

RENTAL PROPERTY COST ANALYSIS "EXAMPLE"

PROPERTY 195 Beachwalk - 3 Bedroom in Shipyard

Purchase Price	\$399,000
% Down Payment	20%
Down Payment	\$79,800
Amount Financed	\$319,200
Term	360 months
Interest Rate	4.00%
Value of Furniture Package	\$15,000

I. ESTIMATED COST	Per Month	Per Year
Principal and Interest	\$1,523.91	\$18,286.92
Pool/Landscape/Trash/Pest	\$495.00	\$5,940.00
Taxes	\$353.00	\$4,244.00
Electricity	\$231.00	\$2,773.00
Insurance	\$259.00	\$3,111.00
Telephone	\$100.00	\$1,200.00
Community fee	\$73.75	\$885.00
Sewer and Water	\$50.00	\$600.00
TOTAL ESTIMATED COST	\$3,085.66	\$37,039.92

II. RENTAL INCOME		
Estimated Gross Rental Revenue	\$29,555	
% to Rental Agency	17%	VRBO & CLEANING
NET TO OWNER	\$24,531	

* Note: Neither the seller nor Dunes Marketing Group, Inc. engages in rental management.

Any rental projections are included for example purposes only.

You should discuss occupancy rates and potential income with a rental management company.

TAX DEDUCTIONS	Per Year
Interest	\$17,372.57
III. Taxes	\$4,244.00
Condo Fee (Regime)	\$5,940.00
Electricity	\$2,773.00
Insurance (Contents)	\$3,111.00
PDR Annual Assessment	\$885.00
Phone	\$1,200.00
Structure Depreciation: 27.5 Yr. Straight Line	\$11,714.55
Furniture Depreciation: 7 Yr. Straight Line	\$2,142.86
Appliance Depreciation: 7 Yr. Straight Line	\$714.29
Sewer and Water	\$600.00
TOTAL TAX DEDUCTIONS	\$50,697.26

TAX SAVINGS	
Total Tax Deductions	\$50,697.26
IV. Minus Rental Income	\$24,530.65
Net Tax Deductions	\$26,166.61
Tax Bracket %	31%
TAX SAVINGS	\$8,111.65

SUMMARY	
Rental Income	\$24,530.65
V. Plus Tax Savings	\$8,111.65
Less Cost	\$37,039.92
NET	(\$4,397.62)

The above cost analysis sheet is not intended to serve as a representation that the property discussed is an investment of any sort, or that you will derive any economic benefits from the ownership, sale or rental of the property. There is no mandatory rental program.

Rental services are offered through independent rental agencies on Hilton Head Island.

Rental rates and number of weeks of rental will vary.