INVESTORS · TOOL

Free from Victoria Love

Cash-Flow Worksheet

Plug in the numbers and see monthly cash flow, cap rate and cash-on-cash return, plus the costs people forget.

VL

Victoria Love, REALTOR®

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01 Run the numbers

	Example	Yours
Purchase price	$420,000	
Down payment (25%)	$105,000	
Mortgage, principal and interest (7%, 30 years)	$2,096/mo	
Monthly rent	$2,600	
Minus vacancy (5%)	-$130	
Minus taxes, insurance, HOA, repairs	-$450/mo	
Monthly cash flow	**-$76**	
Cap rate (NOI / price)	**5.8%**	
Cash-on-cash (yearly cash flow / cash in)	**-0.8%**	
Cash needed (down payment + about 2.5% costs)	$115,500	

Add management, capital reserves (AC, roof, water heater) and turnover costs to the monthly costs line for a realistic number.

Adjust every number live: https://loveazrealtor.com/guides/cash-flow

02 How the math works

- **Net operating income (NOI)**
  Rent after vacancy, minus operating costs (taxes, insurance, HOA, repairs, management); the mortgage is not included
- **Cap rate**
  NOI for the year divided by the purchase price; compares properties regardless of financing
- **Cash flow**
  Rent after vacancy, minus operating costs, minus the mortgage payment
- **Cash-on-cash return**
  A year of cash flow divided by the cash you put in (down payment plus closing costs)
- **Debt service coverage (DSCR)**
  NOI divided by the annual mortgage payments; investor loans often look for 1.2 or higher

03 Don't forget to budget

- [ ] **Capital reserves**
  Roofs, AC units, water heaters and pool equipment wear out; set money aside monthly
- [ ] **Property management**
  If you won't self-manage, get a written fee quote, including leasing fees
- [ ] **Landlord insurance**
  A rental needs a landlord (dwelling) policy, not a homeowner policy
- [ ] **Turnover costs**
  Paint, cleaning, carpet and a vacant month's utilities
- [ ] **HOA rental rules and fees**
- [ ] **County rental registration**
  Arizona requires registering residential rentals with the county assessor (A.R.S. § 33-1902)

Want me to run a real deal?

Victoria can walk you through it. No pressure, no obligation.

Call or text Victoria: 509-710-2417
Book a call: https://loveazrealtor.com/contact
This guide online: https://loveazrealtor.com/guides/cash-flow

Sources

- A.R.S. § 33-1902, residential rental property registration (azleg.gov)

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