

# Investment Property Worksheet

<b>Client:</b>	<b>Property Address:</b>	Rich	<b>Purpose:</b>	Liquidate	<b>Description:</b>	
# Units	2	\$ Per Unit	12218 W 10th	Type:	Duplex	Leasable Sq Ft:
Parking		Year Built		Condition:	Good	

<b>Purchase Cost:</b>	<b>\$495,500</b>	<b>% Down</b>	<b>30%</b>		
<b>Cash Invested:</b>	<b>\$ 148,650</b>				
<b>Financing: Amount</b>	<b>\$ 346,850</b>	<b>Interest Rate:</b>	<b>6.000%</b>	<b>P&amp;I:</b>	<b>\$2,079.54 /month</b>
<b>Financing: Amount</b>	<b>\$ -</b>	<b>Interest Rate:</b>	<b>0.000%</b>	<b>P&amp;I:</b>	<b>\$0.00 /month</b>
<b>Closing Costs Paid</b>	<b>\$ -</b>	<b>Total Interest</b>	<b>\$ 20,811 /year</b>		
<b>Discount Paid</b>	<b>\$ -</b>	<b>Total Payment</b>	<b>\$ - /month</b>		
<b>Value:</b>		<b>Recovery Rate</b>	<b>Depreciation</b>		
Land	\$ 74,325	15.00%	0.00%	\$ -	
Personal Property	\$ 49,550	10.00%	20.00%	\$ 9,910	
Building	\$ 322,075	65.00%	3.64%	\$ 11,712	
Site Improvements	\$ 49,550	10.00%	6.67%	\$ 3,303	
Deductible Closing Costs	\$ -	0.00%	3.33%	\$ -	
<b>Total Depreciation and Amortization</b>				<b>\$ 24,925</b>	
<b>Gross Sched Rent</b>	<b>\$ 40,800</b>	<b>3%</b>	<b>Vacancy</b>	<b>\$ 1,224 = GOI</b>	<b>\$ 39,576</b>
<b>Annual Operating Expenses:</b>					
Real Estate Tax	\$ 3,425	Insurance	\$ 1,100	Maintenance	\$ - Lawn \$ 600
Repairs	\$ 1,000	Utilities	\$ -	Mgmnt (%)	\$ 2,700 Electric
Advertising	\$ -	Supplies	\$ -	Other	Onsite Mn \$ -
<b>Total Operating Expenses</b>				<b>\$ 8,825</b>	
1) Gross Operating Income				\$ -	\$ 39,576
Minus: Operating Expenses				- \$	8,825
Equals: Net Operating Income (NOI)				= \$	30,751
Minus: Annual Debt Service = 12 x (monthly P&I)				- \$	24,954
Equals: Cash Flow Before Tax (CFBT)				=	<b>\$ 5,797</b>
2) Annual Debt Service				\$	24,954
Minus: Interest				- \$	20,811
Equals: Principal Reduction (PR)				=	<b>\$ 4,143</b>
3) Net Operating Income				\$	30,751
Minus: Interest				- \$	20,811
Minus: Depreciation				- \$	24,925
Minus: Discount Paid				- \$	-
Equals: Taxable Income				0 \$	(14,985)
Multiplied by tax bracket				x	27%
Equals: Tax paid or saved (TP/S)				=	<b>\$ (4,046)</b>
4) Appreciation (estimated)		Appreciation rate	<b>0%</b>		<b>\$ -</b>

<b>Return on Investment w/ Appreciation</b>			
CFBT + PR + TP/S + Appreciation	=	<b>3.97%</b>	
Total Investment			
<b>Return on Investment w/out Apprec.</b>		<b>Capitalization Rate</b>	
CFBT + PR + TP/S	=	<b>3.97%</b>	Net Operating Income
Total Investment			Purchase Cost
<b>Cash on Cash Return</b>		<b>Gross Rent Multiplier</b>	
CFBT	=	<b>3.90%</b>	Purchase Cost
Cash Invested			Gross Scheduled Rent
			<b>12.14%</b>

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