

Property Information

Property Name	
Location	
Type of Property	
Size of Property	

Ratio Information

Loan to Value	80%
Cashflow / Initial Investment	
Cashflow / Assets	
CAP Rate	10%

Cost Information

Building Cost	\$ 650,000	
Land Cost		
Cost Basis	\$ 650,000	
Less Mortgages	\$ 130,000	20%
Equals Initial Investment	\$ 520,000	80%
Amortization Period	30	

Mortgage Information

	Balance	Payment	Interest	Loan Term	Amtz Period
1st Mtg	\$ 520,000	\$ (3,816)	8.0%	30	360

#	Description (All Figures are Annual)			Notes
1	POTENTIAL RENTAL INCOME	MONTHLY RENT	\$8,200	
2	Less: Vacancy			
3	EFFECTIVE RENTAL INCOME		\$ 98,400	
4	Plus: Other Income		\$ -	
5	GROSS OPERATING INCOME		\$ 98,400	Total Revenue
	OPERATING EXPENSES			
6	Real Estate Taxes		\$ 4,500	
7	Personal Property Taxes			
8	Property Insurance		\$ 6,464	
9	Property Management		\$ 6,783	7% %
10	Payroll			
11	Expenses/Benefits			
12	Labor			
13	Repairs and Maintenance		\$ 4,920	5% Estimation
14	Utilities		\$ 10,200	
15	Accounting and Legal			
16	Licenses/Permits		\$ -	
17	Advertising		\$ -	
18	Trash		\$ 1,260	
19	Lawn and Grounds Keeping			
20	Hardware			
21				
22				
23				
24	TOTAL OPERATING EXPENSES		\$ 34,127	Sum of Line 6 thru 23
25	NET OPERATING INCOME		\$ 64,273	
26	Less: Annual Debt Service		\$ (45,787)	Total Mortgage Payments
27	CASH FLOW BEFORE TAXES		\$ 18,486	
28	Add Back: Principal Payments		\$ 4,187	Principal Paid on Loan
29	- Depreciation		\$ -	Tax Depreciation on Building
30	TAXABLE NET INCOME (LOSS)		\$ 22,673	

Definitions

Loan to Value (LTV) = Loan / Property Value

LTV is a measurement of leverage. The higher the LTV, the more leveraged a property. Bank's use this to determine the riskiness of a loan. Generally, banks do not loan above 85% LTV.

Net Operating Income (NOI)

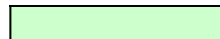
Total Potential Income
- Vacancy
= Effective Gross Income
- Operating Expenses
= NOI


NOI measures the profitability of a property by excluding the cost of debt (mortgage). It essentially looks at the profitability of the property if it were paid off.

Cap Rate - Net Operating income / Sales Price

The Cap Rate is common measurement tool used by real estate professionals to measure the attractiveness of a property.

Cap Rate measures NOI as a percent of Sales Price. The higher the Cap Rate the better.

 Indicates an area for the user to enter data.

 Indicates an area that is automatically calculated.

NOTE: This spreadsheet provided is best used as a reference and should not be considered a substitute for proper property analysis and should be used at your own risk.