



Sandpiper Real Estate

Introducing Oceanfront Vacation Homes at a *Fraction* of the Price

RENT Vs FRACTIONAL PURCHASE CALCULATOR

(The following analysis is provided for example purposes. Actual revenue and expense may vary and is subject to change.)

	<u>Peak Week</u>	<u>Non-Peak</u>	<u>Your Week</u>
Mortgage Payment (80% LTV, 6% 30yr Conv) plus	\$1,242	\$1,242	<input type="text"/>
Homeowner's Association Dues equals	\$200	\$200	<input type="text" value="\$200"/>
Total Monthly Fractional Payment	\$1,442	\$1,442	<input type="text"/>
Total Annual Fractional Payment less	\$17,307	\$17,307	<input type="text"/>
Vacation Rental Income less	\$2,000	\$8,000	<input type="text"/>
Unpaid Vacation Rental Expense ① equals	\$8,000	\$2,000	<input type="text"/>
Net Cost of Fractional less	\$7,307	\$7,307	<input type="text"/>
Estimated Tax Savings ②	\$6,743	\$6,743	<input type="text"/>
Tax Bracket 28%			
Estimated Tax Deductions	\$24,083	\$24,083	<input type="text"/>
- Interest (most of mortgage in early years)	\$13,665	\$13,665	<input type="text"/>
- Tax & Insurance (\$12,000 annual)	\$1,000	\$1,000	<input type="text"/>
- Depreciation (\$259k/27.5 years)	\$9,418	\$9,418	<input type="text"/>
Net Cost (Gain) for Fractional Vs Rental	\$564	\$564	<input type="text" value="\$0"/>

NOTES

- ① Unpaid Vacation Rental Expense is the annual vacation rental expense no longer needed. Rental Expense has no recapture in tax deductibility, tax shelter, or appreciation
- ② Please consult your tax advisor to determine your actual tax impact.

PLUS

Fractional Purchase includes additional weeks of Occupancy over single weekly rental
And all Rights and Benefits of Ownership:

- Potential tax-deductibility of Interest, Tax, Insurance and Depreciation
- Tenant In Common (TIC) Deeded Real Property Investment
- TIC as tax sheltered Real Estate Investment
- 1031 Transfer Qualified Like Kind Exchange
- Sell, transfer, gift, or will your freehold ownership