

Address: 1512 28th Ave Ct Greeley, CO 80634

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		\$2,500	
23	average monthly rent		\$2,908	(averaged over holding period)
24	annual rent		\$30,000.00	(gross scheduled income)
25	average annual rent		\$34,894.32	(gross scheduled income averaged over holding period)
26	vacancy allowance	5.0%	\$1,745	

Annual operating expenses

29	Tax Increase per year			4%
30	current property taxes		\$1,571	
31	average property taxes		\$1,773	
32	Insurance Increase per year			4%
33	current insurance estimate		\$2,156	
34	average insurance		\$2,433	
36	utilities	\$ -	\$0	
37	maintenance	6%	\$2,094	(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

\$ 2,205.44

44	total operating expenses		\$6,299	
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Investment data

47	investor tax bracket	28%		
48	holding period	7	years	
49	annual appreciation	4%		
50	cost of sale	6%		
52	reinvestment rate	1%		(before taxes)

Cash Flow

gross scheduled income	\$34,894		
less vacancy allowance	\$1,745		
gross operating income	\$33,150		
less operating expenses	\$6,299		
net operating income	\$26,850		
less annual payments	\$22,738		
cash flow before taxes	\$ 4,112.39	per year	\$342.70 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)	(\$3,310)	(cash flow before taxes less cost recovery)	
tax savings	\$927	(taxable loss times marginal tax bracket)	
cash flow after taxes	\$5,039	(cash flow before taxes plus tax savings)	

After Sale Proceeds

projected sales price	\$493,474	(from annual appreciation and holding period)
sale cost	\$29,608	(projected price times estimated cost of sale)
net sales price	\$463,866	
adjusted basis	\$304,261	(initial price plus closing costs less total annual cost recovery)
taxable gain on sale	\$159,605	
capital gains tax		
cost recovery	25%	\$19,091 (tax on gain from cost recovery)
non-cost recovery	15%	\$12,486 (tax on remainder of gain)
total tax due from sale		\$31,577
after tax proceeds		
net sales price	\$463,866	
mortgage balance	\$256,846	
taxes due	\$31,577	
net after tax proceeds	\$175,442	

Investment Performance Summary

cash flow after taxes	\$5,039	
net accumulation	0.72%	(after tax reinvestment rate)
amount accumulated	\$36,046	
wealth position	\$211,489	(net after tax proceeds plus accumulated cash flow)
yield factor	2.13	(ending wealth position divided by initial investment)

after tax annual yield**11.39%**