

# What Does it Cost to Purchase a Home for \$1,100,000 in 30A?

## Financial Details

### Projected Purchase Price **\$1,100,000**

- DOWN Payment of 30% = \$338,000 buyer can usually get loan of 20%
- Total Annual Mortgage Costs \$47,122 at 4.5% Interest or \$3,926 a month
- Operating Costs \$23,480
  - Association Fees.....\$2,700
  - Insurance.....\$4,500
  - Lawn Maintenance.....350
  - Pest Control.....250
  - Repairs.....750
  - Property Taxes.....7,200
  - Electricity.....1,950
  - Water.....960
  - Gas.....320
  - Internet.....2,500
  - Miscellaneous.....2,000
- Property Management Fee at 22% =\$21,780

**Total Annual Cost \$92,382**

Projected Rental Income **\$99,000** for 26 weeks [click rentals](#)

**Total Net positive cash flow after taxes and all expenses \$12,660**

### **Tax Analysis**

Net operating income = \$53,740 (Rental Income \$99,000 – expenses and management fee)

Minus Depreciation of \$31,127 (**How we love depreciation you make a profit and show a loss**)

Minus Interest Expense of \$31,756

Shows operating taxable loss of \$9,143

At 35% tax bracket **shows savings of \$3,200**

### Other Notes

- Projected Market Value in 7 Years at 3% appreciation \$1,384,000
- If inflation increases 7% over 7 years additional \$77,000
- Annual vacation savings \$10,000 x 7 years = \$70,000
- Sell in 7 Years do a 1031 exchange and pay no taxes on profit and start the same process all over

**Memories are Priceless Call us Today**

**Always Consult Your CPA**