

Cash Flow from Sale (Before Tax)

Sale Price	\$	5,174,000
Less: Real Estate Commission	Ŧ	258,700
Selling Expenses		103,480
Legal Fees		51,740
Net Sale Price		4,760,080
Less: Mortgage Repayment		1,590,542
Cash Flow from Sale (Before Tax)		3,169,538
Cash Flow from Sale (After Tax)		
Net Sale Price		4,760,080
Less: Capital Gains Tax		
Net Sale Price 4,760,080		
Less Cost Basis 3,000,000		
Capital Gains 1,760,080 x 15.00%	1	264,012
Less: Recaptured Depreciation Tax		
Tax Value of Improvements on Sale3,000,000		
Less Adjusted Basis 1,744,923		
Recaptured Depreciation 1,255,077 x 25.00%		313,769
Net Proceeds (After Tax)		4,182,299
Less: Mortgage Repayment		1,590,542
Cash Flow from Sale (After Tax)		2,591,756