

# RE/MAX OCEAN REALTY

Priced home @ \$721,000  
6 BEDROOM 5.5 BATH  
Weekly Rental

<b>Price</b>			
<b>Furnishings</b>	Bill of Sale for	\$1.00	-
Selling Price			721,000
Down Payment			<u>76,500</u>
First Trust Amount			644,500
Second Trust Amount			-
<b><u>Estimated Expenses</u></b>	interest only	<b><u>Monthly</u></b>	<b><u>Annual</u></b>
First Trust	(7.00% interest only)	\$ 3,759.58	\$ 45,114.96
Second Trust Amount			\$ -
County Taxes		166.00	1,992.00
Insurance	(Fire, Wind, Flood, Liability)	108.00	1,296.00
Electricity		138.00	1,656.00
Water & Sewer		39.00	468.00
Cable TV	(Basic Service)	42.00	504.00
Telephone	(Basic Service)	32.00	384.00
Homeowner Association Dues		288.00	3,456.00
Pool & Hot Tub Maintenance		130.00	1,560.00
User fees	Estimated	-	-
Maintenance Program			<u>-</u>
<b>Total Expenses</b>		<b>4,702.58</b>	<b>56,430.96</b>
<b><u>Rental Projections</u></b>			<b>Months</b>
			34,000
Prime			-
Pre & Post Season			-
Value Week			-
Mid Season			-
Holiday			-
Off season			<u>-</u>
Total Estimated Gross Rental Weeks & Income			34,000.00
Management Fee		21.0%	<u>7,140.00</u>
Net Estimated Rental Income			26,860.00
Estimated Income, Net of Expenses		(2,464.25)	(29,570.96)

*The figures expressed in this ProForma should be used only as a guideline; information is based on both known and estimated current data. The numbers cited above do not include any provisions for deductions which may be available to you through your personal tax situation. Consult your Tax Accountant who may provide you with that information.*

**Five Year Estimated Appreciation**

			<b>Value</b>
Purchase Price	Assumed Appreciation Rate	4.50%	\$ 721,000
	Year One Appreciation	32,445	753,445
	Year Two Appreciation	33,905	787,350
	Year Three Appreciation	35,431	822,781
	Year Four Appreciation	37,025	859,806
	Year Five Appreciation	38,691	898,497
	Five Year Total Appreciation	177,497	898,497

<u>* Return on Invested Capital</u>	<u>Based on Appreciation ONLY</u>	<u>Annual Return</u>
	Year One	39.19%
	Year Two	41.10%
	Year Three	43.09%
	Year Four	45.18%
	Year Five	<u>47.36%</u>
	Return on Invested Capital	Five Year Total
		228.80%

\* Calculations are based on Year One rental rates; rates generally increase approximately 3% annually.

<u>Depreciation</u>	(Values based on comparable data)	<u>Depreciation</u> <u>Years</u>	<u>Annual</u> <u>Depreciation</u>
Land - Tax Basis		15	-
House - Tax Basis	388,000	27.5	14,109.09
Furnishings - Tax Basis		7	-
Annual Depreciation, Each of First Five Years			14,109.09
<b>Year One</b>	Cash Flow	First Year	(29,570.96)
	Depreciation	First Year	(14,109.09)
	Cumulative Year One Gain (Loss) Applied to Schedule C		(43,680.05)
	<u>Year One Return on Invested Capital</u>		
Assumed Tax Rate & Potential Tax Savings		28%	\$ 12,230
Equity Build Up		First Year	
First Year Appreciation		First Year	32,445
Net Potential Gain		First Year	\$ 44,675
Potential Gain (Loss) as a Percentage of Invested Capital		First Year	55.18%

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