Financial Analysis Form

FINANCIAL ANALYSIS FORM

Please complete the following form. See instructions for completing the form following this page.

Property Address: 245 E. Pasadena Street, Pomona 91767

		current year	year two	year three	year four	year five	year six	year seven	year eight	year nine	year ten	EXPLANATION
Step 1: Determine Annual Income of Property												
1.	Monthly Rental Income											*Even if a property is owner-occupied, an estimated monthly rental income is needed as a basis for this worksheet formula.*
2.	Annual Rental Income											*Line item # 1 X 12 months*
Step 2: Calculated Annual Operating Expenses												
3.	Insurance											*Fire, liability, etc.*
4.	Utilities			SEE ATTACHED								*Water, gas, electric.*
5.	Management											
6.	Other Expenses											*Do not include property taxes and mortgage payments.*
7.	Total Annual Expenses											*Add lines 3 through 6.*
Step 3: Determine Net Operating Income												
8.	Net Operating Income											*Line 2 minus Line 7.*

		Current Year	Year Two	Year Three	Year Four	Year Five	Year Six	Year Seven	Year Eight	Year Nine	Year Ten
Step 1: Determine Annual Income of Property											
1	Monthly Rental Income	**2,500**	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
2	Annual Rental Income	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Step 2: Calculated Annual Operating Expenses											
3	Insurance	**745**	745	745	745	745	745	745	745	745	745
4	Utilities	**9,300**	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300
5	Management	-	-	-	-	-	-	-	-	-	-
6	Other Expenses	**4,200**	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200
7	Total Annual Expenses	14,245	14,245	14,245	14,245	14,245	14,245	14,245	14,245	14,245	14,245
Step 3: Determine Net Operating Income											
8	Net Operating Income	15,755	15,755	15,755	15,755	15,755	15,755	15,755	15,755	15,755	15,755
Step 4: Determine Capitalization Rate											
9	Interest Component	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%
10	Historical Property Risk Component	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
11	Amortization Component	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
12	Property Tax Component	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
13	Capitalization Rate	14.20%	14.20%	14.20%	14.20%	14.20%	14.20%	14.20%	14.20%	14.20%	14.20%
Step 5: Determine Estimated Tax Savings											
14	Mills Act Assessment Value	110,951	110,951	110,951	110,951	110,951	110,951	110,951	110,951	110,951	110,951
15	Mills Act Taxes	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110
16	Current Taxes	5,486	5,486	5,486	5,486	5,486	5,486	5,486	5,486	5,486	5,486
17	Estimated Tax Savings	4,376	4,376	4,376	4,376	4,376	4,376	4,376	4,376	4,376	4,376
18	ESTIMATED TOTAL SAVINGS OVER TEN YEAR PERIOD				**43,765**						