Spendable Rate of Return</b>	(Cash Flow & Tax Savings/	11.0%

\*\*All financial information is deemed reliable but not guaranteed. Performance & Projections are estimated and subject to change. The provider shall be held harmless if returns are not met. All Investments have risks and Investors are urged to perform their own due diligence.