

DFY Property Example		Purchase Price: \$275,900	
Bedrooms	Bathrooms	Square Feet	Year Built
3	3	2264	2005



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	\$ 68,975.00
Estimated Closing Costs	\$ 11,036.00
Estimated Rehab Expenses	\$ 5,000.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 90,006.00
Estimated Pre-Paid Items	\$ 1,487.00
Total Cash To Close	\$ 91,493.00

Financing	
Projected Monthly Rent	\$ 1,750.00
Principal & Interest Payment	\$ 943.68
Monthly Taxes	\$ 177.00
Monthly Insurance	\$ 70.83
PITI Monthly Payment	\$ 1,191.51
Monthly Avg. HOA Expense	\$ 32.50
Total Monthly Expense	\$ 1,224.01

5 Year Income Returns	
Avg. Monthly Cash Flow	\$362.63
Cash on Cash Return	5.18%
Combined C.o.C Return	9.92%
5 Year Annualized Return	14.60%
Profit On Sale Year 5	\$65,698.17

10 Year Income Returns	
Avg. Monthly Cash Flow	\$434.37
Cash on Cash Return	8.14%
Combined C.o.C Return	13.39%
10 Year Annualized Return	17.93%
Profit On Sale Year 10	\$161,373.19

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	\$ 2,124.00	\$ 2,386.31	\$ 2,630.91	\$ 2,818.30	\$ 3,124.70
Insurance	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96	\$ 849.96
HOA	\$ 390.00	\$ 390.00	\$ 390.00	\$ 390.00	\$ 390.00
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	\$ 15,956.04	\$ 15,088.00	\$ 15,983.10	\$ 17,004.82	\$ 18,651.54
Debt Service	\$ 11,324.21	\$ 11,324.21	\$ 11,324.21	\$ 11,324.21	\$ 11,324.21

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 385.99	\$ 313.65	\$ 388.24	\$ 473.38	\$ 610.61
Cap Rate	5.78%				
Cash on Cash Return	5.15%	4.18%	5.18%	6.31%	8.14%
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	9.57%	8.75%	9.92%	11.24%	13.39%
Appreciation	\$ 19,313.00	\$ 55,771.81	\$ 89,768.17	\$ 115,812.88	\$ 158,399.07
Profit on Sale	\$ (16,104.23)	\$ 25,035.38	\$ 65,698.17	\$ 101,020.36	\$ 161,373.19
Total ROI	-17.89%	27.82%	72.99%	112.24%	179.29%
Total Capital to Re-Invest	\$ 52,870.77	\$ 94,010.38	\$ 134,673.17	\$ 169,995.36	\$ 230,348.19