



**Property Address**

319 Mount Holly St., Baltimore, MD 21229

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>	4.8%	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		\$17,520
	<b>\$1,460.00</b> House	
Less: Estimated Vacancy Factor/Rental Loss	<b>5.0%</b>	-\$876

**Potential Annual Effective Gross Income \$16,644**

Less: Annual Operating Expenses

Property Taxes	<b>\$1,695</b>	
Insurance	495	
Water & Sewer		
Electric	0	tenant
trash	0	
Replacement/Reserves	876	<b>5.0%</b> of annual effective income
Management	1,051	<b>6.0%</b>

Total Expenses \$4,117

**ESTIMATED ANNUAL NET OPERATING INCOME \$12,527**

**Less: Annual Debt Service -\$7,762**  
*\$647 Monthly mortgage payment*

**Cash Flow Before Taxes \$4,765**

**Cash Flow Per Month \$397**

**Add: Principal for year (Equity Build-up) \$1,913**

**Debt to Credit Ratio 1.613839044**

**Taxable Income Before Cost Recovery \$6,678**

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

**TAXABLE INCOME \$1,605**

**CAP Rate (NOI/Purchase Price) 8.08%**

**Gross Rent Multiplier (Purchase Price/Gross Income) 8.85**

**Cash on Cash Rate of Return (Cash Before Taxes/Down Pmt.+Closing Costs) 12.5%**

**Equity Yield Rate (Assumes 3% Appreciation) 34.99%**

**Net Spendable Rate of Return (Cash Flow & Tax Savings/Dn. Pmt.+Closing Costs) 11.2%**