

1 Year Performance Projection

Great Investment Opportunity
Merrillville, IN 46410
3 bedroom/ 1 bath home built in 1941



Square Feet	1,360
Initial Market Value	\$114,900
Purchase Price	\$114,900
Downpayment	\$22,980
Loan Origination Fees	\$1,838
Depreciable Closing Costs	\$5,745
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$30,563
Cost per Square Foot	\$84
Monthly Rent per Square Foot	\$0.94

Income	Monthly	Annual
Gross Rent	\$1,280	\$15,360
Vacancy Losses	-\$102	-\$1,229
Operating Income	\$1,178	\$14,131

Expenses	Monthly	Annual
Property Taxes	-\$254	-\$3,045
Insurance	-\$48	-\$574
Management Fees	-\$94	-\$1,130
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$102	-\$1,229
Other	-\$0	-\$0
Operating Expenses	-\$498	-\$5,979

Net Performance	Monthly	Annual
Net Operating Income	\$679	\$8,153
- Mortgage Payments	-\$522	-\$6,263
= Cash Flow	\$157	\$1,890
+ Principal Reduction	\$103	\$1,238
+ First-Year Appreciation	\$574	\$6,894
= Gross Equity Income	\$835	\$10,022
+ Tax Savings	\$12	\$145
= GEI w/Tax Savings	\$847	\$10,167

Mortgage Info	First	Second
Loan-to-Value Ratio	80%	0%
Loan Amount	\$91,920	\$0
Monthly Payment	\$521.91	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	5.500%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.30
Annual Gross Rent Multiplier	7
Monthly Gross Rent Multiplier	90
Capitalization Rate	7.1%
Cash on Cash Return	6%
Total Return on Investment	33%
+ 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.