





## 20 - Excel Formulas

🔍 course	MGMT 170
📁 area	ucla
🕒 created	@June 12, 2023 10:39 AM
🕒 updated	@June 15, 2023 10:08 AM
➦ <input checked="" type="checkbox"/> tasks	
➦  courses	 <u>MGMT 170: Real Estate Finance</u>
🔗 URL	
📌 tags	

### ▼ Supplemental

- ▼ REVIEW Q25 of Practice Final regarding FAR
- ▼ refi is tax free
- ▼ taking sale proceeds in installments reduces tax or may be tax free
- ▼ rising interest → inc cap rate → dec property value
- ▼ triple net pays everything but loan payments
- ▼ REIT must pay out at least 50% of proceeds

### Resources

▼ fannie mae and freddie mac own  
50% of all american resi loans

▼ commercial loan have  
prepayment penalties and lockouts  
while resi loans DO NOT have  
prepayment penalties

## ▼ Lecture

▼ =PMT

rate, nper, pv, fv, type

▼ in monthly periods

▼ use to find monthly payments

▼ Debt Service is PMT for the  
period (annual)

▼ =RATE

▼ =PV

▼ =FV

▼ =CUMPRINC

▼ use to find cumulative  
amortization from start to end  
date

▼

▼ =CUMIPMT

▼ finds cumulative interest paid  
between start and end date

▼ Cap Rate

▼ = NOI / Purchase Price

▼ Debt Service

▼ DSCR

- ▼ = NOI / Debt Service
- ▼ = annual PMT / NOI
- ▼ NOI
  - ▼ = Income - opex (possibly with expense stop)
- ▼ Depreciation
  - ▼ 27.5 years for Resi
  - ▼ 39 for Commercial
- ▼ taxable income
  - ▼ NOI - interest pai - depreciation
- ▼ BTCF (before tax cash flow)
  - ▼ NOI - ddebt service
- ▼ FAR
  - ▼ floor to area ratio → determines number of floors as a multiple
  - ▼ i.e. if u have some square footage → multiply by FAR to get total over all floors

## ▼ Discussion



### SUMMARY