

# Operating Expenses & Reserves Worksheet

A working budget tool for single-family rental owners in the CSRA. Use this when you're underwriting a purchase, pricing a rental, or budgeting reserves for a property you already own. The numbers in the right column reflect what we typically see for CSRA single-family homes; your specific property will vary.

**How to use this:** Fill in your numbers in the middle column. Reference the CSRA benchmarks in the right column for a sanity check. At the bottom, the worksheet rolls up to your true net operating income and after-financing cash flow.

## PROPERTY & UNDERWRITING BASICS

PROPERTY ADDRESS

DATE

PURCHASE PRICE / CURRENT VALUE    YEAR BUILT

HEATED SQ FT / BED / BATH

## GROSS ANNUAL REVENUE

LINE ITEM	YOUR NUMBER	CSRA BENCHMARK
Monthly rent	\$ _____	Set against CMA; see Field Guide for submarket bands
Gross annual rent (monthly × 12)	\$ _____	Before any deductions
Less: Vacancy & turnover (~5%)	(\$ _____)	~18 days/year, CSRA average
Less: Bad debt / collections (~1%)	(\$ _____)	Bumps up in soft markets
= Effective gross income (EGI)	\$ _____	

## OPERATING EXPENSES (ANNUAL)

LINE ITEM	YOUR NUMBER	CSRA BENCHMARK
Property tax	\$ _____	GA: ~1.0–1.6% of FMV. SC rentals: ~1.4% (6% assessment kicks in)
Insurance (DP-3 landlord policy)	\$ _____	\$1,200–\$2,400/yr typical CSRA SFH
HOA dues (if any)	\$ _____	\$150–\$1,500/yr typical Columbia Co.

<b>LINE ITEM</b>	<b>YOUR NUMBER</b>	<b>CSRA BENCHMARK</b>
<b>Property management fee</b>	\$ _____	8–10% of collected rent
<b>Leasing fee (amortized)</b>	\$ _____	50–100% of one month's rent / typical tenancy length
<b>Repairs &amp; maintenance</b>	\$ _____	~1% of property value, or ~8% of annual rent (whichever is higher)
<b>Lawn / pest / pool (if landlord pays)</b>	\$ _____	Lawn: ~\$1,200–\$2,400. Pest: ~\$300–\$600. Pool: ~\$1,500–\$3,000
<b>Utilities between tenants</b>	\$ _____	~\$100–\$300/year averaged
<b>Accounting / legal / misc</b>	\$ _____	\$300–\$800/yr typical
<b>= Total operating expenses</b>	\$ _____	

## CAPITAL RESERVES (ANNUAL ALLOCATION)

Capital items don't fail every year, but they always fail eventually. Saving a portion of rent into a reserve account — or at least planning the cash flow — keeps a \$10,000 HVAC replacement from being a crisis.

MAJOR SYSTEM	ANNUAL RESERVE	REPLACEMENT COST & LIFE
Roof	\$ _____	\$8,000–\$15,000 / 20–25 yr life
HVAC (compressor + air handler)	\$ _____	\$6,000–\$10,000 / 12–15 yr life
Water heater	\$ _____	\$1,000–\$2,000 / 8–12 yr life
Exterior paint / siding	\$ _____	\$3,000–\$6,000 / 7–10 yr life
Flooring (carpet / LVP)	\$ _____	\$3,000–\$8,000 / 7–10 yr life
Appliances	\$ _____	\$3,000–\$6,000 set / 10–12 yr life
Driveway / hardscape	\$ _____	\$3,000–\$10,000 / 20–25 yr life
<b>= Total annual capital reserve</b>	\$ _____	Typically \$1,500–\$3,000/yr

## NET OPERATING INCOME (NOI)

**EGI – Operating Expenses – Capital Reserves = NOI**

Your NOI: \$ \_\_\_\_\_

NOI is the income the property produces before financing costs. It's the right number to compare against other rental properties you might own or buy, because it strips out the unique financing on each one.

## AFTER-FINANCING CASH FLOW

LINE ITEM	YOUR NUMBER	NOTES
NOI (from above)	\$ _____	
Less: Mortgage P&I (annual)	(\$ _____)	Pulled from your loan amortization
<b>= Annual cash flow before tax</b>	\$ _____	Your actual checking account result
<b>÷ 12 = Monthly cash flow</b>	\$ _____	What hits your account each month, on average

## YIELD & RETURN METRICS

METRIC	YOUR NUMBER	FORMULA & BENCHMARK
Gross rent multiplier (GRM)	_____	Property value ÷ gross annual rent. CSRA SFH typically 9–13. Lower = better yield.
Cap rate	_____ %	NOI ÷ property value. CSRA SFH typically 5–7%.
Cash-on-cash return	_____ %	Annual cash flow ÷ cash invested. Targets vary; 6–10% common.
Rent-to-value ratio (1% rule)	_____ %	Monthly rent ÷ property value. 0.7–1.0% common in CSRA today.

### A REALITY CHECK FOR ACCIDENTAL LANDLORDS

A PCS owner with a 2021–2022 mortgage often discovers that after operating expenses and reserves, NOI doesn't quite cover P&I. That doesn't necessarily mean the property is a bad investment — you're still paying down principal, capturing depreciation, and possibly benefiting from appreciation — but it does mean the "I'll just rent it out" plan has a cash cost. Run this worksheet honestly before committing.

*This worksheet is a planning tool, not a financial guarantee. Actual operating costs vary by property age, condition, location, tenant behavior, and weather events. Tax outcomes depend on individual circumstances; consult a CPA. McBride Property Management can prepare a property-specific version using actual numbers as part of onboarding.*