

FINANCIAL ANALYSIS : Triplex @ 615 Huron Street

Income

Top floor	\$750 x 12	=	\$9,000
Main Unit	\$1,050 x 12	=	\$12,600
Bachelor	\$605 x 12	=	\$7,260
Total Annual Income = \$28,860			

Expenses

Municipal tax	\$2,766
School tax	\$465
Insurance	\$1,500
Heating and utilities	none
Concierge	none
Other utility contracts	none
Snow clearing	\$450 (per winter)
Maintenance	\$3,000
Total Annual Expenses	= \$8,181

Financing Costs and Equity

Purchase price	\$370,000
Down payment (10%)	\$37,000
Mortgage loan amount	\$330,000
Conditions:	25-year amortization, 3.5% interest (fixed)
Mortgage payments	\$1,662 x 12 = \$19,994
Equity built in first year	\$9,250

Annual Cash Flow

Income - (Expenses + Debt Service) = Annual Cash Flow:
\$28,860 - (\$8,181 + \$19,994) = \$728

Return on Investment

(Equity + Cash Flow) / Down Payment Amount = Return on Investment:
(\$9,250 + \$728) / \$37,000 = 25%