



SUMMARY

	Internal Rate of Return (IRR)	Buy	Sell	Compounding Appreciation Rate
BEFORE TAX				
With Financing				
Based on data entered	12.60%	\$ 3,570,000	\$ 5,010,556	3.45%
Goal seeking results for IRR	11.00%	\$ 3,766,141	\$ 5,010,556	2.90%
	11.00%	\$ 3,570,000	\$ 4,424,321	2.17%
Without Financing				
Based on data entered	10.16%	\$ 3,570,000	\$ 5,010,556	3.45%
Goal seeking results for IRR	11.00%	\$ 3,372,148	\$ 5,010,556	4.04%
	11.00%	\$ 3,570,000	\$ 5,601,905	4.61%
AFTER TAX				
With Financing				
Based on data entered	10.42%	\$ 3,570,000	\$ 5,010,556	3.45%
Goal seeking results for IRR	7.04%	\$ 4,098,157	\$ 5,010,556	2.03%
	7.04%	\$ 3,570,000	\$ 3,857,000	0.78%
Without Financing				
Based on data entered	7.71%	\$ 3,570,000	\$ 5,010,556	3.45%
Goal seeking results for IRR	7.04%	\$ 3,774,750	\$ 5,010,556	2.87%
	7.04%	\$ 3,570,000	\$ 4,563,360	2.49%



GOAL SEEKING RESULTS BEFORE TAX

With Financing

To achieve an Internal Rate of Return (IRR) of 11.00% before tax, you would have to either:

- a) Buy the property for \$ 3,766,141 and sell for \$ 5,010,556 in 10 years which is 2.90% compounding increase in value per year.
- b) Buy the property for \$ 3,570,000 and sell for \$ 4,424,321 in 10 years which is 2.17% compounding increase in value per year.

Without Financing

To achieve an Internal Rate of Return (IRR) of 11.00% before tax, you would have to either:

- a) Buy the property for \$ 3,372,148 and sell for \$ 5,010,556 in 10 years which is 4.04% compounding increase in value per year.
- b) Buy the property for \$ 3,570,000 and sell for \$ 5,601,905 in 10 years which is 4.61% compounding increase in value per year.

GOAL SEEKING RESULTS AFTER TAX

With Financing

To achieve an Internal Rate of Return (IRR) of 7.04% after tax, you would have to either:

- a) Buy the property for \$ 4,098,157 and sell for \$ 5,010,556 in 10 years which is 2.03% compounding increase in value per year.
- b) Buy the property for \$ 3,570,000 and sell for \$ 3,857,000 in 10 years which is 0.78% compounding increase in value per year.

Without Financing

To achieve an Internal Rate of Return (IRR) of 7.04% after tax, you would have to either:

- a) Buy the property for \$ 3,774,750 and sell for \$ 5,010,556 in 10 years which is 2.87% compounding increase in value per year.
- b) Buy the property for \$ 3,570,000 and sell for \$ 4,563,360 in 10 years which is 2.49% compounding increase in value per year.

INVESTMENT TAB ENTRIES. Allocations of the Purchase Price between Land and Improvements to achieve the desired Internal Rate of Return (IRR)

	%	BEFORE TAX		AFTER TAX	
		With Financing	No Financing	With Financing	No Financing
	Allocation	11.00% IRR	11.00% IRR	7.040% IRR	7.040% IRR
Land	28.01%	1,054,941	944,579	1,147,943	1,057,353
Building	71.99%	2,711,200	2,427,569	2,950,214	2,717,397
Purchase Price (Year 1 Total)	100.00%	\$ 3,766,141	\$ 3,372,148	\$ 4,098,157	\$ 3,372,148

Notes:

The allocation of the Purchase Price between Land and Improvements uses the same % allocation used in the First Year of the Investment Folder grid.

The Purchase Price (Year 1 Total) excludes entries using the Depreciation methods "Amort. Mortgage Fees" and "Amortize"