

## Investment Property Worksheet

This form is designed to assist in estimating the first year benefits of a real estate investment. It does not consider the effect of selling or exchanging the property in the future. It is not a substitute for legal or tax advice. Anyone contemplating the purchase of a real estate investment should seek the services of competent legal and tax advisors.

Purchase price \$ \_\_\_\_\_  
 Down payment \$ \_\_\_\_\_

Financing: Amount \_\_\_\_\_ Rate \_\_\_\_\_ P&I \_\_\_\_\_ per month.  
 Financing: Amount \_\_\_\_\_ Rate \_\_\_\_\_ P&I \_\_\_\_\_ per month.

Land value	\$ _____		Depreciation
Personal property value	\$ _____	x _____ % =	\$ _____
Building Value	\$ _____	x _____ % =	\$ _____
Total Depreciation			\$ _____

Annual rent \_\_\_\_\_ Less vacancy \_\_\_\_\_ = GOI \_\_\_\_\_

**Annual operating expenses**

Real estate tax _____	Insurance _____
Repairs _____	Utilities _____
Association Dues _____	Advertising _____
Management _____	Supplies _____
Miscellaneous _____	Miscellaneous _____

Total operating expenses \$ \_\_\_\_\_

I. Gross operating income	\$ _____	
Minus: operating expenses	- \$ _____	
Equals: net operating income	= \$ _____	
Minus: annual debt service	- \$ _____	
Equals: cash flow before tax	= _____	\$ _____

II. Annual debt service	\$ _____	
Minus: interest	- \$ _____	
Equals: principal reduction	= _____	\$ _____

III. Net operating income	\$ _____	
Minus: interest	- \$ _____	
Minus: depreciation	- \$ _____	
Equals: taxable income	= \$ _____	
Multiplied by tax bracket	x _____ %	
Equals: tax paid or saved	= _____	\$ _____

IV. Appreciation (estimated)	= _____	
		\$ _____

**Return on investment with appreciation**  
CFBT + P/R + Tax saved + Appreciation  
 Total investment = \_\_\_\_\_ %

**Return on investment without appreciation**  
CFBT + P/R + Tax saved  
 Total investment = \_\_\_\_\_ %

**Capitalization rate**  
Net operating income  
 Price = \_\_\_\_\_ %

**Cash on cash**  
Cash flow before tax  
 Cash invested = \_\_\_\_\_ %

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