

# Real Estate Investment Calculator

Compare direct property ownership vs. REIT investment over 10 years

## Direct Property Ownership

Property Price (\$)

300000

Down Payment (%)

20

Mortgage Rate (%)

7

Monthly Rent (\$)

2000

Annual Appreciation (%)

3

Annual Expenses (% of value)

1.5

## REIT Investment

Initial Investment (\$)

60000

Same as down payment

Expected Annual Return (%)

8

Dividend Yield (%)

4

Reinvest Dividends?

Yes - Compound growth ▾

## 10-Year Comparison Results

### Direct Property

Initial Cash Invested	\$60,000
Property Value (Year 10)	\$403,175
Mortgage Balance	\$205,950
Total Equity	\$197,225
Net Rental Income	\$3,393

Total Return

**\$200,618**

ROI: 234%

### REIT Investment

Initial Investment	\$60,000
Portfolio Value	\$129,535
Total Dividends	\$0
Liquidity	High
Time Required	Minimal

Total Return

**\$129,535**

ROI: 116%

### Analysis

**Direct property wins by \$71,083** due to leverage. However, consider: (1) Active management required, (2) \$240,000 in debt, (3) Illiquid asset, (4) Concentration risk in single property.