



**SUMMARY**

	<b>Internal Rate of Return (IRR)</b>	<b>Buy</b>	<b>Sell</b>	<b>Compounding Appreciation Rate</b>
<b>BEFORE TAX</b>				
<b>With Financing</b>				
Based on data entered	11.01%	\$ 850,000	\$ 1,199,009	3.50%
Goal seeking results for IRR	13.00%	\$ 812,812	\$ 1,199,009	3.96%
	13.00%	\$ 850,000	\$ 1,331,885	4.59%
<b>Without Financing</b>				
Based on data entered	8.76%	\$ 850,000	\$ 1,199,009	3.50%
Goal seeking results for IRR	13.00%	\$ 633,731	\$ 1,199,009	6.58%
	13.00%	\$ 850,000	\$ 1,971,785	8.78%
<b>AFTER TAX</b>				
<b>With Financing</b>				
Based on data entered	9.77%	\$ 850,000	\$ 1,199,009	3.50%
Goal seeking results for IRR	8.32%	\$ 884,841	\$ 1,199,009	3.09%
	8.32%	\$ 850,000	\$ 1,111,415	2.72%
<b>Without Financing</b>				
Based on data entered	6.63%	\$ 850,000	\$ 1,199,009	3.50%
Goal seeking results for IRR	8.32%	\$ 736,493	\$ 1,199,009	4.99%
	8.32%	\$ 850,000	\$ 1,484,382	5.73%



**GOAL SEEKING RESULTS BEFORE TAX**

**With Financing**

To achieve an Internal Rate of Return (IRR) of 13.00% before tax, you would have to either:

- a) Buy the property for \$ 812,812 and sell for \$ 1,199,009 in 10 years which is 3.96% compounding increase in value per year.
- b) Buy the property for \$ 850,000 and sell for \$ 1,331,885 in 10 years which is 4.59% compounding increase in value per year.

**Without Financing**

To achieve an Internal Rate of Return (IRR) of 13.00% before tax, you would have to either:

- a) Buy the property for \$ 633,731 and sell for \$ 1,199,009 in 10 years which is 6.58% compounding increase in value per year.
- b) Buy the property for \$ 850,000 and sell for \$ 1,971,785 in 10 years which is 8.78% compounding increase in value per year.

**GOAL SEEKING RESULTS AFTER TAX**

**With Financing**

To achieve an Internal Rate of Return (IRR) of 8.32% after tax, you would have to either:

- a) Buy the property for \$ 884,841 and sell for \$ 1,199,009 in 10 years which is 3.09% compounding increase in value per year.
- b) Buy the property for \$ 850,000 and sell for \$ 1,111,415 in 10 years which is 2.72% compounding increase in value per year.

**Without Financing**

To achieve an Internal Rate of Return (IRR) of 8.32% after tax, you would have to either:

- a) Buy the property for \$ 736,493 and sell for \$ 1,199,009 in 10 years which is 4.99% compounding increase in value per year.
- b) Buy the property for \$ 850,000 and sell for \$ 1,484,382 in 10 years which is 5.73% 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 13.00% IRR	No Financing 13.00% IRR	With Financing 8.320% IRR	No Financing 8.320% IRR
Land	35.29%	286,875	223,670	312,297	259,939
Building	64.71%	525,937	410,061	572,544	476,554
<b>Purchase Price (Year 1 Total)</b>	<b>100.00%</b>	<b>\$ 812,812</b>	<b>\$ 633,731</b>	<b>\$ 884,841</b>	<b>\$ 633,731</b>

**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"