Real Estate Math Tutorials

The tutorials in this guide provide the basics for assessing commercial real estate investment opportunities using Microsoft Excel.

Contents
Gross Operating Income (GOI) ................................................................................................................................................ 1
Net Operating Income (NOI) ................................................................................................................................................... 1
Cash Flow Analysis .................................................................................................................................................................. 2
Internal Rate of Return (IRR) and Net Present Value (NPV) ................................................................................................... 2
Overall Rate of Return ............................................................................................................................................................ 2

Gross Operating Income (GOI)

In this tutorial, learn how to utilize a commercial investment property's income, vacancy, and credit losses data to calculate the property's Gross Operating Income (GOI).

- Calculating Gross Operating Income (GOI)
- Gross Operating Income Spreadsheet

Net Operating Income (NOI)

In this tutorial, learn how to utilize a commercial investment property's income and expenses data to calculate the property's Net Operating Income (NOI).

- Calculating Net Operating Income
- Net Operating Income Spreadsheet
Cash Flow Analysis

In this tutorial, learn how conduct a cash flow analysis, on a before and after tax basis, for commercial investment properties.

- Running a Cash Flow Analysis
- Cash Flow Analysis Spreadsheet

Internal Rate of Return (IRR) and Net Present Value (NPV)

In this tutorial, learn how to calculate simple and compound interest, Internal Rate of Return (IRR), and Net Present Value (NPV) for commercial real estate investment properties. Also learn how to calculate a lease buyout.

- Calculating Internal Rate of Return (IRR) and Net Present Value (NPV)
- IRR and NPV Spreadsheet

Overall Rate of Return

In this tutorial learn how to calculate a commercial real estate property’s overall rate of return, investor cash-on-cash returns, and the loan constant.

- Calculating the Overall Rate of Return
- Overall Rate of Return Spreadsheet

Disclaimer

The REALTOR® University Library has provided these links for your convenience, and the inclusion of these links does not imply endorsement by the REALTOR® University Library. REALTOR® University Library makes no representations about whether the content of any external sites which may be linked to this Research Guide complies with state or federal laws or regulations or with applicable REALTOR® University Library policies. You should rely on these links at your own risk.