



## Income Property Valuation Worksheet

### A. Operating Income:

Annual Rental Income: \$ \_\_\_\_\_

Other Annual Income: \$ \_\_\_\_\_

Total Annual Income: \$ \_\_\_\_\_

### B. Operating Expenses:

Annual Property Taxes: \$ \_\_\_\_\_

Annual Insurance Premiums: \$ \_\_\_\_\_

4% of gross annual income for management: \$ \_\_\_\_\_

3% of gross annual income for maintenance: \$ \_\_\_\_\_

3% of gross annual income for Vacancy/Collections: \$ \_\_\_\_\_

All other annual operating expenses: \$ \_\_\_\_\_

Total Annual Operating Expenses: \$ \_\_\_\_\_

C. Net Annual Operating Income: \$ \_\_\_\_\_

Subtract B from A to get NOI

**D. Capitalization Rate:** \_\_\_\_\_ %

Capitalization Rate is the number of years it takes for the cash flow from the property to pay for itself if no capital improvements are needed. Investors frequently use Capitalization Rate as a measure of the return they require to purchase. The higher the Capitalization Rate, the better.

**E. Value:** \$ \_\_\_\_\_

Value is determined by dividing the NOI by the Capitalization Rate. For example, an NOI of \$100,000 divided by a 10% return equals a property value of \$1,000,000. Please contact us for information on this technique or to determine the return required by investors for different property types.

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Call now for a confidential discussion of your needs and a detailed explanation of our services. We personally answer the phones whenever possible and when you leave a message, we return the call within two hours. **CALL NOW 404-406-6422**