Comprehensive Financial Report – Rental Detailed Financial Analytics

In this scenario the investor intends to buy the property and rent it out. The average income to this property is «STRENT» and vacancy is estimated to be «STVR». Investment Horizon for this investment is «HP» Years.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Buy and Sell | | | | |
| Purchase Price | «PP» | Gross Sale Price | «GSP» | |
| Improvement Cost | «IC» | Selling Expenses | «SE» | |
| Purchase Expenses | «PE» | Net Sale Price | «NSE» | |
| Added Value due to Improvement | «ICAV» | Holding Period | «HP» years | |
| Expenses | | | | |
| Annual property Tax | «APT» | Annual Management | | «AU» |
| Annual Property Insurance | «API» | Annual Repair and Maintenance | | «ARM» |
| Annual Advertising | «ACF» | Total Ownership Annual Costs | | «AOE» |
| Annual HOA | «AHOA» |  | |  |
| Rental Income | | | | |
| Estimated Monthly Rent | «STRENT» | Effective monthly income | | «EMI» |
| Vacancy rate | «STVR» |  | |  |

Comprehensive Financial Report - Rental Cash Flow Projection:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| To Buy this Home to Live & Rent out Partially then Sell it after «HP» years | | | | | | |
|  | **Year 0** | **«YR1»** | **«YR2»** | **«YR3»** | **«YR4»** | **«YR5»** |
| Initial Cash invested | «ICA» | - | - | - | - | - |
| Net Income |  | «RI1» | «RI2» | «RI3» | «RI4» | «RI5» |
| Loan Repayment | - | «L1» | «L2» | «L3» | «L4» | «L5» |
| Operating Expenses | - | «OE1» | «OE2» | «OE3» | «OE4» | «OE5» |
| Sale Proceed (before tax) | - | - | - | - | - | «BSP» |
| **Before Tax Cash Flow** | **«BT0»** | **«BT1»** | **«BT2»** | **«BT3»** | **«BT4»** | **«BT5»** |
| Income Tax | - | «IT1» | «IT2» | «IT3» | «IT4» | «IT5» |
| Tax Due on Sale | **-** | - | - | - | - | «TDS» |
| **After Tax Cash Flow** | **«AT0»** | **«AT1»** | **«AT2»** | **«AT3»** | **«AT4»** | **«AT5»** |

|  |  |  |  |
| --- | --- | --- | --- |
| Annual Yield (Before Tax) | «BIR» | Annual Yield (After Tax) | «AIR» |
| Net Profit (Before Tax) | «BPV» | Net Profit (After Tax) | «ATV» |

|  |  |  |
| --- | --- | --- |
| Key Rental Metrics | | |
| Capitalization Rate | *Net Operating Income* ***divide by*** *Purchase Price* | «CRATE» |
| Before Tax Equity Dividend Rate | *Initial Cash* ***divide by*** *Before Tax Cash Flow* | «BTDR» |
| After Tax Equity Dividend Rate | *Initial Cash* ***divide by*** *After Tax Cash Flow* | «ATDR» |
| Operating Expense Ratio | *Operating Expenses* ***divide by*** *Receivable Income* | «OER» |
| Break even Ratio | *Initial Cash* ***divide by*** *Before Tax Cash Flow* | «BER» |
| Debt Coverage Ratio | *Sum of Operating Expense and Mortgage* ***divide by*** *Rental Income* | «DCR» |
| Loan to Value Ratio | *Amount of Loan* ***divide by*** *Purchase Price* | «LVR» |
| Income Ratio | *Potential Rental income* ***divide by*** *Net Operating Income* | «INRA» |

**Cash Flow 1st Year**

Comprehensive Financial Report - Rental Tax Calculation:

|  |  |  |
| --- | --- | --- |
| Income Tax Calculation (1st year) | | |
| Gross Income (1st year) | | «GI» |
| Operating Expenses of rented area | | «OE» |
| Net Operating Income | | «NOI» |
| Tax Depreciation | | «DEP» |
| Paid Interest | | «IN» |
| Taxable Income | | «TI» |
| Multiply by: Owner’s Tax Rate | | X «MTR» |
| **Tax Payable** | | **«TAX»** |
|  | |  |
| Tax Due on Sale | | |
| Estimated Sale Price: | «ESP» | |
| Selling Expenses | «SEN» | |
| Net Sale price | «NSP» | |
|  |  | |
| Purchase Price | «PP» | |
| Purchase Expenses & Improvement Costs | «PPI» | |
| Accumulated Depreciation | «ACDP» | |
| Adjusted Basis of property at the time of sale | «AJB» | |
|  |  | |
| Net Sale Price | «NSP» | |
| Adjusted Basis of property | «AJBN» | |
| Gain Realized on sale | «GRS» | |
|  |  | |
| Gain Realized on sale | «GRS» | |
| Depreciation Recaptured | «DEPR» | |
| Gain Recognized on Sale | «GS» | |
|  |  | |
| Tax on Depreciation Recapture («DR» «ACCDP») | «TDRE» | |
| Tax on Capital Gain («CR» «GS») | «TCAP» | |
| **Total Tax Due on Sale** | **«TTX»** | |