

$$\begin{array}{r} \text{NOI} \\ \hline \text{REVENUE} \\ - \text{EXPENSES} \\ \hline \text{NOI} \end{array}$$

$$\begin{array}{r} \text{VALUE} \\ \hline \text{NOI} \\ \div \text{CAP RATE} \\ \hline \text{VALUE} \end{array}$$

$$\begin{array}{r} \text{RETURN of INVESTMENT} \\ \hline \text{INVESTMENT} \\ \div \text{NOI} \\ \hline \text{YEARS to RECOVER INVESTMENT} \end{array}$$



<u>NOI</u>		<u>VALUE</u>		<u>RETURN of INVESTMENT</u>	
REVENUE	\$ -	NOI	\$ 9,000	INVESTMENT	\$ 125,000
+ EXPENSE SAV	9,000	÷ <u>CAP RATE</u>	<u>6.00%</u>	- TAX CRED 30%	37,500
- <u>EXPENSES</u>	-	VALUE	\$ 150,000	NET INVESTMENT	87,500
NOI	\$ 9,000			÷ <u>NOI</u>	<u>9,000</u>
				YEARS to RECOVER INVESTMENT	10
				CAP RATE	10.3%