



**Property Address**

1718 E 31st St, Baltimore, MD 21218

Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$155,000.00</b>	
	Down Payment	\$31,000.00	<b>20%</b> Bank's Equity
	Mortgage Loan	\$124,000.00	
	<b>Mortgage Terms</b>	5.0%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$15,500.00	10% Percent of Total Value
	Closing Costs	\$7,130.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gross Current \$16,800  
\$1,400.00 House

Less: Estimated Vacancy Factor/Rental Loss 5.0% -\$840

**Potential Annual Effective Gross Income \$15,960**

Less: Annual Operating Expenses

Property Taxes	<b>\$708</b>	
Insurance	495	
Water & Sewer		
Electric	0 tenant	
trash	0	
Replacement/Reserves	840	5.0% of annual effective income
Management	1,008	6.0%

Total Expenses \$3,051

**ESTIMATED ANNUAL NET OPERATING INCOME \$12,909**

Less: Annual Dept Service -\$7,988  
\$666 Monthly mortgage payment

**Cash Flow Before Taxes \$4,921**

**Cash Flow Per Month \$410**

**Add: Principal for year (Equity Build-up) \$1,829**

**Debt to Credit Ratio 1.616068141**

**Taxable Income Before Cost Recovery \$6,751**

Less: Cost Recovery Tax deductible depreciation -\$5,073

**TAXABLE INCOME \$1,678**

**CAP Rate (NOI/Purchase Price) 8.33%**

**Gross Rent Multiplier (Purchase Price/Gross Incc) 9.23**

**Cash on Cash Rate of Return (Cash Before Taxes/Down) 12.9%**

**Equity Yield Rate (Assumes 3% Appreciation, 35.15%**

**Net Spendable Rate of Return (Cash Flow & Tax Savings/l 11.6%**