

Monthly Income:	Monthly Expenses:	Monthly Cash Flow:	Pro Forma Cap Rate:
\$8,000.00	\$6,384 / \$6,300	\$1,616 / \$1,700	8.22%
NOI	Total Cash Needed	Cash on Cash ROI	Purchase Cap Rate
\$57,560.00	\$169,300.00	11.5% / 10.5%	9.15%

Purchase Price:	\$629,000.00
Purchase Closing Costs:	\$13,500.00
Estimated Repairs:	\$30,000.00
Total Project Cost:	\$672,500.00
After Repair Value:	\$700,000.00
Estimated Rehab Time:	2 Months
Time to Refinance:	4 Months

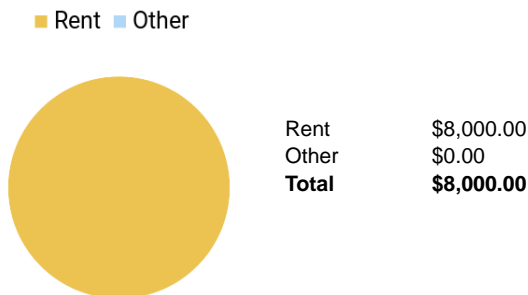
Acquisition:

Down Payment:	\$125,800.00
Loan Amount:	\$503,200.00
Loan Points/Fees:	\$0.00
Amortized Over:	30 years
Loan Interest Rate:	6.50%
Monthly P&I:	\$3,180.57
Total Cash Needed At Purchase:	\$169,300.00

Refinance:

Loan Amount:	\$490,000.00
Loan Fees:	\$13,500.00
Amortized Over:	30 years
Loan Interest Rate:	6.50%
Monthly P&I:	\$3,097.13
Total Cash Invested:	\$194,165.56

Income



Pre-Refinance Expenses



Vacancy	\$400.00 (5%)
Repairs	\$400.00 (5%)
CapEx	\$320.00 (4%)
Electricity	\$240.00 (3%)
Water & Sewer	\$200.00 (3%)
Garbage	\$100.00 (1%)
Management	\$960.00 (12%)
P&I	\$3,180.57 (40%)
Property Taxes	\$433.33 (5%)
Misc	\$150.00 (2%)
Total	\$6,383.90 (80%)

Post-Refinance Expenses



Vacancy	\$400.00 (5%)
Repairs	\$400.00 (5%)
CapEx	\$320.00 (4%)
Electricity	\$240.00 (3%)
Water & Sewer	\$200.00 (3%)
Garbage	\$100.00 (1%)
Management	\$960.00 (12%)
P&I	\$3,097.13 (39%)
Property Taxes	\$433.33 (5%)
Misc	\$150.00 (2%)
Total	\$6,300.47 (79%)

Financial Projections

Total Initial Equity:	\$196,800.00
Gross Rent Multiplier:	6.55
Income-Expense Ratio (2% Rule):	1.19%
ARV based on Cap Rate:	-
Debt Coverage Ratio:	1.51 / 1.55

50% Rule Cash Flow Estimates Pre-Refinance

Total Monthly Income:	\$8,000
x50% for Expenses:	\$4,000
Monthly Payment/Interest Payment:	\$3,181
Total Monthly Cashflow using 50% Rule:	\$819

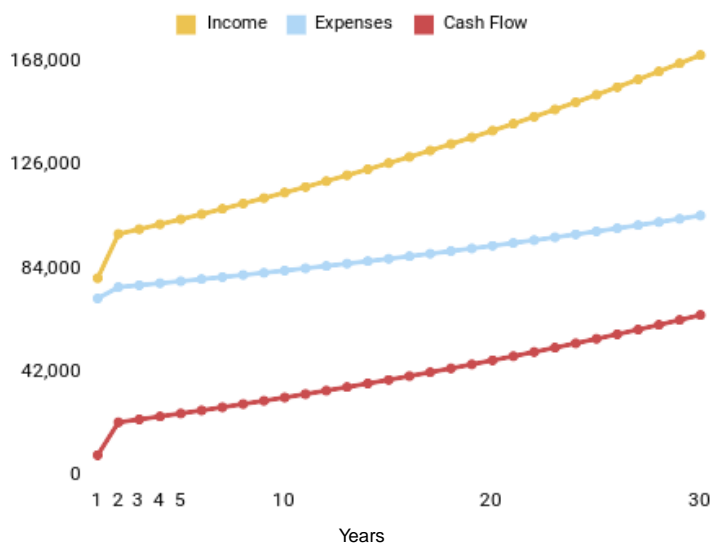
50% Rule Cash Flow Estimates Post-Refinance

Total Monthly Income:	\$8,000
x50% for Expenses:	\$4,000
Monthly Payment/Interest Payment:	\$3,097
Total Monthly Cashflow using 50% Rule:	\$903

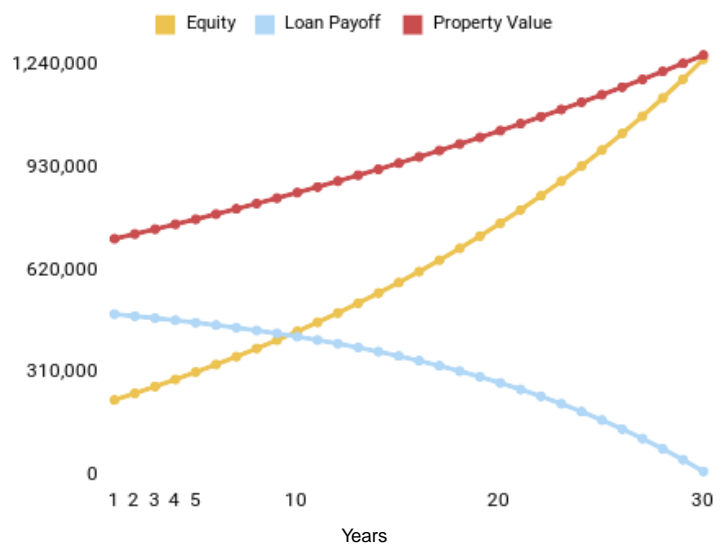
Analysis Over Time

Annual Growth Assumptions	2%		2%		2%		
	Expenses		Income			Property Value	
	Year 1	Year 2	Year 3	Year 4	Year 10	Year 20	Year 30
Total Annual Income	\$80,000	\$97,920	\$99,878	\$101,876	\$114,729	\$139,854	\$170,481
Total Annual Expenses	\$71,779	\$76,374	\$77,159	\$77,958	\$83,105	\$93,165	\$105,429
Total Annual Cashflow	\$8,221	\$21,546	\$22,720	\$23,918	\$31,624	\$46,688	\$65,052
Cash on Cash ROI	4.23%	11.10%	11.70%	12.32%	16.29%	24.05%	33.50%
Property Value	\$714,000	\$728,280	\$742,846	\$757,703	\$853,296	\$1,040,163	\$1,267,953
Equity	\$227,612	\$247,610	\$268,278	\$289,645	\$434,550	\$761,011	\$1,255,731
Loan Balance	\$486,388	\$480,670	\$474,568	\$468,058	\$418,746	\$279,152	\$12,223
Total Profit if Sold	\$33,446	\$53,445	\$74,112	\$95,479	\$240,385	\$566,846	\$1,061,565
Annualized Total Return	17%	13%	11%	11%	8%	7%	6%

Income, Expenses and Cash Flow (in \$)



Loan Balance, Value and Equity (in \$)



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