

1 Year Performance Projection

Short term + long term rental
Chandler, AZ 85225
2 bdrm/ 2 bath Main house + 1 bdrm/ 1 bath Guest



Square Feet	1,480
Initial Market Value	\$650,000
Purchase Price	\$650,000
Downpayment	\$162,500
Loan Origination Fees	\$4,875
Depreciable Closing Costs	\$19,500
Other Closing Costs and Fixup	\$0
Initial Cash Invested	\$186,875
Cost per Square Foot	\$439
Monthly Rent per Square Foot	\$2.84

Income	Monthly	Annual
Gross Rent	\$4,200	\$50,400
Vacancy Losses	-\$0	-\$0
Operating Income	\$4,200	\$50,400

Expenses	Monthly	Annual
Property Taxes	-\$108	-\$1,300
Insurance	-\$27	-\$325
Management Fees	-\$336	-\$4,032
Leasing/Advertising Fees	-\$0	-\$0
Association Fees	-\$0	-\$0
Maintenance	-\$210	-\$2,520
Other	-\$0	-\$0
Operating Expenses	-\$681	-\$8,177

Net Performance	Monthly	Annual
Net Operating Income	\$3,519	\$42,223
- Mortgage Payments	-\$3,081	-\$36,976
= Cash Flow	\$437	\$5,247
+ Principal Reduction	\$454	\$5,449
+ First-Year Appreciation	\$3,250	\$39,000
= Gross Equity Income	\$4,141	\$49,696
+ Tax Savings	\$255	\$3,060
= GEI w/Tax Savings	\$4,396	\$52,756

Mortgage Info	First	Second
Loan-to-Value Ratio	75%	0%
Loan Amount	\$487,500	\$0
Monthly Payment	\$3,081.33	\$0.00
Loan Type	Amortizing Fixed	
Term	30 Years	
Interest Rate	6.500%	0.000%
Monthly PMI	\$0	

Financial Indicators	
Debt Coverage Ratio	1.14
Annual Gross Rent Multiplier	13
Monthly Gross Rent Multiplier	155
Capitalization Rate	6.5%
Cash on Cash Return	3%
Total Return on Investment	27%
+ Tax Benefits: Deductions, Depreciation, 1031 Exchange	

Assumptions	
Real Estate Appreciation Rate	6%
Vacancy Rate	0%
Management Fee	8%
Maintenance Percentage	5%

Comments
Long term rental is occupied at \$1200/month
Price i

*Information is not guaranteed and investors should do their own research, get professional advice and conduct due diligence prior to investing.