

DFY Property Example		Purchase Price: \$205,000	
Bedrooms	Bathrooms	Square Feet	Year Built
3	2	1736	2004



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	\$ 51,250.00
Estimated Closing Costs	\$ 8,200.00
Estimated Rehab Expenses	\$ 1,500.00
DFY T.E.A.M.S. Fee	\$ 4,995.00
Total Out of Pocket	\$ 65,945.00
Estimated Pre-Paid Items	\$ 1,446.00
Total Cash To Close	\$ 67,391.00

Financing	
Projected Monthly Rent	\$ 1,500.00
Principal & Interest Payment	\$ 701.18
Monthly Taxes	\$ 165.92
Monthly Insurance	\$ 75.00
PITI Monthly Payment	\$ 942.10
Monthly Avg. HOA Expense	\$ 10.42
Total Monthly Expense	\$ 952.52

5 Year Income Returns	
Avg. Monthly Cash Flow	\$394.77
Cash on Cash Return	7.61%
Combined C.o.C Return	12.35%
5 Year Annualized Return	18.86%
Profit On Sale Year 5	\$62,178.00

10 Year Income Returns	
Avg. Monthly Cash Flow	\$455.51
Cash on Cash Return	10.99%
Combined C.o.C Return	16.24%
10 Year Annualized Return	21.6%
Profit On Sale Year 10	\$142,671.85

Annual Expense Breakdown					
	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Gross Rent	\$ 18,000.00	\$ 19,096.20	\$ 20,259.16	\$ 21,492.94	\$ 23,485.92
Taxes	\$ 1,991.04	\$ 2,236.93	\$ 2,561.07	\$ 2,743.48	\$ 3,041.74
Insurance	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00
HOA	\$ 125.04	\$ 125.04	\$ 125.04	\$ 125.04	\$ 125.04
Property Management	\$ 1,740.00	\$ 1,527.70	\$ 1,620.73	\$ 1,719.44	\$ 1,878.87
Vacancy/Repairs	\$ 0.00	\$ 1,527.70	\$ 1,620.73	\$ 1,719.44	\$ 1,878.87
Net Operating Income	\$ 13,243.92	\$ 12,778.83	\$ 13,431.59	\$ 14,285.55	\$ 15,661.39
Debt Service	\$ 8,414.15	\$ 8,414.15	\$ 8,414.15	\$ 8,414.15	\$ 8,414.15

Annual Income Breakdown					
Net Monthly Cash Flow	\$ 402.48	\$ 363.72	\$ 418.12	\$ 489.28	\$ 603.94
Cap Rate	6.46%				
Cash on Cash Return	7.32%	6.62%	7.61%	8.90%	10.99%
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	11.74%	11.19%	12.35%	13.83%	16.24%
Appreciation	\$ 10,250.00	\$ 36,833.38	\$ 71,875.03	\$ 91,595.46	\$ 123,840.68
Profit on Sale	\$ (13,438.58)	\$ 19,796.63	\$ 62,178.00	\$ 92,017.26	\$ 142,671.85
Total ROI	-20.38%	30.02%	94.29%	139.54%	216.35%
Total Capital to Re-Invest	\$ 37,811.42	\$ 71,046.63	\$ 113,428.00	\$ 143,267.26	\$ 193,921.85