

# Rental Property Financial Analysis

864 Terry Pontiac, MI

## Property Info

| Style      | Unit | SqFt | Bdrm | Bath | Found. | Garage |
|------------|------|------|------|------|--------|--------|
| single fam | 1    | 1000 | 3    | 1    | slab   |        |
| year built |      |      |      |      |        |        |

## Acquisition Info

|                        |     |    |        |
|------------------------|-----|----|--------|
| Purchase Price         |     | \$ | 39,900 |
| Down Payment           | 20% | \$ | 7,980  |
| Other Acq. Costs       |     | \$ | 3,000  |
| Seller Contribution    |     | \$ | 0      |
| Total Capital Invested |     | \$ | 10,980 |

## Operating Income

| # of Units   | Monthly Rent | Annual           | Annual            | Annual                | Annual          |
|--------------|--------------|------------------|-------------------|-----------------------|-----------------|
|              |              | Potential Income | Estimated Vacancy | Estimated Credit Loss | Gross Income    |
| 1            | \$ 750       | \$ 9,000         | 0%                | 0%                    | \$ 9,000        |
|              | \$ 0         | \$ 0             | 0%                | 0%                    | \$ 0            |
|              | \$ 0         | \$ 0             | 0%                | 0%                    | \$ 0            |
|              | \$ 0         | \$ 0             | 0%                | 0%                    | \$ 0            |
|              | \$ 0         | \$ 0             | 0%                | 0%                    | \$ 0            |
|              | \$ 0         | \$ 0             | 0%                | 0%                    | \$ 0            |
| <b>Total</b> | <b>1</b>     | <b>\$ 750</b>    | <b>\$ 9,000</b>   |                       | <b>\$ 9,000</b> |

## Operating Expenses

|                       | Monthly       | Annual          |
|-----------------------|---------------|-----------------|
| Prop Manager          | \$ 65         | \$ 780          |
| Electric              | \$ 0          | \$ 0            |
| Gas                   | \$ 0          | \$ 0            |
| Water                 | \$ 0          | \$ 0            |
| Repairs               | \$ 0          | \$ 0            |
| Maintenance           | \$ 0          | \$ 0            |
| Insurance             | \$ 50         | \$ 600          |
| Prop Taxes            | \$ 162        | \$ 1,944        |
| Rental Regist.        | \$ 20         | \$ 240          |
| Lawn/Snow             | \$ 0          | \$ 0            |
| Legal                 | \$ 0          | \$ 0            |
| Supplies              | \$ 0          | \$ 0            |
| Cleaning              | \$ 0          | \$ 0            |
| Other                 | \$ 0          | \$ 0            |
| Other                 | \$ 0          | \$ 0            |
| <b>Total Oper Exp</b> | <b>\$ 297</b> | <b>\$ 3,564</b> |

## Cash Flow

|                                      | Annual          | Monthly       | Int. Rate | Term |
|--------------------------------------|-----------------|---------------|-----------|------|
| Total Operating Gross Income         | \$ 9,000        | \$ 750        |           |      |
| Total Operating Expenses             | \$ 3,564        | \$ 297        |           |      |
| <b>Total Net Operating Income</b>    | <b>\$ 5,436</b> | <b>\$ 453</b> |           |      |
| Debt Service P + I                   | \$ 2,548        | \$ 212        | 7.00%     | 360  |
| Mortgage Insurance                   | \$ 0.00         | \$ 0          |           |      |
| Loan Proceeds Income                 | \$ 0.00         | \$ 0          |           |      |
| Interest Earned Income               | \$ 0.00         | \$ 0          |           |      |
| <b>Cash Flow Before Taxes (CFBT)</b> | <b>\$ 2,888</b> | <b>\$ 241</b> |           |      |
| State/Fed Income Taxes               | \$ 0.00         | \$ 0          |           |      |
| <b>Cash Flow After Taxes (CFAT)</b>  | <b>\$ 2,888</b> | <b>\$ 241</b> |           |      |

## Ratios

|                             |       |
|-----------------------------|-------|
| Gross Rent Multiplier (GRM) | 4.43  |
| Capitalization Rate         | 14%   |
| Break-Even Ratio            | 47%   |
| Return on Investment Year 1 | 26.3% |