



Market		Property Address				
Memphis		110 Walker Meadows Ln, Munford, TN 38058				
Property Info		Assumptions				
Purchase Price	\$315,000	Down Payment	25%			
Down Payment	\$78,750	Closing Costs	5%			
Estimated Closing Costs	\$14,175	Interest Rate	6.375%			
Post Close Rent Ready Repairs	\$0	PM Fee	8%			
Acquisition Fee	\$4,995	Vacancy/Repairs	5%			
Total Property Investment	\$97,920	Annual Apprec. (YR 1-2)	6%			
		Annual Apprec. (YR 3-5)	10%			
		Annual Apprec. (YR 6+)	4%			
		Annual Rent Increase	5%			
		Closing Costs on Future Sale	6%			
Financed Income Breakdown		Cash on Cash ROI				
Monthly Rent	\$2,100	Annual Average	5 Year	10 Year	20 Year	30 Year
Monthly Principal & Interest	\$1,474	Cash on Cash ROI	2.50%	5.51%	13.63%	25.31%
Monthly Taxes	\$180	Con C + PR	6.33%	9.59%	18.34%	30.80%
Monthly Insurance	\$133	IRR	9.60%	12.87%	21.61%	34.08%
PITI Monthly	\$1,787	Con C + PR + Deprec.	36.04%	35.92%	46.40%	64.74%
		Cont. PR, Deprec, Apprec				
Year Built	Square Feet	Bedrooms	Bathrooms	Returns		
2023	1774	4	2	Cap Rate	6.06%	

Income / Expenses											
Year	1	2	3	4	5	10	15	20	25	30	
Gross Rent	\$25,200	\$26,460	\$27,783	\$29,172	\$30,631	\$39,093	\$49,894	\$63,679	\$81,273	\$103,727	
Taxes	\$2,154	\$2,283	\$2,420	\$2,517	\$2,618	\$3,185	\$3,875	\$4,714	\$5,736	\$6,978	
Insurance	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	
HOA	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	
Property Management	\$2,016	\$2,117	\$2,223	\$2,334	\$2,450	\$3,127	\$3,992	\$5,094	\$6,502	\$8,298	
Vacancy/Repairs	\$0	\$1,323	\$1,389	\$1,459	\$1,532	\$1,955	\$2,495	\$3,184	\$4,064	\$5,186	
Net Operating Income	\$19,080	\$18,787	\$19,801	\$20,913	\$22,081	\$28,876	\$37,583	\$48,736	\$63,021	\$81,314	
Annual Principal and Interest	\$17,687	\$17,687	\$17,687	\$17,687	\$17,687	\$17,687	\$17,687	\$17,687	\$17,687	\$17,687	
Gross Profits	\$1,393	\$1,100	\$2,114	\$3,226	\$4,394	\$11,190	\$19,896	\$31,050	\$45,335	\$63,627	
Monthly Cash Flow	\$116	\$92	\$176	\$269	\$366	\$932	\$1,658	\$2,587	\$3,778	\$5,302	
Property Investment	\$97,920	\$97,920	\$97,920	\$97,920	\$97,920	\$97,920	\$97,920	\$97,920	\$97,920	\$97,920	
Con C ROI	1.42%	1.12%	2.16%	3.29%	4.49%	11.43%	20.32%	31.71%	46.30%	64.98%	
Con C + PR	5.06%	4.86%	5.98%	7.22%	8.51%	16.00%	25.55%	37.72%	53.23%	73.02%	
Annual Appreciation/ROI											
Year	1	2	3	4	5	10	15	20	25	30	
Principal Reduction	\$3,565	\$7,309	\$11,238	\$15,364	\$19,695	\$44,811	\$76,842	\$117,694	\$169,796	\$236,250	
Appreciation	\$0	\$18,900	\$33,390	\$36,729	\$40,402	\$20,796	\$25,302	\$30,784	\$37,453	\$45,567	
Appreciation ROI	0.00%	19.30%	34.10%	37.51%	41.26%	21.24%	25.84%	31.44%	38.25%	46.54%	
Cumulative Equity Gain	\$0	\$18,900	\$52,290	\$89,019	\$129,421	\$225,706	\$342,851	\$485,377	\$658,781	\$869,753	
Proceeds In Event of Sale	\$63,415	\$84,924.63	\$120,241	\$158,892	\$201,201	\$316,825	\$458,973	\$633,798	\$848,900	\$1,113,668	
ROI w/C on C + PR + Est. Apprec.	5.06%	24.16%	40.08%	44.73%	49.77%	37.24%	51.39%	69.16%	91.48%	119.56%	
Deprec. / Tax Savings	\$3,207	\$3,207	\$3,207	\$3,207	\$3,207	\$3,207	\$3,207	\$3,207	\$3,207	\$3,207	
Deprec. ROI	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	

Glossary and Assumptions	
Appreciation	The Appreciation value is calculated cumulatively.
Appreciation ROI	Return as calculated from Appreciation to Total Property Investment.
Cap Rate	Cap Rate is calculated by dividing the Net Operating Income by the Purchase Price.
Cash on Cash Return	The Cash on Cash Return is calculated by dividing the Annual Net Cash Flow by the Total Property Investment (TPI).
Closing Costs	Estimated closing costs is based on home price, loan amount and credit score.
Depreciation ROI	Return based on Depreciation to property investment.
Depreciation/Tax Savings	Assuming Average 28% tax bracket.
Principal Reduction	The Principal Reduction is calculated cumulatively based off a 30 year amortization, fixed rate mortgage.
Proceeds on Sale	The Proceeds on the Sale is calculated by taking the market value (Purchase Price and cumulative Appreciation), and subtracting Loan Amount, and Closing Costs on the Future Sale.
Return on Investment (ROI)	Return on Investment.
Taxes	Taxes increase at same rate of property Appreciation.
Total Property Investment (TPI)	The Total Property Investment value is calculated by adding the Down Payment, Closing Costs, Rehab Expenses and Acquisition Fee.
Vacancies/Repairs	Vacancy/Repair expenses start in month 12 since the homes are typically rehabbed at the start of year 1.

Abbreviations		Property Value	
PM	Property Management	2	\$315,000
Apprec.	Appreciation	3	\$333,900
Deprec.	Depreciation	4	\$353,934
C on C	Cash on Cash	5	\$375,170
V&R	Vacancy and Repairs	6	\$390,177
Hyp.	Hypothetical	7	\$405,784
PR.	Principal Reduction	8	\$422,015
PI.	Property Investment	9	\$438,896
EG	Equity Gain	10	\$456,452