

Exit Strategy Worksheet

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Purpose: This worksheet helps real estate investors evaluate and plan their exit strategies, whether they aim to sell, refinance, or hold a property. A well-defined exit strategy allows you to maximize returns while minimizing risks and taxes.

Part 1: Property Information

- **Property Address:**

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- **Property Type (Single-Family, Multi-Family, Commercial, etc.):**

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- **Date of Purchase:**

-
- **Purchase Price:**

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- **Current Market Value:**

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- **Mortgage Balance:**

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- **Current Cash Flow (if applicable):**
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-

Part 2: Exit Strategy Options

Option 1: Hold the Property (Long-Term Investment)

- **Pros:**
-

- **Cons:**
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- **Projected Appreciation (Annual %):**
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- **Estimated Value in 5 Years:**
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- **Rental Income Potential (if applicable):**
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- **Expected Cash Flow in 5 Years:**
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- **Repairs or Upgrades Needed for Long-Term Hold:**
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- **Holding Costs (Taxes, Insurance, HOA, etc.):**
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- **Expected ROI (if holding):**
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Option 2: Sell the Property

- **Pros:**
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- **Cons:**
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- **Expected Selling Price:**
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- **Closing Costs (Commissions, Fees, etc.):**
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- **Capital Gains Tax:**
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- **Net Proceeds After Sale:**
-

- **Timeframe for Sale (Months):**
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- **Market Conditions (Is it a good time to sell?):**
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- **Alternative Investments After Sale:**
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Option 3: Refinance the Property

- **Pros:**
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- **Cons:**
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- **Current Loan Balance:**
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- **New Loan Amount:**
-

- **New Interest Rate:**
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- **Monthly Payment After Refinance:**
-

- **Cash Out from Refinance:**
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- **Use of Cash-Out Proceeds:**
-

- **New Cash Flow (Post-Refinance):**
-

- **Refinance Closing Costs:**
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Option 4: 1031 Exchange (Defer Taxes)

- **Pros:**
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- **Cons:**
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- **Expected Selling Price for Relinquished Property:**
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- **Expected Purchase Price for Replacement Property:**
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- **Timeline for 1031 Exchange (45-Day Identification, 180-Day Closing):**
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- **Like-Kind Property Options (Replacement Properties):**
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- **Capital Gains Deferred:**
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- **Next Steps for 1031 Exchange:**
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Part 3: Financial Impact Analysis

1. Costs Associated with Each Exit Strategy

Exit Strategy	Estimated Costs
Hold	_____
Sell	_____
Refinance	_____
1031 Exchange	_____

2. Estimated Proceeds from Each Exit Strategy

Exit Strategy	Estimated Net Proceeds
Hold	_____
Sell	_____
Refinance	_____
1031 Exchange	_____

3. Estimated Timeline for Each Exit Strategy

Exit Strategy	Estimated Timeframe
Hold	_____
Sell	_____
Refinance	_____
1031 Exchange	_____

Part 4: Risk Assessment for Each Exit Strategy

Option 1: Hold the Property

- **Risks of Holding:**

- **Mitigation Plan (for Market Downturn, Vacancy, etc.):**

Option 2: Sell the Property

- **Risks of Selling:**

- **Mitigation Plan (for Slow Market, Lower Offers, etc.):**

Option 3: Refinance the Property

- **Risks of Refinancing:**

- **Mitigation Plan (for Increased Debt, Higher Payments, etc.):**

Option 4: 1031 Exchange

- **Risks of 1031 Exchange:**

- **Mitigation Plan (for Failure to Find Replacement Property, Timeline Issues, etc.):**

Part 5: Final Decision

1. Which Exit Strategy Aligns with Your Investment Goals?

- _____

2. Why Did You Choose This Strategy?

- _____

3. Next Steps to Implement This Strategy

- _____

4. Target Date for Exit

Part 6: Post-Exit Review

1. Was the Exit Strategy Successful?

- _____

2. Actual Net Proceeds

3. What Would You Do Differently?

- _____

This **Exit Strategy Worksheet** helps you evaluate all potential strategies for exiting a real estate investment, ensuring that you choose the one that best aligns with your financial goals and market conditions. Be sure to revisit this worksheet regularly to assess your options as your investment and market conditions evolve.