



Cash Flow from Sale (Before Tax)

Sale Price		\$ 6,780,955
Less: Real Estate Commission		339,048
Selling Expenses		6,000
Legal Expenses		3,000
Net Sale Price		<u>6,432,908</u>
Less: Mortgage Repayment		<u>2,474,042</u>
Cash Flow from Sale (Before Tax)		<u>3,958,865</u>

Cash Flow from Sale (After Tax)

Net Sale Price			6,432,908
Less: Capital Gains Tax			
Net Sale Price	6,432,908		
Less Cost Basis	<u>5,100,000</u>		
Capital Gains	1,332,908	x 42.00% x 50.00%	279,911
Less: Recaptured Depreciation Tax			
Tax Value of Improvements on Sale	3,100,000		
Less Undepreciated Balance	<u>2,103,918</u>		
Recaptured Depreciation	996,082	x 42.00%	<u>418,354</u>
Net Proceeds (After Tax)			5,734,642
Less: Mortgage Repayment			<u>2,474,042</u>
Cash Flow from Sale (After Tax)			<u>3,260,600</u>