

Property Name Rental - Cash Flow Loan

Location USA

Purchase Price \$175,000.00	Market Value \$175,000.00
Closing Costs \$2,000.00	Cash In \$37,000.00
Total Cost \$177,000.00	Loan Amount \$140,000.00
Building Value \$131,250.00	Loan Cost \$0.00
Contents \$0.00	Annual Rent \$12,614.40
Expenses \$2,460.00	Management \$1,261.44

Investment analysis	YEAR 1	YEAR 3	YEAR 5	YEAR 7	YEAR 10
Renovations	0.00	0.00	0.00	0.00	0.00
Capital growth	5.00%	5.00%	5.00%	5.00%	5.00%
Property value	183,750.00	202,584.38	223,349.27	246,242.57	285,056.56
Loan amount	140,000.00	140,000.00	140,000.00	140,000.00	140,000.00
Equity	43,750.00	62,584.38	83,349.27	106,242.57	145,056.56
Inflation rate	3.00%	3.00%	3.00%	3.00%	3.00%
Gross rent	12,614.40	13,382.62	14,197.62	15,062.25	16,458.93
Principal repayment	0.00	0.00	0.00	0.00	0.00
Interest rate	5.38%	5.38%	5.38%	6.50%	6.50%
Loan interest	7,525.00	7,525.00	7,525.00	9,100.00	9,100.00
Additional repayment	0.00	0.00	0.00	0.00	0.00
Total loan payment	7,525.00	7,525.00	7,525.00	9,100.00	9,100.00
Special expenses	0.00	0.00	0.00	0.00	0.00
Total property expenses	3,721.44	3,948.08	4,188.51	4,443.59	4,855.64
Pre-tax cash flow	1,367.96	1,909.54	2,484.11	1,518.66	2,503.29
Pre-tax cash on cash	3.70%	5.16%	6.71%	4.10%	6.77%
Depreciation-Building	3,675.00	3,675.00	3,675.00	3,675.00	3,675.00
Depreciation-Contents	0.00	0.00	0.00	0.00	0.00
Total deductions	14,921.44	15,148.08	15,388.51	17,218.59	17,630.64
Tax credit	715.18	547.29	369.18	668.47	363.23
After-tax cash flow	2,083.14	2,456.83	2,853.29	2,187.13	2,866.52
After-tax cash on cash	5.63%	6.64%	7.71%	5.91%	7.75%
Your income per week	40.06	47.25	54.87	42.06	55.13
Internal Rate of Return	25.30%	25.64%	23.64%	21.50%	19.31%

Notes: The loan costs are included in the deductions for the first year.

Depreciation rates : Building = 3%