

Cash Flow Analysis Worksheet

Property Name		Acquisition Price	\$271,000
Location		Plus Acquisition Costs	\$5,420
Type of Property	Low Rise Garden Style	Plus Loan Costs	\$2,168
Size of Property (sf/units)	4,167	Minus Mortgages	\$216,800
Purpose of Analysis	Purchase	Equals Initial Investment	\$61,788
Prepared by			
Date Prepared	June 10, 2015		

MORTGAGE DATA			COST RECOVERY DATA			BASIS DATA	
	1st Mortgage	2nd Mortgage		Improvements	Personal Property		
Amount	\$216,800		Value	\$221,136		Acquisition Price	\$271,000
Interest Rate	5.00%		C. R. Method	SL	SL	Acquisition Costs	\$5,420
Amortization Period	25		Useful Life	39.0		Total Acquisition Basis	\$276,420
Loan Term	25		In Service Date	1-Jan	1-Jan		
Payments/Year	12	12	Date of Sale	31-Dec	31-Dec		
Periodic Payment	\$1,267.39		12 Months % age	2.564%			
Annual Debt Service	\$15,209		11.5 Months % ag	2.457%			
Loan Fees/Costs	\$2,168						

TAXABLE INCOME												
End of Year	1	2	3	4	5	6	7	8	9	10	11	
1 POTENTIAL RENTAL INCOME	\$48,600	\$49,572	\$50,563	\$51,575	\$52,606	\$53,658	\$54,731	\$55,826	\$56,943	\$58,081	\$59,243	
2 -Vacancy & Credit Losses	\$3,402	\$3,470	\$3,539	\$3,610	\$3,682	\$3,756	\$3,831	\$3,908	\$3,986	\$4,066	\$4,147	
3 EFFECTIVE RENTAL INCOME	\$45,198	\$46,102	\$47,024	\$47,964	\$48,924	\$49,902	\$50,900	\$51,918	\$52,957	\$54,016	\$55,096	
4 +Other Income (collectable)	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	
5 GROSS OPERATING INCOME	\$45,998	\$46,902	\$47,824	\$48,764	\$49,724	\$50,702	\$51,700	\$52,718	\$53,757	\$54,816	\$55,896	
6 OPERATING EXPENSES												
7 Real Estate Taxes	\$8,200	\$8,364	\$8,531	\$8,702	\$8,876	\$9,053	\$9,235	\$9,419	\$9,608	\$9,800	\$9,996	
8 Personal Property Taxes												
9 Property Insurance	\$2,400	\$2,448	\$2,497	\$2,547	\$2,598	\$2,650	\$2,703	\$2,757	\$2,812	\$2,868	\$2,926	
10 Off Site Management	\$3,220	\$3,283	\$3,348	\$3,414	\$3,481	\$3,549	\$3,619	\$3,690	\$3,763	\$3,837	\$3,913	
11 Payroll												
12 Expenses/Benefits												
13 Payroll Taxes/Worker's Compensation												
14 Repairs and Maintenance	\$4,600	\$4,690	\$4,782	\$4,876	\$4,972	\$5,070	\$5,170	\$5,272	\$5,376	\$5,482	\$5,590	
15 Utilities	\$5,850	\$5,967	\$6,086	\$6,208	\$6,332	\$6,459	\$6,588	\$6,720	\$6,854	\$6,991	\$7,131	
16												
17												
18												
19 Accounting and Legal												
20 Licenses/Permits												
21 Advertising												
22 Supplies												
23 Miscellaneous Contract Services												
24												
25												
26												
27 TOTAL OPERATING EXPENSES	\$24,270	\$24,752	\$25,245	\$25,747	\$26,259	\$26,782	\$27,314	\$27,858	\$28,412	\$28,978	\$29,555	
28 NET OPERATING INCOME	\$21,728	\$22,150	\$22,579	\$23,018	\$23,465	\$23,921	\$24,386	\$24,860	\$25,344	\$25,838	\$26,341	
29 -Interest-First Mortgage	\$10,738	\$10,510	\$10,269	\$10,017	\$9,751	\$9,472	\$9,178	\$8,870	\$8,545	\$8,205		
30 -Interest-Second Mortgage												
31 -Cost Recovery-Improvements	\$5,433	\$5,670	\$5,670	\$5,670	\$5,670	\$5,670	\$5,670	\$5,670	\$5,670	\$5,433		
32 -Cost Recovery-Personal Property												
33 -Loan Costs Amortization	\$87	\$87	\$87	\$87	\$87	\$87	\$87	\$87	\$87	\$87		
34 -												
35 -												
36 REAL ESTATE TAXABLE INCOME	\$5,470	\$5,883	\$6,553	\$7,244	\$7,957	\$8,692	\$9,451	\$10,234	\$11,042	\$12,114		
37 Tax Liability (Savings) at 25%	\$1,368	\$1,471	\$1,638	\$1,811	\$1,989	\$2,173	\$2,363	\$2,558	\$2,761	\$3,028		

CASH FLOW												
38 NET OPERATING INCOME (Line 28)	\$21,728	\$22,150	\$22,579	\$23,018	\$23,465	\$23,921	\$24,386	\$24,860	\$25,344	\$25,838		
39 -Annual Debt Service	\$15,209	\$15,209	\$15,209	\$15,209	\$15,209	\$15,209	\$15,209	\$15,209	\$15,209	\$15,209		
40 -												
41 -												
42 -												
43 CASH FLOW BEFORE TAXES	\$6,520	\$6,941	\$7,371	\$7,809	\$8,256	\$8,712	\$9,177	\$9,652	\$10,136	\$10,629		
44 -Tax Liability (Savings) (Line 37 )	\$1,368	\$1,471	\$1,638	\$1,811	\$1,989	\$2,173	\$2,363	\$2,558	\$2,761	\$3,028		
45 CASH FLOW AFTER TAXES	\$5,152	\$5,470	\$5,732	\$5,998	\$6,267	\$6,539	\$6,814	\$7,093	\$7,375	\$7,601		

## Measures of Investment Performance

Before Tax			After Tax		
EOY	\$		EOY	\$	
0	(\$57,000)		0	(\$57,000)	
1	\$4,875		1	\$3,898	
2	\$5,239		2	\$4,174	
3	\$5,611		3	\$4,397	
4	\$5,991		4	\$4,624	
5	\$6,378		5	\$4,853	
6	\$6,773		6	\$5,084	
7	\$7,176		7	\$5,319	
8	\$7,587		8	\$5,556	
9	\$8,006		9	\$5,795	
10	\$8,433	+	10	\$5,983	+
		\$115,271			\$113,032
IRR =	15.66%		IRR =	13.51%	
NPV @		=	NPV @		=

[illegible]

