

HW #11Mortgage Calcs.

$$PV = 12,500,000 \times 0.75 = 9,375,000$$

$$N = 360, P/Y = 12, I = 8, FV = 0$$

$$\Rightarrow \underline{PMT = -68,790}$$

$$N = 120 \Rightarrow FV = -8,224,191$$

Dep. Calc.

Initial Basis 12,500,000

Dep. Basis (80%) 10,000,000

Annual Dep. (39 yrs) 256,410

1<sup>st</sup> + Last yrs. 245,726

Total Dep. Today: 2,542,735

(8,2)

$\Rightarrow$  Adj. Basis 9,957,265

Sell in 20 more years

Total Dep. (28,2) 7,670,940

$\Rightarrow$  Adj. Basis 4,829,060