



The Tarallo Real Estate Team

592 Long Pond Road | Mahopac, New York

Pro Forma Operating Statement

Income

Residential Rental Income

Unit A Rent	\$31,800.00
Unit B Rent	\$23,064.00
Unit C Rent	\$18,300.00
Garage Rental Income	\$6,000.00
Total Residential & Garage Income	\$79,164.00

Reimbursements Received from Tenants

Electric Reimbursement (Building #1 Only) *	\$1,150.00
Total Reimbursements	\$1,150.00
Total Gross Income	\$80,314.00

Operating Expenses

Property Taxes	\$17,319.53
Insurance	\$3,117.00
Heating Fuel & Domestic Hot Water **	\$2,800.00
Heating System Service Contracts	\$600.00



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Electric Expense (Building #1 Only) *	\$1,150.00
Grounds Maintenance	\$2,000.00
Preventive Pest Maintenance (JP McHale)	\$500.00
Well / Water Treatment Maintenance (Salt / Filters)	\$100.00
Septic Maintenance & Pumping* * *	\$233.33
Total Operating Expenses	\$27,819.86

Net Operating Income

Total Gross Income	\$80,314.00
Less Operating Expenses	(\$27,819.86)
Net Operating Income	\$52,494.14

Cap Rate Analysis

Purchase Price	\$875,000.00
Net Operating Income	\$52,494.14
Cap Rate Calculation (NOI ÷ Purchase Price)	
Cap Rate	6.00%



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Reimbursement Notes

* Electric Expense / Reimbursement

Building #1 electric account remains in the landlord's name. Units A and B reimburse 100% of Building #1 electric expenses, with Unit A responsible for 60% and Unit B responsible for 40% of Building #1 electric costs. Building #2 electric service is maintained and paid directly by Unit C.

** Oil Heat & Hot Water Expense

Building #1 heating fuel and domestic hot water expense is subject to the reimbursement structure outlined in the Utility Information and Operating Expenses document. Under the current lease structure, the landlord contributes up to \$300 toward oil deliveries in ANY GIVEN MONTH, with any INDIVIDUAL MONTH'S expense exceeding \$300 reimbursed by Units A and B on a 60% / 40% basis. Building #2 heating fuel expense is paid directly by Unit C. Heating system service contracts total approximately \$600 annually for both buildings.

*** Septic Maintenance & Pumping

Annualized based upon an estimated \$700 cost to pump both septic systems every three years.

Additional Notes

- Property is currently self-managed and no management fee has been included.
- Garbage removal is included within property taxes and is not a separate operating expense.



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- Preventive pest maintenance is provided through JP McHale at approximately \$500 annually.
- The pool was not opened during the 2025 or 2026 seasons at the tenants' request.
- For purposes of this pro forma, current actual property operations have been illustrated with the pool remaining closed.
- Current rental rates appear to be below market value.
- Unit C is currently rented at \$1,525/month and is expected to be delivered vacant as of July 31.
- Garage income reflects a separate month-to-month rental arrangement.
- Well maintenance consists primarily of salt and filter replacement. Septic maintenance has been annualized based upon an estimated \$700 cost to pump both septic systems every three years.
- Utility, reimbursement, and operating expense assumptions reflected herein are based upon information provided in the separate Utility Information and Operating Expenses document.
- Cap rate calculations are based upon current income, expense, and reimbursement information provided by property management and deemed reliable but not guaranteed.