

Address of Property _____
 Prepared by _____

CASH FLOW AND TAX BENEFITS OF INVESTMENT PROPERTY OWNERSHIP

A. Purchase Price

a. Land allocation _____ \$ _____

b. Building allocation _____ \$ _____

c. Other allocation _____ \$ _____

d. TOTAL PURCHASE PRICE _____ \$ _____

e. Mortgage loan amount _____ \$ _____

f. Cash equity _____ \$ _____

B. Mortgage Terms

a. Length of loan term _____ years

b. Interest rate _____ %

c. Annual payments (Princ. & Int.) _____ \$ _____

C. Depreciation

a. Estimated Economic Life (Bldg.) _____ years

b. Estimated Economic Life (Others) _____ years

c. Depreciation Method (Bldg.) _____

d. Depreciation Method (Others) _____

e. Is purchaser "first user"? Yes _____ No _____

STABILIZED NET OPERATING INCOME _____ \$ _____ %

PURCHASER'S INCOME TAX BRACKET _____ %
(Inclusive of this property)

Year	D Net Operating Income	E-1 Mortgage loan Interest	E-2 Principal	F Cash Flow (D-E1-E2)	G Total Depreciation	H Deductions For Income Tax Purposes (E-1 + G)	I Taxable Income (D-H)	J Taxable Loss (D-H)	K Tax Payable (15Tax%)	L Tax Savings (15Tax%)	M Cash Available After Mortgage Payment & Income Tax Effect	N Total Cash & Amortization Benefits After Taxes (M + E-2)
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
TOTALS												

NOTE:

Columns I & J: Only one column is applicable in any one year. If D is greater than H, use column I; if H is greater than D, use J.

*Column M: This figure will be column F minus K or column F plus L, as applicable.

SUMMARY OF CASH AND TAX BENEFITS OF OWNERSHIP

1. Cash Flow (Before Income Tax Effect) (D-E1-E2 - F) _____ 10 yr. Total _____ 10 yr. Avg. _____ Yield _____ %

2. Tax Savings (Deductible from other taxable income)(Column L) _____ + _____

3. Tax Payable (Column K) _____

4. Sub-Total of items 2 and 3 (This figure may be a + or -) _____

5. Total cash benefits after taxes (Column M) (Item 1 + or - Item 4) _____ %

6. Add: Principal paid on mortgage - "Tax Free" (E2) _____

7. **TOTAL CASH AND AMORTIZATION BENEFITS - AFTER TAXES** (Column N) _____ %

All calculations assume the value of the property will remain constant and assumes no capital expenditures will be required to retain the Net Income stream (D) above. These projections are general in nature and subject to individual circumstances and should be reviewed and discussed with your certified public accountant and legal counsel.