



Cash Flow from Sale (Before Tax)

Sale Price		\$	1,199,009
Less: Real Estate Commission			59,950
Selling Expenses			7,000
Net Sale Price			<u>1,132,058</u>
Less: Mortgage Repayment			<u>473,326</u>
Cash Flow from Sale (Before Tax)			658,732

Cash Flow from Sale (After Tax)

Net Sale Price			1,132,058
Less: Capital Gains Tax			
Net Sale Price	1,132,058		
Less Cost Basis	<u>850,000</u>		
Capital Gains	282,058	x 42.00% x 50.00%	59,232
Less: Recaptured Depreciation Tax			
Tax Value of Improvements on Sale	550,000		
Less Undepreciated Balance	<u>373,276</u>		
Recaptured Depreciation	176,724	x 42.00%	<u>74,224</u>
Net Proceeds (After Tax)			<u>998,602</u>
Less: Mortgage Repayment			<u>473,326</u>
Cash Flow from Sale (After Tax)			525,276