



Market		Property Address				
Central Florida		1932 Michigan Ct, Poinciana, FL 34759				
Property Info		Assumptions				
Purchase Price	\$215,900	Down Payment	20%			
Down Payment	\$43,180	Closing Costs	4%			
Estimated Closing Costs	\$8,636	Interest Rate	4.125%			
Rehab Expenses	\$3,000	PM Fee	8%			
Acquisition Fee	\$3,995	Vacancy/Repairs	8%			
Total Property Investment	\$58,811	Annual Apprec. (YR 1-2)	8%			
		Annual Apprec. (YR 3-5)	6%			
		Annual Apprec. (YR 6+)	3%			
		Annual Rent Increase	5%			
		Closing Costs on Future Sale	6%			
Financed Income Breakdown		Cash on Cash ROI				
Monthly Rent	\$1,500	Annual Average	5 Year	10 Year	20 Year	30 Year
Monthly Principal & Interest	\$837	Cash on Cash ROI	5.51%	8.73%	17.82%	31.07%
Monthly Taxes	\$208	C on C + PR	10.17%	13.70%	23.55%	37.75%
Monthly Insurance	\$50	C on C + PR + Deprec.	13.90%	17.44%	27.28%	41.49%
PITI Monthly	\$1,095	C on C + PR + Deprec. + Apprec.	34.92%	35.47%	45.71%	62.38%
Year Built	Square Feet	Bedrooms	Bathrooms	Returns		
2006	2236	3	2	Cap Rate	6.11%	

Income / Expenses											
Year	1	2	3	4	5	10	15	20	25	30	
Gross Rent	\$18,000	\$18,900	\$19,845	\$20,837	\$21,879	\$27,924	\$35,639	\$45,485	\$58,052	\$74,090	
Taxes	\$2,500	\$2,700	\$2,916	\$3,003	\$3,094	\$3,586	\$4,158	\$4,820	\$5,587	\$6,477	
Insurance	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	
HOA	\$272	\$272	\$272	\$272	\$272	\$272	\$272	\$272	\$272	\$272	
Property Management	\$1,440	\$1,512	\$1,588	\$1,667	\$1,750	\$2,234	\$2,851	\$3,639	\$4,644	\$5,927	
Vacancy/Repairs	\$0	\$1,512	\$1,588	\$1,667	\$1,750	\$2,234	\$2,851	\$3,639	\$4,644	\$5,927	
Net Operating Income	\$13,188	\$12,304	\$12,882	\$13,628	\$14,413	\$18,998	\$24,907	\$32,516	\$42,304	\$54,887	
Annual Principal and Interest	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	
Gross Profits	\$3,143	\$2,259	\$2,837	\$3,583	\$4,368	\$8,953	\$14,862	\$22,471	\$32,259	\$44,842	
Monthly Cash Flow	\$262	\$188	\$236	\$299	\$364	\$746	\$1,239	\$1,873	\$2,688	\$3,737	
Property Investment	\$58,811	\$58,811	\$58,811	\$58,811	\$58,811	\$58,811	\$58,811	\$58,811	\$58,811	\$58,811	
C on C ROI	5.34%	3.84%	4.82%	6.09%	7.43%	15.22%	25.27%	38.21%	54.85%	76.25%	
C on C + PR	9.78%	8.38%	9.48%	10.87%	12.32%	20.79%	31.64%	45.52%	63.30%	86.04%	

Annual Appreciation/ROI											
Year	1	2	3	4	5	10	15	20	25	30	
Principal Reduction	\$2,607	\$5,343	\$8,216	\$11,232	\$14,399	\$32,761	\$56,179	\$86,045	\$124,136	\$172,720	
Appreciation	\$0	\$17,272	\$13,990	\$14,830	\$15,720	\$9,377	\$10,871	\$12,602	\$14,609	\$16,936	
Appreciation ROI	0.00%	29.37%	23.79%	25.22%	26.73%	15.94%	18.48%	21.43%	24.84%	28.80%	
Cumulative Equity Gain	\$0	\$17,272	\$31,262	\$46,092	\$61,812	\$106,044	\$157,321	\$216,766	\$285,678	\$365,566	
Proceeds In Event of Sale	\$32,833	\$51,804.95	\$67,829	\$84,785	\$102,728	\$162,668	\$234,287	\$320,030	\$422,899	\$546,578	
ROI w/C on C + PR + Est. Apprec.	9.78%	37.75%	33.27%	36.08%	39.05%	36.74%	50.12%	66.95%	88.14%	114.83%	
Deprec. / Tax Savings	\$2,198	\$2,198	\$2,198	\$2,198	\$2,198	\$2,198	\$2,198	\$2,198	\$2,198	\$2,198	
Deprec. ROI	3.74%	3.74%	3.74%	3.74%	3.74%	3.74%	3.74%	3.74%	3.74%	3.74%	

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	Percentage of closing costs adjusts based on loan amount. 100K and below= 5.5%, 100-150K=5%, 150K-200K=4%, & over 200K=3.5%
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	\$215,900
Apprec.	Appreciation	3	\$233,172
Deprec.	Depreciation	4	\$251,826
C on C	Cash on Cash	5	\$271,972
V&R	Vacancy and Repairs	6	\$280,131
Hyp.	Hypothetical	7	\$288,535
PR.	Principal Reduction	8	\$297,191
PI.	Property Investment	9	\$306,107
EG	Equity Gain	10	\$315,290