

ezInvestment Property Analysis

Client Information

This cell note contains a useful tip!

Type Personal Information Here...

Investor Name	JV	User Name	Greg Forney
Address		Address	Box 771243
Street2		Street 2	
City		City	Steamboat
Region		Region	Colorado
Postal Code		Postal Code	80477
email		email	Greg@MrSteamboat.com
Investor Tax Bracket	28.00%	Phone Number	970 870 1020
		Fax Number	

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Prepared for: JV
 Prepared by: Greg Forney

Investment Data

Property address	Mill Run	
Purchase price		\$590,000.00
Land allocation	25.00%	\$147,500.00
Improvement allocation	75.00%	\$442,500.00

1st loan information		2nd loan information	
Loan amount	\$560,500.00	Loan amount	
Annual Interest Rate	5.500%	Annual Interest Rate	
Length of Loan, Years	30	Length of Loan, Years	
Average annual interest	\$28,967.81	Average annual interest	

Average annual interest over holding period	\$28,967.81	ReCalc
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Down payment	\$29,500.00
Closing cost	\$5,200.00
Initial fix up cost	\$2,000.00
Initial Investment	\$36,700.00

Annual rental income (monthly x 12)	\$2,400.00	\$28,800.00
Annual vacancy allowance	5.00%	\$1,440.00
Annual operating expenses		\$4,500.00

Investment Data	
Holding period in years	8.00
Annual property appreciation rate	5.00%
Cost of sale	7.00%
Alternate Before Tax Investment	5.00%
Allowable loss	\$100,000.00
Cost recovery factor in years	27.50
Capital Gain Rate	15.00%

This analysis is given as a general guide and user is advised that by nature, real estate investment is speculative and subject to change. This analysis is not a guarantee of performance, but rather, a good faith estimate projected from users data. Users should verify estimates with Accountants, Realtors, Attorneys or other professionals of choice to determine accuracy of the report .
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Cash Flow Before Taxes =

Cost of Funds - Initial Investment

Initial Investment		\$36,700.00
Before tax investment rate	5.00%	
Investor tax bracket	28.00%	
After tax rate	3.60%	
Holding period in years	8.00	
Future value of initial invest	\$48,927.79	
Initial investment	\$36,700.00	
Cost of initial investment		\$12,227.79

Gross Operating Income

Gross scheduled income		\$28,800.00
Vacancy allowance	(\$1,440.00)	
Gross operating income		\$27,360.00

Net Operating Income

Gross operating income		\$27,360.00
Net operating expense	(\$4,500.00)	
Net operating income		\$22,860.00

Cash Flow Before Taxes

Net operating income		\$22,860.00
Annual interest payments	(\$28,967.81)	
Cash flow before taxes (Annual)		(\$6,107.81)
Cash flow before taxes Monthly)		(\$508.98)

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Cash Flow After Taxes

Taxable Income or (Loss)		
Net operating income		\$22,860.00
Interest payments	(\$28,967.81)	
Cost recovery	(\$16,352.73)	
Taxable income or (loss)		(\$22,460.54)
Taxable liability (savings)		
Taxable income or (loss)		(\$22,460.54)
Multiply by tax bracket	28.00%	
Taxable liability (savings)		(\$6,288.95)
Cash Flow After Taxes		
Taxable liability (savings)		(\$6,288.95)
Cash flow before taxes	(\$6,107.81)	
Cash flow after taxes		\$181.14

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After Tax Proceeds from Sale

Projected Sales Price

Purchase Price		\$590,000.00
5% appreciation for 8 years	\$289,445.43	
Projected sales price		\$879,445.43

Taxable Gain on Home Sale

Projected sales price		\$879,445.43
Sales cost	(\$61,561.18)	
Adjusted basis	(\$597,200.00)	
Taxable gain on sale		\$220,684.25

Tax Due From Sale

Depreciation Recapture 25%		(\$32,705.45)
Capital Gain Tax	15.00%	(\$33,102.64)
Tax due from sale		(\$65,808.09)

After Tax Proceeds From Sale

Projected sales price		\$879,445.43
Sales cost	(\$61,561.18)	
Mortgage(s) balance due	(\$486,726.57)	
Tax due from sale	(\$65,808.09)	
After tax proceeds from sale		\$265,349.58

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Performance

Future Value of Cash Flows After Taxes		
Cash Flow After Tax	\$181.14	
Future value of CFAT	\$1,645.47	
CFAT Amount Accumulated		\$1,645.47
Wealth Position After 8 Years		
Amount accumulated	\$1,645.47	
After tax proceeds from sale	\$265,349.58	
Ending Wealth Position		\$266,995.06
Initial investment	(\$36,700.00)	
Net profit (loss)		\$230,295.06
Yield Comparison		
Future value of real estate investment	78.44%	\$266,995.06
Future value of alternate investment	4.16%	\$48,927.79
Difference	74.27%	\$218,067.26
Other Considerations		
Gross Rent Multiplier		20.49
Capitalization Rate		3.87%
Cash on Cash		-16.64%
Debt Coverage Ratio		0.79

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