

Property Name **Hypo Rental Scenario ***

Location **Anywhere USA**

Type of Property **SFD**

Size of Property _____ (Sq. Ft./Units)

Purpose of analysis **Hypothetical rental conversion**

Assessed/Appraised Values

Personal Property	0	100%
Total	0	100%

Adjusted Basis as of **22-Aug-26** **\$800,000**

Annual Property Operating Data

Market Value	800,000
Plus Acquisition Costs	
Plus Loan Fees/Costs	
Less Mortgages	433,868
Equals Initial Investment	366,132

	Balance	Periodic Pmt	Pmts/Yr	Interest	Amort Period	Loan Term
1st	\$480,000	\$2,021	12	2.99%	30	30
2nd			12			

ALL FIGURES ARE ANNUAL	\$/SQ FT or \$/Unit	% of GOI		COMMENTS/FOOTNOTES
POTENTIAL RENTAL INCOME			46,536	\$3,878 x 12 (Zillow)
Less: Vacancy & Cr. Losses			2,327	(5.% of PRI)
EFFECTIVE RENTAL INCOME			44,209	
Plus: Other Income (collectable)				
GROSS OPERATING INCOME			44,209	
OPERATING EXPENSES:				
Real Estate Taxes			3,371	From data collection
Personal Property Taxes				
Property Insurance			3,385	From data collection \$4,513 x 75%
Off Site Management		9%	3,979	Opportunity or actual cost
Payroll				
Expenses/Benefits				
Taxes/Worker's Compensation				
Repairs and Maintenance			1,000	Est.
Utilities:			6,500	From conversion assumption worksheet
Accounting and Legal			1,200	Est tax prep, legal reserve
Licenses/Permits				
Advertising				
Supplies				
Miscellaneous Contract Services:				
Maintenance Reserve			5,300	From data collection
TOTAL OPERATING EXPENSES			24,735	
NET OPERATING INCOME			19,474	
Less: Annual Debt Service			24,253	
Less: Participation Payments (from Assumptions)			-	
Less: Leasing Commissions				
Less: Funded Reserves				
CASH FLOW BEFORE TAXES			(\$4,779)	

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The statements and figures herein, while not guaranteed, are secured from sources we believe authoritative.

Prepared for:

Prepared by: **Must be checked by CPA/EA**

*** Hypothetical Rental Property Analysis Disclosure**

ILLUSTRATIVE PURPOSE

This rental property cash flow model is provided for educational and illustrative purposes only. The property, financial information, rental income, expenses, financing terms, and projected cash flow shown are hypothetical and do not represent an actual client investment or a guaranteed financial outcome.

ASSUMPTIONS AND LIMITATIONS

The analysis is based on assumptions and estimates that may differ materially from actual market conditions or property performance. Actual results will depend on factors including rental demand, vacancy rates, property taxes, insurance, maintenance, repairs, management expenses, financing costs, and other unforeseen expenditures.

The analysis does not necessarily include all costs associated with acquiring, owning, operating, or selling rental property. Cash flow before taxes does not represent after-tax income or total investment return. Property values and rental income may increase or decrease, and real estate investments involve risks, including illiquidity, concentration, leverage, and potential loss.

NOT A RECOMMENDATION

This illustration is not an appraisal, guarantee, or recommendation to purchase, sell, or retain a particular property. Individual financial circumstances should be reviewed before making any investment decision. Tax and legal matters should be evaluated with qualified professionals.

FROM ILLUSTRATION TO YOUR PLAN

While this model is hypothetical, an actual current-year cash flow analysis would be completed using information you provide — including your specific property data, rental income history, and actual operating expenses. Before any analysis is incorporated into a financial plan, it would be reviewed with you in detail.

You may request modifications to any inputs, including income projections, vacancy assumptions, expense categories, and financing terms. Variations of the model incorporating different assumptions are available upon your request. The final version used in any financial plan would reflect assumptions reviewed and agreed upon by both you and your adviser.