

Controlling Factors

Annual Rent Increases	5.00%
Annual Property Tax Change	2.00%
Annual Appreciation Change	5.00%
Hold Term (years)	4

Property Information

60 Lee St

Purchase Price	\$82,000.00
Price + Rehab	\$76,000.00
Market Value	\$90,000.00
Target Resale Price	\$135,000.00

Expense Information

	Year 1		Year 2		Year 3		Year 4	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
Taxes	\$72	\$860	\$73	\$877	\$75	\$895	\$76	\$913
Insurance	\$50	\$600	\$50	\$600	\$50	\$600	\$50	\$600
Lawn service	0	\$0	0	\$0	0	\$0	0	\$0
Maintenance	\$25.00	\$300	\$25.00	\$300	\$25.00	\$300	\$26.00	\$300
Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pest control	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lease fee	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0
Management fee	\$57.75	\$693	\$60.64	\$728	\$63.67	\$764	\$66.85	\$802
HOA Dues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses:	\$204	\$2,453	\$209	\$2,505	\$213	\$2,559	\$218	\$2,615

Income Information

Base Rent	\$825.00	\$9,900	\$866.25	\$10,395.00	\$909.56	\$10,914.75	\$955.04	\$11,460.49
Vacancy Allowance (%)	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Scheduled Gross Income	\$825	\$9,900	\$866.25	\$10,395.00	\$909.56	\$10,914.75	\$955.04	\$11,460.49
NOI		\$7,447		\$7,890		\$8,356		\$8,846

Investment Summary

	Principle & Interest 6.750%		Interest Only 7.000%		Deferred Interest 7.90%	
	Monthly	Annual	Monthly	Annual	Monthly	Annual
Total Capital Invested	\$13,656.00		\$13,656.00		\$12,906.00	
Borrowed Capital	\$ -		\$ -		\$ -	
Financing						
Payments	\$498.80	\$5,985.59	\$382.67	\$4,592.00	\$178.56	\$2,142.77
Mortgage Insurance (monthly) [PMI]	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0
Total Payments	\$498.80	\$5,986	\$382.67	\$4,592	\$178.56	\$2,143
PITI	\$620.47	\$7,445.59	\$504.33	\$6,052.00	\$300.23	\$3,602.77
Total Expenses	\$204	\$2,453	\$204	\$2,453	\$204	\$2,453
Total Income	\$825	\$9,900	\$825	\$9,900	\$825	\$9,900
Net Profit (Loss)	\$122	\$1,461	\$238	\$2,855	\$442	\$5,304
Return on Capital (Year 1)		10.702%		20.907%		41.099%
Principle Reduction		\$7,273.95				
Return on Equity Line		#DIV/0!		#DIV/0!		#DIV/0!
Deferred Interest						\$17,042.32
Debt to Income		100%		82%		49%
Net Income By Year	Year:	Net Inc.	Year:	Net Inc.	Year:	Net Inc.
	1	\$1,461	1	\$2,855	1	\$5,304
	2	\$1,904.56	2	\$3,298.15	2	\$5,747.38
	3	\$2,370.39	3	\$3,763.97	3	\$6,213.21
	4	\$2,860.03	4	\$4,253.61	4	\$6,702.85
Profit Margin By Year	Year:	Net Inc.	Year:	Net Inc.	Year:	Net Inc.
(Net Income / Gross Revenue)	1	15%	1	29%	1	54%
	2	18%	2	32%	2	55%
	3	22%	3	34%	3	57%
	4	25%	4	37%	4	58%

Loan Amortization Schedule

Year:	Principle Pd.		Interest Pd.		Deferred Int
	Principle Pd.	Interest Pd.	Principle Pd.	Interest Pd.	
1	\$1,644.38	\$4,341.21	\$1,234.60	\$908.17	1
2	\$1,755.37	\$4,230.21	\$1,251.88	\$890.89	2
3	\$1,873.86	\$4,111.73	\$1,269.41	\$873.36	3
4	\$2,000.34	\$3,985.24	\$1,287.18	\$855.59	4
5	\$2,135.37	\$3,850.22	\$1,305.20	\$837.57	5

Investment Return

Property Value	\$ 108,000.00	\$ 108,000.00	\$ 108,000.00
Remaining Principle	<u>-\$58,326.05</u>	<u>-\$65,600.00</u>	<u>-\$65,600.00</u>
Interest Deferred			<u>\$17,042.32</u>
Equity	\$ 49,673.95	\$ 42,400.00	\$ 25,357.68
Equity Return on Capital Invested	364%	310%	196%
Equity Return on Borrowed Capital	#DIV/0!	#DIV/0!	
Net Profit from Rents	\$8,596	\$14,171	\$23,968
Rent Return on Capital Invested	63%	104%	185.71%
Gross Profit from Investment	\$ 58,270.34	\$ 56,570.74	\$ 49,325.35
Gross Return on Capital Invested	427%	414%	382.19%
Schedule of Net Income	Cash Invested (\$13,656.00)	Cash Invested (\$13,656.00)	Cash Invested (\$12,906.00)
Year 1	\$1,461	\$2,855	\$5,304
Year 2	\$1,904.56	\$3,298.15	\$5,747.38
Year 3	\$2,370.39	\$3,763.97	\$6,213.21
Year 4	\$2,860.03	\$4,253.61	\$6,702.85
Equity	\$49,673.95	\$42,400.00	\$25,357.68
IRR of Investment over 4 Years	38%	41%	49%