

Address: 2011 8th Ave Greeley CO 80631

Data SummaryPurchase Data

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1	purchase price		\$375,000
2	allocation--		
3	land	20%	\$75,000
4	house	80%	\$300,000

Financing Data

7	down payment	25%	\$93,750	
8	closing costs	2.00%	\$5,625	
9	total initial investment		\$99,375	
11	loan amount		\$281,250	
12	loan terms			
13	term	30	years	
14	interest rate	7.125%		
15	monthly PI		\$1,894.83	
16	total monthly payment		\$1,894.83	
18	annual interest		\$19,252	(averaged over holding period)

Operating Data

21	rental increase per year		5.00%	
22	monthly rent		\$2,900	
23	average monthly rent		\$3,373	(averaged over holding period)
24	annual rent		\$34,800.00	(gross scheduled income)
25	average annual rent		\$40,477.41	(gross scheduled income averaged over holding period)
26	vacancy allowance	3.0%	\$1,214	

Annual operating expenses

29	Tax Increase per year		3%	
30	current property taxes		\$2,089	
31	average property taxes		\$2,287	
32	Insurance Increase per year		3%	
33	current insurance estimate		\$2,156	
34	average insurance		\$2,360	
36	utilities	\$ -	\$0	
37	maintenance	7%	\$2,833	(percent of gross scheduled income)
38	management	0%	\$0	(percent of gross operating income)
39	HOA	\$ -	\$0	
40	other	\$0.00	\$0	

FYI Total Monthly payment and HOA

\$ 2,248.60

44	total operating expenses		\$7,480	
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Investment data

47	investor tax bracket	28%		
48	holding period	7	years	
49	annual appreciation	3%		
50	cost of sale	6%		
52	reinvestment rate	1%		(before taxes)

Cash Flow

gross scheduled income	\$40,477		
less vacancy allowance	\$1,214		
gross operating income	\$39,263		
less operating expenses	\$7,480		
net operating income	\$31,783		
less annual payments	\$22,738		
cash flow before taxes	\$ 9,044.66	per year	\$753.72 per month averaged over hold
cost recovery (depreciation)	27.5	years	
annual recovery	\$10,909		
principal reduction	\$3,486	(NOT deductible)	
taxable income or (loss)	\$1,622	(cash flow before taxes less cost recovery)	
tax savings	(\$454)	(taxable loss times marginal tax bracket)	
cash flow after taxes	\$8,591	(cash flow before taxes plus tax savings)	

After Sale Proceeds

projected sales price	\$461,203	(from annual appreciation and holding period)
sale cost	\$27,672	(projected price times estimated cost of sale)
net sales price	\$433,531	
adjusted basis	\$304,261	(initial price plus closing costs less total annual cost recovery)
taxable gain on sale	\$129,269	

capital gains tax			
cost recovery	25%	\$19,091	(tax on gain from cost recovery)
non-cost recovery	15%	\$7,936	(tax on remainder of gain)
total tax due from sale		\$27,027	

after tax proceeds		
net sales price	\$433,531	
mortgage balance	\$256,846	
taxes due	\$27,027	
net after tax proceeds	\$149,657	

Investment Performance Summary

cash flow after taxes	\$8,591	
net accumulation	0.72%	(after tax reinvestment rate)
amount accumulated	\$61,449	
wealth position	\$211,106	(net after tax proceeds plus accumulated cash flow)
yield factor	2.12	(ending wealth position divided by initial investment)

after tax annual yield**11.36%**