CAM Practice Financial Calculations
ANSWER KEY

Make the following calculations using this information. Be sure to use annual numbers and whole dollars.

Monthly Gross Potential Rent:	**$144,160/$1,729,920**
2% Collection Loss (GPR X .02)	**$34,598**
2.7% Loss to Lease (GPR X .027)	**$46,708**
6.2% Vacancy (GPR X .062)	**$107,255**
8% Other Income (GPR X .08)	**$138,394**
What is the Annual Market Rent? ($1,729,920 + $46,708)	$1,776,628 (GPR + LtL=Market)
What is the EGI (Total Rent Revenue)? ($1,729,920 - $107,255 - $34,598)	$1,588,067 (GPR-VAC-COL = EGI)
What is the Economic Occupancy? ($1,588,067/$1,729,920)	91.8% EGI/GPR
How Much is Other Income? ($1,729,920 X .08)	$138,394
Operating Expenses are 45% of GPR. What is this number? ($1,729,920 X .45)	$778,464 (GPR X .45)
Debt Service is $450,000 Reserve for Replacement is $150,000	
What are the Total Expenses? ($778,464 + $450,000 + $150,000)	$1,378,464 (OE + DS + RR = TE)
How much is NOI? ($1,588,067 + $138,394 = $1,726,461) ($1,726,461 - $778,464)	$947,997 (GOI = EGI + OI) (GOI – OE = NOI)
What is the amount of Cash Flow? (947,997 - $450,000 - $150,000)	$347,997 (NOI – DS – RR = CF)
What is the Cash-on-Cash Return if the Owner invested $2 million? (347,997/$2,000,000)	17.4% (CF/$2million)

More Practice!

Your Total Income missed budget by $10,214. The budget was $156,016

What percent was the negative variance? (Use one decimal place)   6.5%

($10,214/$156,016 = .0654676 or 6.5%

23% of 4,967 is what number? (use whole numbers)   1,142 (4967 X .23 = 1142.41 or 1142)

135 is what percent of 367? (use one decimal place)   36.8% (135/367 = .3678474 or 36.8)

A property has NOI of $2,130,287. It contains 369,362 total square feet.
What is the NOI per square foot per month? (use dollars and cents) $.48/sq.ft/month
(2,130,287/369,362 = 5.7674774 or 5.77/12 = .480833 or .48)

Fill in the following blanks. Use whole dollars and extend percentages to one decimal place.

The Property has an annual GPR of	**$2,425,760**
What Percent is Vacancy if it totals $207,589? ($207,589/$2,425,760)	8.6% VAC/GPR = %
What Percent are Concessions at $65,223 (65,223/$2,425,760)	2.7% CON/GPR
Other Income is 6.2%. What amount is this? ($2,425,760 X .062)	$150,397 (GPR X .062)
Operating expenses are $992,937. Is this over or under the industry standard of 43% of GPR? What % of GPR are the expenses ($992,937/$2,425,760 = .40933 or 41%)	OVER _____ UNDER __X____ 41% (OE/GPR)
What is Gross Operating Income for this Property? ($2,425,760 - $207,589 - $65,223 + $150,397)	$2,303,345 (GPR-VAC-CON+OI)
If NOI is $1,310,408, what is the value of the property using a cap rate of 6.5%? ($1,310,408/.065)	$20,160,123 (NOI/CAP RATE)
If the Property has 294 units, what is the value per unit? ($20,160,123/294)	$68,572 (VALUE/UNITS)

More Practice!

There are 344 units at the property. There were 207 move outs last year.
What was last year's turnover rate?   (207/344 = .6017441 or 60.2%)

The following service requests were completed in the first 5 months:
51, 72, 74, 80, 73. How many may be estimated to be complete for the year?   840 requests
(51+72+74+80+73 = 350 / 5 months = 70 per month x 12 months)

December 2013

What is the renewal increase percent if the old rent was $690 and the new rent is $745?   8.0%
($745 - $690 = $55 increase; $55/$690 = .079710 or 8.0% increase)

There were 77 visitors to the property last month; 9 of those were returns. There were 24 leases. What was the closing ratio?   35.3%
(77 – 9 returns = 68; 24 leases/68 visitors = .3529411 or 35.3%)

To reach the goal of 26 leases in the next 30 days, how much traffic is needed with a 29% closing ratio?   90 traffic
(26 leases/.29 (29%) closing = 89.655172 or 90)

December 2013