**PROFIT ANALYSIS**

This is my favorite form. It shows me how much money I am going to make on a deal. I use this form each time I make an offer to buy a house. This form helps determine repairs needed, estimated market value, how much to offer for a property, and more.

Fill in every line and do the math to see if there is enough profit in the deal for you to make an offer. If you plan to wholesale the property, use this form to determine how much your assignment fee will be and to determine that there is enough left over for the rehabber. If the numbers are too tight to wholesale, consider rehabbing it yourself.

If you do plan to wholesale, complete the entire form. The rehabber will have all the expenses on this form…cost of money, closing costs, etc. Remember to leave the bulk of the money on the table for the rehabbers. They are taking the risk and deserve the biggest piece of the pie.

If you want repeat business, don’t try to make all your money in one deal. A good rehabber will come back to you over and over again if the first deal is good.

Make your offer lower than the maximum amount you are willing to pay to allow room for negotiating. If negotiations exceed your maximum bid, pass on the deal. It is easy to get caught up in the negotiating process and pay thousands more than you had initially wanted to pay. Remember, there is always another deal around the corner.

When filling out the Profit Analysis form, consider the fact that the property may need unforeseen repairs. Estimating the selling price at the low end of the scale, and estimating the repairs and payments at the high end of the scale will leave room for error.

I use two different forms depending on whether I wholesale or rehab. Obviously, I want a more detailed form for rehabbing expenses.

**PROFIT ANALYSIS FOR WHOLESALING**

OWNER'S NAME \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ADDRESS \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

COUNTY \_\_\_\_\_\_\_\_\_\_ CASE NUMBER\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

PLAINTIFF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ PHONE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTORNEY \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ PHONE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

LEGAL DESCRIPTION \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

TAX I. D. NUMBER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

PROPERTY INFORMATION \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

MAXIMUM PURCHASE PRICE $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ESTIMATED MARKET VALUE $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**MINUS:**

TOTAL PAYOFF $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ESTIMATED REPAIR $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

REAL ESTATE TAXES $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

INSURANCE $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

APPRAISAL $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CONSIDERATION TO OWNERS $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CLOSING COSTS - BUYING $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CLOSING COSTS - SELLING $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ASSIGNMENT FEE $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

FINANCING EXPENSE (if property is being rehabbed):

\_\_\_\_\_\_\_\_% INTEREST-To figure out your payment, take the total amount borrowed and multiply it by the interest amount. Ex. $50,000 X 15 % = $7,500. Now, take that total and divide it by 12 (12 months in a year) and this will give you your monthly payment. Ex. $7,500 divided by 12 = $625.

MONTHLY PAYMENT \_\_\_\_\_\_\_\_\_\_ x 4 MONTHS = $ \_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_ POINTS - A point is 1% of the amount borrowed. $ \_\_\_\_\_\_\_\_\_

OTHER\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

TOTAL DEBT.......................$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NET PROFIT .....................$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Subtract Total Debt from Estimated Market Value)