



**Property Address**

4614 Pall Mall Rd, Baltimore, MD 21215

Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$150,000.00</b>	
	Down Payment	\$30,000.00	20% Bank's Equity
	Mortgage Loan	\$120,000.00	
	<b>Mortgage Terms</b>	5.0%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$15,000.00	10% Percent of Total Value
	Depreciable Closing Costs	\$6,900.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gross Inc Current \$16,200

**\$1,350.00** House

Less: Estimated Vacancy Factor/Rental Loss - \$810

**5.0%**

**Potential Annual Effective Gross Income \$15,390**

Less: Annual Operating Expenses

Property Taxes	<b>\$708</b>	
Insurance	495	
Water & Sewer		
Electric	0	tenant
trash	0	
Replacement/Reserves	810	<b>5.0%</b> of annual effective income
Management	972	<b>6.0%</b>

Total Expenses \$2,985

**ESTIMATED ANNUAL NET OPERATING INCOME \$12,405**

Less: Annual Dept Service - \$7,730

*\$644 Monthly mortgage payment*

**Cash Flow Before Taxes \$4,675**

**Cash Flow Per Month \$390**

**Add: Principal for year (Equity Build-up) \$1,770**

**Debt to Credit Ratio 1.60473851**

**Taxable Income Before Cost Recovery \$6,445**

Less: Cost Recovery - \$4,909

**Tax deductible depreciation**

**TAXABLE INCOME \$1,536**

**CAP Rate 8.27%**

*(NOI/Purchase Price)*

**Gross Rent Multiplier 9.26**

*(Purchase Price/Gross Income)*

**Cash on Cash Rate of Return 12.7%**

*(Cash Before Taxes/Down Pmt.+Closing Costs)*

**Equity Yield Rate 34.95%**

*(Assumes 3% Appreciation)*

**Net Spendable Rate of Return 11.4%**

*(Cash Flow & Tax Savings/Dn. Pmt.+Closing Costs)*