

## 75% Scenario

Cash balance available to invest:	\$8,656,439
75% Invested:	\$6,492,329
Coupon:	4.75%
Annual Income**	\$308,386
**Tax free equivalent at 30%:	\$440,501

Current Loan:	\$7,447,760
Loan rate:	2.18%
Annual interest cost:	\$162,361
Management Fee:	\$55,185
Total annual cost to cover:	\$217,546

Net cash flow surplus:	\$90,840
Net cash flow surplus tax equivalent:	\$129,771

### Coincidental Benefits

All traditional closing costs

No pre payments

Avoided higher commercial loan rates

Appraisal concerns

Avoid possible balloon payments

Avoid escrow requirements

Avoid attorney's fees

Avoid credit underwriting

Estimated closing costs	
Highrise Condo	\$35,000
Residential Building	\$179,000
Total	\$214,000

Claude's bond portfolio total return	(\$150,358)
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