

# Critical Output Report

Property Name: 713 FLATBUSH AVE

	At Purchase	YR1	YR2	YR3	YR4	YR5
Property Value:	1,500,000	1,560,000	1,622,400	1,687,296	1,754,787	1,824,978
<b>Income &amp; Expenses</b>						
GSI:	130,800	130,800	133,416	136,084	138,805	141,581
Loss due to Vacancies:	-10,464	-10,464	-10,673	-10,886	-11,104	-11,326
Gross Operating Income:	120,336	120,336	122,743	125,198	127,701	130,255
Loss due to Expenses:	-28,380	-28,380	-28,663	-28,949	-29,238	-29,530
Net Operating Income (NOI):	91,956	91,956	94,080	96,249	98,463	100,725
<b>Financial Ratios</b>						
Gross Multiplier:	11.47					
Cap Rate:	6.13					
Internal Rate of Return:	4 %					
Yield:	8					
Debt Coverage Ratio:		1.45	1.48	1.51	1.55	1.58
Loan to Value (LTV) Ratio:	50	47	44	42	39	37
Ownership Percentage:		52	55	57	60	62
Cash on Cash Return (BT):		3 %	4 %	4 %	4 %	4 %
Cash on Cash Return (AT):		3 %	4 %	4 %	4 %	4 %
<b>Depreciation</b>						
Depreciable Improvements:		1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Depreciable Allowance:		-43,636	-43,636	-43,636	-43,636	-43,636
<b>Debt Service</b>						
Mortgage 1 Principal:		-11,473	-12,303	-13,192	-14,146	-15,168
Mortgage 1 Interest:		-52,136	-51,307	-50,417	-49,464	-48,441
Mortgage 1 Balance:		-738,527	-726,224	-713,032	-698,886	-683,718
Total Debt Service:		-63,609	-63,610	-63,609	-63,610	-63,609
Total Mortgage Balance:		-738,527	-726,224	-713,032	-698,886	-683,718
<b>Cash Flow</b>						
Before Tax Cash Flow:		28,347	30,470	32,640	34,853	37,116
Taxable Income:		-3,816	-863	2,196	5,363	8,648
Taxes Due:		954	215	-549	-1,340	-2,162
After Tax Cash Flow:		29,301	30,685	32,091	33,513	34,954
<b>Rate of Return (RoR)</b>						
RoR on Loan Reduction:		2 %	2 %	2 %	2 %	2 %
RoR on Appreciation:		8 %	8 %	8 %	8 %	9 %
RoR on BTCF:		4 %	4 %	4 %	5 %	5 %
RoR on Tax Saving:		0 %	0 %	0 %	0 %	0 %
Total RoR:		13 %	14 %	14 %	14 %	16 %
<b>Equity Accumulation</b>						
Paid Principal:		11,473	23,776	36,968	51,114	66,282
Appreciation:		60,000	122,400	187,296	254,787	324,978
Down Payment:		750,000	750,000	750,000	750,000	750,000
Total Equity Accumulation:		821,473	896,176	974,264	1,055,901	1,141,260
Estimated Sales Cost:		-124,800	-129,792	-134,983	-140,382	-145,998
Before Tax Profit upon Sale:		696,673	766,384	839,281	915,519	995,262
After Tax Profit upon Sale:		592,173	651,427	713,389	778,192	845,973
<b>Investment Results</b>						
After Tax Cash Flow:		29,301	30,685	32,091	33,513	34,954
Unrealized Gains (Equity):		71,473	146,176	224,264	305,901	391,260
Total Investment Results:		100,774	176,861	256,355	339,414	426,214