

DFY Property Example		Purchase Price: \$245,000	
Bedrooms	Bathrooms	Square Feet	Year Built
3	2	1278	2004



Assumptions	
Down Payment	25%
Closing Costs	4%
Pre-Paid Items	6 Months T & I
Interest Rate	3.5%
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	\$ 61,250.00
Estimated Closing Costs	\$ 9,800.00
Estimated Rehab Expenses	\$ 1,000.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 77,045.00
Estimated Pre-Paid Items	\$ 1,270.50
Total Cash To Close	\$ 78,315.50

Financing	
Projected Monthly Rent	\$ 1,550.00
Principal & Interest Payment	\$ 825.12
Monthly Taxes	\$ 140.92
Monthly Insurance	\$ 70.83
PITI Monthly Payment	\$ 1,036.87
Monthly Avg. HOA Expense	\$ 15.00
Total Monthly Expense	\$ 1,051.87

5 Year Income Returns	
Avg. Monthly Cash Flow	\$355.35
Cash on Cash Return	5.92%
Combined C.o.C Return	10.66%
5 Year Annualized Return	16.41%
Profit On Sale Year 5	\$63,225.44

10 Year Income Returns	
Avg. Monthly Cash Flow	\$420.67
Cash on Cash Return	9.04%
Combined C.o.C Return	14.29%
10 Year Annualized Return	19.52%
Profit On Sale Year 10	\$150,405.89

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 18,600.00	\$ 19,732.74	\$ 20,934.46	\$ 22,209.37	\$ 24,268.78
Taxes	\$ 1,691.04	\$ 1,899.88	\$ 2,094.62	\$ 2,243.81	\$ 2,487.75
Insurance	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96
HOA	\$ 180.00	\$ 180.00	\$ 180.00	\$ 180.00	\$ 180.00
Property Management	\$ 1,488.00	\$ 1,578.62	\$ 1,674.76	\$ 1,776.75	\$ 1,941.50
Vacancy/Repairs	\$ 0.00	\$ 1,578.62	\$ 1,674.76	\$ 1,776.75	\$ 1,941.50
Net Operating Income	\$ 14,391.00	\$ 13,645.66	\$ 14,460.37	\$ 15,382.10	\$ 16,868.06
Debt Service	\$ 9,901.44	\$ 9,901.44	\$ 9,901.44	\$ 9,901.44	\$ 9,901.44

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 374.13	\$ 312.02	\$ 379.91	\$ 456.72	\$ 580.55
Cap Rate	5.87%				
Cash on Cash Return	5.83%	4.86%	5.92%	7.11%	9.04%
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	10.25%	9.43%	10.66%	12.04%	14.29%
Appreciation	\$ 17,150.00	\$ 49,525.53	\$ 79,714.39	\$ 102,842.17	\$ 140,658.84
Profit on Sale	\$ (11,043.53)	\$ 26,283.31	\$ 63,225.44	\$ 95,456.83	\$ 150,405.89
Total ROI	-14.33%	34.11%	82.06%	123.90%	195.22%
Total Capital to Re-Invest	\$50,206.47	\$87,533.31	\$124,475.44	\$156,706.83	\$ 228,169.67