

FLIP PROFIT / LOSS CALCULATION

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Projected After-Repair Value Sales Price	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
FMV Adjustment Option (+/-)						
Adj Projected After-Repair Value Sales Price	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Selling Expenses	(10,800)	(10,800)	(10,800)	(10,800)	(10,800)	(10,800)
Income Tax Benefit (Cost) from Sale	(16,483)	(14,831)	(14,226)	(12,983)	(11,818)	(10,533)
Cumulative Rehab & Holding Expenses	(1,857)	(7,713)	(9,820)	(14,177)	(18,233)	(22,690)
Interest Expense - Rehab Costs (<i>if financed</i>)	(8)	(53)	(107)	(188)	(292)	(424)
Points Paid (if any)	(968)	(968)	(968)	(968)	(968)	(968)
Prepayment Penalty (<i>if any</i>)						
Equity Generated from Monthly Payments						
Initial Purchase Price	\$ (107,500)	\$ (107,500)	\$ (107,500)	\$ (107,500)	\$ (107,500)	\$ (107,500)
TOTAL CASH Profit/Loss on FLIP	\$ 42,385	\$ 38,136	\$ 36,580	\$ 33,385	\$ 30,389	\$ 27,086
Cumulative Funds Needed/Used	\$ 11,849	\$ 11,980	\$ 12,111	\$ 12,242	\$ 12,373	\$ 12,504
Total Cash on Cash Return b/f Taxes	496.84%	442.14%	419.52%	378.78%	341.14%	300.87%
Total Cash on Cash Return a/t Taxes	357.73%	318.34%	302.05%	245.62%	245.62%	216.62%

NET CASH GENERATED

Net Proceeds from Sale	\$ 169,200	\$ 169,200	\$ 169,200	\$ 169,200	\$ 169,200	\$ 169,200
Debt Payoff	(96,750)	(96,750)	(96,750)	(96,750)	(96,750)	(96,750)
Cumulative Rehab & Holding Expenses	(1,857)	(7,713)	(9,820)	(14,177)	(18,233)	(22,690)
Interest Expense - Rehab Costs (<i>if financed</i>)	(8)	(53)	(107)	(188)	(292)	(424)
Prepayment Penalty (<i>if any</i>)						
Income Tax Benefit (Cost) from Sale	(16,483)	(14,831)	(14,226)	(12,983)	(11,818)	(10,533)
Initial Cash Investment	(11,718)	(11,718)	(11,718)	(11,718)	(11,718)	(11,718)
TOTAL CASH Profit/Loss on FLIP	\$ 42,385	\$ 38,136	\$ 36,580	\$ 33,385	\$ 30,389	\$ 27,086

REHAB COSTS & HOLDING EXPENSES

REHAB Costs from Schedule	\$ (1,000)	\$ (5,000)	\$ (1,250)	\$ (3,500)	\$ (3,200)	\$ (3,600)
Other Monthly Expenses	(131)	(131)	(131)	(131)	(131)	(131)
Mortgage Payments - 1st Mortgage	(726)	(726)	(726)	(726)	(726)	(726)
Mortgage Payments - 2nd Mortgage						
Rental Income (<i>if any</i>)						
Monthly Net Cash Out Flow	\$ (1,857)	\$ (5,857)	\$ (2,107)	\$ (4,357)	\$ (4,057)	\$ (4,457)
Cumulative REHAB & Holding Costs	\$ (1,857)	\$ (7,713)	\$ (9,820)	\$ (14,177)	\$ (18,233)	\$ (22,690)