

# Rental Property Cash Flow Analysis

5940 N Campbell Ave, Chicago, IL 60659



Monthly Operating Income		Scenario A	Scenario B
Number of Units		2	3
Average Monthly Rent per Unit		1,150.00	1,150.00
	Total Rental Income	2,300.00	3,450.00
% Vacancy and Credit Losses		7.50%	7.50%
	Total Vacancy Loss	172.50	258.75
Other Monthly Income (laundry, vending, parking, etc.)		150.00	150.00
<b>Gross Monthly Operating Income</b>		<b>2,277.50</b>	<b>3,341.25</b>
Monthly Operating Expenses			
Property Management Fees			
Repairs and Maintenance		100.00	125.00
Real Estate Taxes		528.25	528.25
Rental Property Insurance		100.00	150.00
Homeowners/Property Association Fees			
Replacement Reserve		100.00	150.00
Utilities		125.00	175.00
Pest Control		35.00	35.00
Accounting and Legal		50.00	50.00
<b>Monthly Operating Expenses</b>		<b>1,038.25</b>	<b>1,213.25</b>
Net Operating Income (NOI)			
Total Annual Operating Income		27,330.00	40,095.00
Total Annual Operating Expense		12,459.00	14,559.00
<b>Annual Net Operating Income</b>		<b>14,871.00</b>	<b>25,536.00</b>
Capitalization Rate and Valuation			
Desired Capitalization Rate		5.50%	5.50%
<b>Property Valuation (Offer Price)</b>		<b>270,381.82</b>	<b>464,290.91</b>
Actual Purchase Price		375,000.00	375,000.00
	Actual Capitalization Rate	3.97%	6.81%
Loan Information			
Down Payment		50,000.00	50,000.00
Loan Amount		325,000.00	325,000.00
Acquisition Costs and Loan Fees		1,350.00	1,750.00
Length of Mortgage (years)		30	30
Annual Interest Rate		4.250%	4.250%
	Initial Investment	51,350.00	51,750.00
	Monthly Mortgage Payment (PI)	1,598.80	1,598.80
	Annual Interest	13,706.59	1,143.06
	Annual Principal	5,479.07	455.75
<b>Total Annual Debt Service</b>		<b>19,185.66</b>	<b>19,185.66</b>
Cash Flow and ROI			
	Total Monthly Cash Flow (before taxes)	<b>(359.55)</b>	<b>529.20</b>
	Total Annual Cash Flow (before taxes)	<b>(4,314.66)</b>	<b>6,350.34</b>
	Cash on Cash Return (ROI)	<b>-8.40%</b>	<b>12.27%</b>