CE FOR PROFESSIONAL ADVISORS

The Numbers Behind Your Client's Rental Property

A practical guide for advisors who suspect there's more to the story

1.0 hours of CE for CFP®, CPA, and Enrolled Agents Professionals

About the program

Your client is confident the rental is doing well, and they may even ask what you think. You're not so sure, but without a clear framework for understanding a rental's numbers, it's hard to know where to start, and easier to let it go.

This CE Approved program titled **Investment Real Estate Cash Flow Demystified** gives you a practical way to look at what a rental property actually earns. You'll get comfortable with the language of real estate, from cap rate to net operating income and cash flow before and after tax, and see why those numbers can look quite different from the rent check a client sees each month.

Then we put it to work. A case study shows how a clearer understanding of a property's cash flow can affect a client's overall financial plan.

You'll leave better prepared to start the conversation, with good questions to ask and a clearer sense of when to bring in a CPA, attorney or other specialist.

Key takeaways

- The language of real estate: cap rate, gross rental income, net operating income (NOI), cash flow before tax (CFBT) and cash flow after tax (CFAT)
- Practical methods to capture and project a rental property's cash flow
- Why each income and expense item matters, and how it affects what the property actually earns
- A case study showing how understanding a property's cash flow can affect a client's overall financial plan