

DFY Property Example		Purchase Price: \$260,000	
Bedrooms	Bathrooms	Square Feet	Year Built
3	3	1446	2000



Assumptions	
Down Payment	25%
Closing Costs	4%
Pre-Paid Items	6 Months T & I
Interest Rate	3.625%
Property Management Fee	8%
Vacancy/Repairs	8%
Projected Appreciation (Yr 1-2)	7%
Projected Appreciation (Yr 3-5)	5%
Projected Appreciation (Yr 6+)	3.5%
Annual Rent Increase	3%
Closing Costs On Future Sale	7.5%
Property Mngmnt Reserve	\$5000

Cost/Expense	
Down Payment	\$ 65,000.00
Estimated Closing Costs	\$ 10,400.00
Estimated Rehab Expenses	\$ 5,000.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 85,395.00
Estimated Pre-Paid Items	\$ 1,238.00
Total Cash To Close	\$ 86,633.00

Financing	
Projected Monthly Rent	\$ 1,600.00
Principal & Interest Payment	\$ 889.30
Monthly Taxes	\$ 154.00
Monthly Insurance	\$ 58.33
PITI Monthly Payment	\$ 1,101.63
Monthly Avg. HOA Expense	\$ 0.00
Total Monthly Expense	\$ 1,101.63

5 Year Income Returns	
Avg. Monthly Cash Flow	\$349.96
Cash on Cash Return	5.26%
Combined C.o.C Return	10.00%
5 Year Annualized Return	14.49%
Profit On Sale Year 5	\$61,863.26

10 Year Income Returns	
Avg. Monthly Cash Flow	\$416.43
Cash on Cash Return	8.14%
Combined C.o.C Return	13.39%
10 Year Annualized Return	17.84%
Profit On Sale Year 10	\$152,374.05

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 19,200.00	\$ 20,369.28	\$ 21,609.77	\$ 22,925.80	\$ 25,051.65
Taxes	\$ 1,848.00	\$ 2,076.23	\$ 2,289.04	\$ 2,452.08	\$ 2,718.66
Insurance	\$ 699.96	\$ 699.96	\$ 699.96	\$ 699.96	\$ 699.96
HOA	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Property Management	\$ 1,536.00	\$ 1,629.54	\$ 1,728.78	\$ 1,834.06	\$ 2,004.13
Vacancy/Repairs	\$ 0.00	\$ 1,629.54	\$ 1,728.78	\$ 1,834.06	\$ 2,004.13
Net Operating Income	\$ 15,116.04	\$ 14,334.01	\$ 15,163.20	\$ 16,105.64	\$ 17,624.76
Debt Service	\$ 10,671.60	\$ 10,671.60	\$ 10,671.60	\$ 10,671.60	\$ 10,671.60

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 370.37	\$ 305.20	\$ 374.30	\$ 452.84	\$ 579.43
Cap Rate	5.81%				
Cash on Cash Return	5.20%	4.29%	5.26%	6.36%	8.14%
Principal Reduction	1.51%	1.66%	1.83%	2.02%	2.34%
Depreciation	2.91%	2.91%	2.91%	2.91%	2.91%
Combined Cash on Cash	9.62%	8.86%	10.00%	11.29%	13.39%
Appreciation	\$ 18,200.00	\$ 52,557.70	\$ 84,594.86	\$ 109,138.63	\$ 149,270.60
Profit on Sale	\$ (15,672.62)	\$ 23,334.27	\$ 61,863.26	\$ 95,321.77	\$ 152,374.05
Total ROI	-18.35%	27.33%	72.44%	111.62%	178.43%
Total Capital to Re-Invest	\$ 49,327.38	\$ 88,334.27	\$ 126,863.26	\$ 160,321.77	\$ 217,374.05