

DFY Property Example		Purchase Price: \$299,900	
Bedrooms	Bathrooms	Square Feet	Year Built
4	3	2913	2006



Assumptions	
Down Payment	25%
Closing Costs	4%
Pre-Paid Items	6 Months T & I
Interest Rate	3.625%
Property Management Fee	9%
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	\$ 74,975.00
Estimated Closing Costs	\$ 11,996.00
Estimated Rehab Expenses	\$ 5,000.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 96,966.00
Estimated Pre-Paid Items	\$ 1,237.00
<b>Total Cash To Close</b>	<b>\$ 98,203.00</b>

Financing	
Projected Monthly Rent	\$ 1,800.00
Principal & Interest Payment	\$ 1,025.77
Monthly Taxes	\$ 127.00
Monthly Insurance	\$ 79.17
PITI Monthly Payment	\$ 1,231.94
Monthly Avg. HOA Expense	\$ 33.00
<b>Total Monthly Expense</b>	<b>\$ 1,264.94</b>

5 Year Income Returns	
Avg. Monthly Cash Flow	<b>\$354.56</b>
Cash on Cash Return	<b>4.78%</b>
Combined C.o.C Return	<b>9.52%</b>
5 Year Annualized Return	<b>14.43%</b>
Profit On Sale Year 5	<b>\$69,979.63</b>

10 Year Income Returns	
Avg. Monthly Cash Flow	<b>\$433.14</b>
Cash on Cash Return	<b>7.73%</b>
Combined C.o.C Return	<b>12.98%</b>
10 Year Annualized Return	<b>17.71%</b>
Profit On Sale Year 10	<b>\$171,709.48</b>

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 21,600.00	\$ 22,915.44	\$ 24,310.99	\$ 25,791.53	\$ 28,183.10
Taxes	\$ 1,524.00	\$ 1,712.21	\$ 1,887.72	\$ 2,022.17	\$ 2,242.01
Insurance	\$ 950.04	\$ 950.04	\$ 950.04	\$ 950.04	\$ 950.04
HOA	\$ 396.00	\$ 396.00	\$ 396.00	\$ 396.00	\$ 396.00
Property Management	\$ 1,944.00	\$ 2,062.39	\$ 2,187.99	\$ 2,321.24	\$ 2,536.48
Vacancy/Repairs	\$ 0.00	\$ 1,833.24	\$ 1,944.88	\$ 2,063.32	\$ 2,254.65
Net Operating Income	\$ 16,785.96	\$ 15,961.56	\$ 16,944.37	\$ 18,038.76	\$ 19,803.92
Debt Service	\$ 12,309.28	\$ 12,309.28	\$ 12,309.28	\$ 12,309.28	\$ 12,309.28

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 373.06	\$ 304.36	\$ 386.26	\$ 477.46	\$ 624.55
Cap Rate	5.60%				
Cash on Cash Return	4.62%	3.77%	4.78%	5.91%	7.73%
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	9.04%	8.34%	9.52%	10.84%	12.98%
Appreciation	\$ 20,993.00	\$ 60,623.29	\$ 97,576.92	\$ 125,887.22	\$ 172,177.90
Profit on Sale	\$ (17,193.73)	\$ 26,643.24	\$ 69,979.63	\$ 107,492.00	\$ 171,709.48
Total ROI	-17.73%	27.48%	72.17%	110.86%	177.08%
Total Capital to Re-Invest	\$ 57,781.27	\$ 101,618.24	\$ 144,954.63	\$ 182,467.00	\$ 246,684.48