

Sale Proceeds Year 5

123 Main Street Salem, OR 97302

Sale Proceeds Before Tax			
Sale Price	\$ 732,000		
- Costs of Sale @ 6%	43,920		
- Loan Repayment	405,089		
Sale Proceeds Before Tax			\$ 282,991
Capital Gain Results			
Sale Price	\$ 732,000		
- Costs of Sale	43,920		
Net Sale Price		\$ 688,080	
Cost Basis at Acquisition	\$ 600,000		
+ Costs of Acquisition	6,000		
+ Capital Additions	20,000		
- Depreciation Taken	78,481		
Adjusted Basis at Sale		547,519	
Capital Gain (Loss)		\$ 140,561	
- Suspended Passive Losses		0	
Net Capital Gain (or Loss)		\$ 140,561	
- Cost Recovery Recaptured		78,481	
Adjusted Net Capital Gain (or Loss)		\$ 62,080	
Federal Tax on Sale			
Cost Recovery Recapture @ 25%			(19,620)
Capital Gain (Loss) @ 15%			(9,312)
Allowable Deductions at Sale			
+ Unamortized Points	3,500		
+ Prepayment Penalties			
Total Deductions at Sale		3,500	
Tax Savings Due to Deductions @ 28%			980
Taxes due to Sale			\$ 27,952
Sale Proceeds After Tax			\$ 255,039

Report Assumptions:

Acquisition on January 1 Year 1. Sale on December 31 Year 5.
S/L depreciation @ 27.5 years.

Disclaimer:

This report is intended for the purposes of projection and analysis and should not be used for preparation of income tax returns. The user of this program and information should consult a tax specialist before making any investment decision.