

DFY Property Example		Purchase Price: \$260,000	
Bedrooms	Bathrooms	Square Feet	Year Built
4	3	2120	2002



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	\$ 68,725.00
Estimated Closing Costs	\$ 10,996.00
Estimated Rehab Expenses	\$ 5,000.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 89,716.00
Estimated Pre-Paid Items	\$ 1,353.00
Total Cash To Close	\$ 91,069.00

Financing	
Projected Monthly Rent	\$ 1,750.00
Principal & Interest Payment	\$ 940.26
Monthly Taxes	\$ 163.00
Monthly Insurance	\$ 62.50
PITI Monthly Payment	\$ 1,165.76
Monthly Avg. HOA Expense	\$ 38.00
Total Monthly Expense	\$ 1,203.76

5 Year Income Returns	
Avg. Monthly Cash Flow	<b>\$384.57</b>
Cash on Cash Return	<b>5.51%</b>
Combined C.o.C Return	<b>10.25%</b>
5 Year Annualized Return	<b>14.90%</b>
Profit On Sale Year 5	<b>\$66,816.27</b>

10 Year Income Returns	
Avg. Monthly Cash Flow	<b>\$457.87</b>
Cash on Cash Return	<b>8.53%</b>
Combined C.o.C Return	<b>13.78%</b>
10 Year Annualized Return	<b>18.26%</b>
Profit On Sale Year 10	<b>\$163,787.39</b>

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 21,000.00	\$ 22,278.90	\$ 23,635.69	\$ 25,075.10	\$ 27,400.24
Taxes	\$ 1,956.00	\$ 2,197.57	\$ 2,422.82	\$ 2,595.38	\$ 2,877.55
Insurance	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00
HOA	\$ 456.00	\$ 456.00	\$ 456.00	\$ 456.00	\$ 456.00
Property Management	\$ 1,680.00	\$ 1,782.31	\$ 1,890.85	\$ 2,006.01	\$ 2,192.02
Vacancy/Repairs	\$ 0.00	\$ 1,782.31	\$ 1,890.85	\$ 2,006.01	\$ 2,192.02
Net Operating Income	\$ 16,158.00	\$ 15,310.71	\$ 16,225.16	\$ 17,261.70	\$ 18,932.65
Debt Service	\$ 11,283.17	\$ 11,283.17	\$ 11,283.17	\$ 11,283.17	\$ 11,283.17

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 406.24	\$ 335.63	\$ 411.83	\$ 498.21	\$ 637.46
Cap Rate	5.88%				
Cash on Cash Return	5.43%	4.49%	5.51%	6.66%	8.53%
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	9.85%	9.06%	10.25%	11.59%	13.78%
Appreciation	\$ 19,243.00	\$ 55,569.66	\$ 89,442.80	\$ 115,393.12	\$ 157,824.95
Profit on Sale	\$ (15,822.30)	\$ 25,712.45	\$ 66,816.27	\$ 102,638.04	\$ 163,787.39
Total ROI	-17.64%	28.66%	74.48%	114.40%	182.56%
Total Capital to Re-Invest	\$ 52,902.70	\$ 94,437.45	\$ 135,541.27	\$ 171,363.04	\$ 232,512.39