

# Investment worksheet for rental property cash flow analysis



## What is the Investment Worksheet?

The Investment Worksheet is a cleverly designed interactive calculator that can be used to assess the profitability of a real estate investment, whether you are considering purchasing a property to flip, or to hold and rent out.

[Click to download the Foreclosure.com Investment Worksheet](#)

## Who Should Use the Investment Worksheet?

The Investment Worksheet is designed to help real estate investors analyze and evaluate the profitability of an investment in a property. It is versatile, in that it can help the real estate investor whose intention is to flip a property discover the bottom line profitability of that transaction. At the same time it accommodates that situation whereby a person needs to analyze the profitability of a property to be used as a rental investment.

## How Does the Investment Worksheet Help Me?

The foreclosure.com Investment Worksheet is cleverly designed to show the real estate investor in clear terms how a property stacks up in fulfilling his investment needs. It is a dynamic representation, meaning that the worksheet does all the calculations for you. As you change one of the entry items, the totals affected by that change will also reflect the change. This will help make the number crunching part of a real estate transaction more understandable for the beginner and the expert investor alike.

## How Do I Calculate the Cost to Purchase?

As a real estate investor, of primary importance is the total cost of the property, because that will be the key indicator of your profitability. If your intention is to flip the property, you'll need to have a handle on the market values for comparable properties in the area. You will want to know what price you can expect to sell the property for, and compare that to what it will cost to purchase the home, including all closing costs; how much it will cost to rehabilitate to property to make it marketable, and then how much it will cost to market the property. The Investment Worksheet is designed to help sort out those numbers.

## How Will I Know if the Property I Selected Will Make a Profit?

Being familiar with the Investment Worksheet will help analyze and assess the profitability of an investment in real estate whether it is being purchased to rehabilitate and flip, or to hold and use as a rental.

## How Do Cash Flow Numbers Work for Rental Properties?

If you are investing in the property to hold and rent it out, you should have knowledge of what rents are in the area for similar properties. Gross Rent defines the income; in other words the plus side of the equation. All the rest of the numbers in that section of the Investment Worksheet represent deductions from that. From the expected gross income the major



expenses are: management, maintenance, property taxes, insurance, miscellaneous expense, vacancy expense, and mortgage debt service. By deducting these expenses from the gross rent, you will arrive at Net Rent after Debt Service. This will be a strong indicator of the profitability of the investment in the property.

Foreclosure.com wants to be your go-to website for real estate investment profitability. In addition to this uniquely designed and user-friendly [Investment Worksheet](#), we also have for your convenience a number of handy checklists for foreclosures, open houses, mortgage applications, real estate tax sales, and home buying. The task of purchasing a home, whether for your own use, or as an investment, whether to hold and rent, or buy and flip, is made much simpler through this worksheet and the checklists at your disposal through foreclosure.com.