

1 Year Performance Projection

2 Houses on 1 Parcel
Mobile, AL 36605
2BR, 1BA each Home- Built 1982



Square Feet	1,658
Initial Market Value	\$105,000
Purchase Price	\$105,000
Downpayment	\$26,250
Loan Origination Fees	\$1,772
Depreciable Closing Costs	\$5,250
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$33,272
Cost per Square Foot	\$63
Monthly Rent per Square Foot	\$0.78

Income	Monthly	Annual
Gross Rent	\$1,300	\$15,600
Vacancy Losses	-\$104	-\$1,248
Operating Income	\$1,196	\$14,352

Expenses	Monthly	Annual
Property Taxes	-\$79	-\$945
Insurance	-\$105	-\$1,260
Management Fees	-\$96	-\$1,148
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$104	-\$1,248
Other	-\$0	-\$0
Operating Expenses	-\$383	-\$4,601

Net Performance	Monthly	Annual
Net Operating Income	\$813	\$9,751
- Mortgage Payments	-\$523	-\$6,281
= Cash Flow	\$289	\$3,470
+ Principal Reduction	\$67	\$802
+ First-Year Appreciation	\$525	\$6,300
= Gross Equity Income	\$881	\$10,572
+ Tax Savings	\$0	\$0
= GEI w/Tax Savings	\$881	\$10,572

Mortgage Info	First	Second
Loan-to-Value Ratio	75%	0%
Loan Amount	\$78,750	\$0
Monthly Payment	\$523.40	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	6.990%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.55
Annual Gross Rent Multiplier	7
Monthly Gross Rent Multiplier	81
Capitalization Rate	9.3%
Cash on Cash Return	10%
Total Return on Investment	32%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	8%
Management Fee	8%
Maintenance Percentage	8%

Comments

*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.