

DFY Property Example		Purchase Price: \$275,000	
Bedrooms	Bathrooms	Square Feet	Year Built
4	3	2212	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	\$ 68,750.00
Estimated Closing Costs	\$ 11,000.00
Estimated Rehab Expenses	\$ 5,000.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 89,745.00
Estimated Pre-Paid Items	\$ 1,445.00
Total Cash To Close	\$ 91,190.00

Financing	
Projected Monthly Rent	\$ 1,700.00
Principal & Interest Payment	\$ 940.61
Monthly Taxes	\$ 170.00
Monthly Insurance	\$ 70.83
PITI Monthly Payment	\$ 1,181.44
Monthly Avg. HOA Expense	\$ 10.00
Total Monthly Expense	\$ 1,191.44

5 Year Income Returns	
Avg. Monthly Cash Flow	\$350.10
Cash on Cash Return	5.02%
Combined C.o.C Return	9.76%
5 Year Annualized Return	14.44%
Profit On Sale Year 5	\$64,800.72

10 Year Income Returns	
Avg. Monthly Cash Flow	\$420.02
Cash on Cash Return	7.91%
Combined C.o.C Return	13.16%
10 Year Annualized Return	17.75%
Profit On Sale Year 10	\$159,275.43

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 20,400.00	\$ 21,642.36	\$ 22,960.38	\$ 24,358.67	\$ 26,617.37
Taxes	\$ 2,040.00	\$ 2,291.94	\$ 2,526.86	\$ 2,706.84	\$ 3,001.12
Insurance	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96
HOA	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
Property Management	\$ 1,632.00	\$ 1,731.39	\$ 1,836.83	\$ 1,948.69	\$ 2,129.39
Vacancy/Repairs	\$ 0.00	\$ 1,731.39	\$ 1,836.83	\$ 1,948.69	\$ 2,129.39
Net Operating Income	\$ 15,758.04	\$ 14,917.68	\$ 15,789.90	\$ 16,784.48	\$ 18,387.51
Debt Service	\$ 11,287.27	\$ 11,287.27	\$ 11,287.27	\$ 11,287.27	\$ 11,287.27

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 372.56	\$ 302.53	\$ 375.22	\$ 458.10	\$ 591.69
Cap Rate	5.73%				
Cash on Cash Return	4.98%	4.05%	5.02%	6.13%	7.91%
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	9.40%	8.62%	9.76%	11.06%	13.16%
Appreciation	\$ 19,250.00	\$ 55,589.88	\$ 89,475.34	\$ 115,435.09	\$ 157,882.37
Profit on Sale	\$ (16,230.25)	\$ 24,542.63	\$ 64,800.72	\$ 99,690.01	\$ 159,275.43
Total ROI	-18.08%	27.35%	72.21%	111.08%	177.48%
Total Capital to Re-Invest	\$ 52,519.75	\$ 93,292.63	\$ 133,550.72	\$ 168,440.01	\$ 228,025.43