

1005 - 1009 Quebec Terrace  
Silver Spring, MD 20910

**Pro Forma Economic Analysis**

<b>INCOME:</b>		<b>RENT YEAR 2010</b>
1005.1	\$975	\$11,700
1005.2	\$925	\$11,100
1005.3	\$900	\$10,800
1005.4	\$975	\$11,700
1007.1	\$900	\$10,800
1007.2	\$950	\$11,400
1007.3	\$950	\$11,400
1007.4	\$950	\$11,400
1009.1	\$950	\$11,400
1009.2	\$900	\$10,800
1009.3	\$997	\$11,964
1009.4	\$900	\$10,800
12 UNITS TOTAL – Scheduled Gross Annual Income		\$ 135,264
Less 5% Vacancy Allowance	-	\$ 6,703.20
<b>Effective Gross Income (EGI)</b>		<b>\$ 128,560.80</b>

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**EXPENSES:**

Variable Expenses	
Utilities	
Pepco	\$ 598
Washington Suburban Sanitary Commission	\$ 6,384
Waste Management	\$ 3,685
Maintenance/Repairs	\$ 5,000
Landscaping, Cleaning, Grass Cutting, Snow Removal	\$ 6,600
Pest/Termite Control	\$ 1,800
<a href="http://hclibrary.org/">http://hclibrary.org/</a>	

<b>Total Variable Expenses</b>		\$ 24,067
Fixed Expenses		
Insurance		\$ 5,328
Real Estate Taxes		\$ 8,923.71
Rental Housing License		\$ 500
Management fee 3.5%		\$ 4,500
<a href="http://hclibrary.org/">http://hclibrary.org/</a>		
<b>Total Fixed Expenses</b>		\$ 19,251.71
<b>Total Operating Expenses</b>	-	<b>\$ 43,318.71</b>
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<b>Net Operating Income</b>		<b>\$ 85,242.09</b>
<b>Asking Price</b>		\$995,000
<b>Capitalization Rate</b>		<b>8.57 %</b>