



**Property Address**

761 N Edgewood St, Baltimore, MD 21229

Turnkey Rental Pro Forma

**Income and Expenses**

<b>Input:</b>	<b>Resale Price</b>	<b>\$152,000.00</b>	
	Down Payment	\$30,400.00	20% Bank's Equity
	Mortgage Loan	\$121,600.00	
	<b>Mortgage Terms</b>	5.0%	30 Years
	Owner's Tax Bracket	30.0%	
	Cost Recovery	27.5 Years	
	Land Value	\$15,200.00	10% Percent of Total Value
	Depreciable Closing Costs	\$6,992.00	5%

**Projected First-Year Operating Statement**

Potential Annual Gross Inc Current \$17,400

**\$1,450.00** House

Less: Estimated Vacancy Factor/Rental Loss -\$870

**5.0%**

**Potential Annual Effective Gross Income \$16,530**

Less: Annual Operating Expenses

Property Taxes	<b>\$1,805</b>	
Insurance	495	
Water & Sewer		
Electric	0	tenant
trash	0	
Replacement/Reserves	870	<b>5.0%</b> of annual effective income
Management	1,044	<b>6.0%</b>

Total Expenses \$4,214

**ESTIMATED ANNUAL NET OPERATING INCOME \$12,316**

Less: Annual Dept Service -\$7,833

**\$653** Monthly mortgage payment

**Cash Flow Before Taxes \$4,483**

**Cash Flow Per Month \$374**

**Add: Principal for year (Equity Build-up) \$1,794**

**Debt to Credit Ratio 1.57226178**

**Taxable Income Before Cost Recovery \$6,277**

Less: Cost Recovery -\$4,975

**Tax deductible depreciation**

**TAXABLE INCOME \$1,302**

**CAP Rate 8.10%**

(NOI/Purchase Price)

**Gross Rent Multiplier 8.74**

(Purchase Price/Gross Income)

**Cash on Cash Rate of Return 12.0%**

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

**Equity Yield Rate 34.36%**

(Assumes 3% Appreciation)

**Net Spendable Rate of Return 10.9%**

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