

DFY Property Example		Purchase Price: \$227,000	
Bedrooms	Bathrooms	Square Feet	Year Built
4	2	1806	2007



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)	5%
Projected Appreciation (Yr 3-5)	7%
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	\$ 56,750.00
Estimated Closing Costs	\$ 9,080.00
Estimated Rehab Expenses	\$ 2,300.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 73,125.00
Estimated Pre-Paid Items	\$ 1,597.98
Total Cash To Close	\$ 74,722.98

Financing	
Projected Monthly Rent	\$ 1,450.00
Principal & Interest Payment	\$ 776.43
Monthly Taxes	\$ 195.50
Monthly Insurance	\$ 70.83
PITI Monthly Payment	\$ 1,042.76
Monthly Avg. HOA Expense	\$ 16.66
Total Monthly Expense	\$ 1,059.42

5 Year Income Returns	
Avg. Monthly Cash Flow	\$237.89
Cash on Cash Return	4.19%
Combined C.o.C Return	8.93%
5 Year Annualized Return	15.57%
Profit On Sale Year 5	\$56,912.72

10 Year Income Returns	
Avg. Monthly Cash Flow	\$292.27
Cash on Cash Return	7.00%
Combined C.o.C Return	12.25%
10 Year Annualized Return	18.10%
Profit On Sale Year 10	\$132,373.19

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 17,400.00	\$ 18,459.66	\$ 19,583.85	\$ 20,776.51	\$ 22,703.05
Taxes	\$ 2,346.00	\$ 2,635.73	\$ 3,017.65	\$ 3,232.58	\$ 3,584.02
Insurance	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96
HOA	\$ 199.92	\$ 199.92	\$ 199.92	\$ 199.92	\$ 199.92
Property Management	\$ 1,692.00	\$ 1,476.77	\$ 1,566.71	\$ 1,662.12	\$ 1,816.24
Vacancy/Repairs	\$ 0.00	\$ 1,476.77	\$ 1,566.71	\$ 1,662.12	\$ 1,816.24
Net Operating Income	\$ 12,312.12	\$ 11,820.50	\$ 12,382.91	\$ 13,169.81	\$ 14,436.67
Debt Service	\$ 9,317.13	\$ 9,317.13	\$ 9,317.13	\$ 9,317.13	\$ 9,317.13

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 249.58	\$ 208.61	\$ 255.48	\$ 321.06	\$ 426.63
Cap Rate	5.42%				
Cash on Cash Return	4.10%	3.42%	4.19%	5.27%	7.00%
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	8.52%	7.99%	8.93%	10.20%	12.25%
Appreciation	\$ 11,350.00	\$ 40,786.23	\$ 79,588.45	\$ 101,425.21	\$ 137,130.90
Profit on Sale	\$ (17,336.85)	\$ 14,881.74	\$ 56,912.72	\$ 84,737.12	\$ 132,373.19
Total ROI	-23.71%	20.35%	77.83%	115.88%	181.02%
Total Capital to Re-Invest	\$39,413.15	\$71,631.74	\$113,662.72	\$141,487.12	\$189,123.19