

Fairburn Home With 36% Cash on Cash Return



464 Berkshire Place, Fairburn, GA 30213

Est. Market Value	\$98,900
Purchase Price	\$79,900
Bedrooms	4
Bath	2.5
Sq. Footage	1,914
Year Built	2003
Parking	2 car garage
Basement	None
Rental Income	\$995

Four bedroom home with breakfast area, living room, and dining room. Home also has a fireplace and a two car garage.

VALUATION DATA

Comparable Sales

Projected Values Calculated by:

Assessed value	Sq Footage
\$258,160.00	\$101,384.58

Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$92,200.00	\$122,500.00	\$19,300.00	\$81,350.00	\$72,783.33
Assessed Value Ratio	1.67	6.37	0.72	1.31	2.80
Sq Footage	1,914	2,220	1,736	2,030	2,011
Sale Price	\$153,700.00	\$131,000.00	\$80,600.00	\$105,600.00	\$106,750.00
Price/Sq Footage	\$80.30	\$63.65	\$38.49	\$54.54	\$52.97

Summary

Address	City State Zip	Recording Date	Settle Date	Sale Price	Price Per Sq Ft	Building Sq Ft	Bedrooms	Total Year Baths Built	Dist (miles)	Total Assessment	Assessed Value Ratio
1.4190 Fortune Pt	College Park GA 30349	08/11/2011	07/29/2011	\$80,600	\$38.49	2,094	4	3 2004	.925809	\$111,500	0.72
2.6370 Jones Rd	College Park GA 30349	08/08/2011	08/03/2011	\$87,800	\$50.58	1,736	3	2 1968	1.110772	\$56,500	1.55
3.6227 Dekeon Dr	Atlanta GA 30349	10/27/2011	09/28/2011	\$88,300	\$45.14	1,956	4	3 2006	1.136902	\$106,200	0.83
4.4864 Locherby Dr	Fairburn GA 30213	04/08/2011	03/30/2011	\$129,900	\$58.51	2,220	4	4 2010	1.207346	\$20,700	6.28
5.4868 Locherby Dr	Fairburn GA 30213	05/09/2011	04/29/2011	\$122,900	\$61.42	2,001	3	3 2010	1.207346	\$19,300	6.37
6.7589 Absinth Dr	Atlanta GA 30349	06/27/2011	06/17/2011	\$131,000	\$63.65	2,058	3	3 2010	1.492867	\$122,500	1.07

FINANCIAL SUMMARY

Basic Purchase Information

Estimated Property Value	\$	98,900
Purchase Price	\$	79,900
Down Payment (20%)	\$	15,980
Equity at Purchase	\$	34,980

Cash at Closing

Loan Amount	\$	63,920
Down Payment (20%)	\$	15,980
Closing Costs (4.00%)	\$	2,557
Total Cash Required at Closing *	\$	18,537

* This total does not include potential escrow reserves for taxes & insurance

Mortgage Calculations

Loan Amount: \$63,920, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	353
Mortgage Payment (Yearly)	\$	4,236

Financial Performance Summary

Cash on Cash Return (Year 1)		35.8%
Cap Rate (Year 1)		10.3%
Total Equity at Year 5	\$	44,014

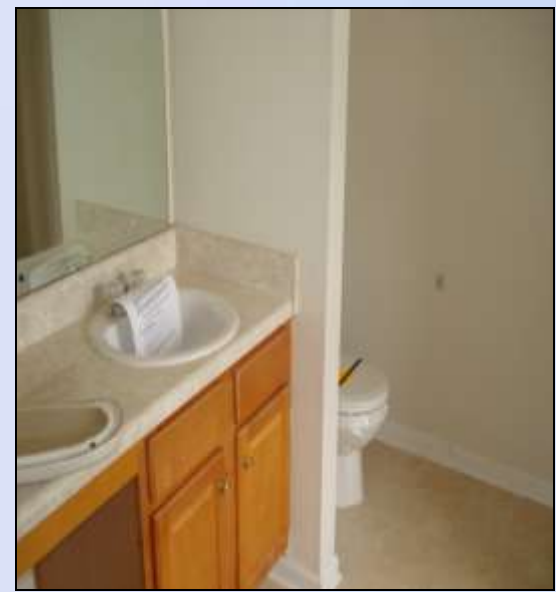
Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	995
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	1,411
Insurance	\$	600
Homeowners Association (Yearly)	\$	0
Property Management Fee	(%)	8.0
Maintenance Reserve	(%)	0.0
Appreciation Rate	(%)	1.0
Vacancy Allowance	(%)	6.0
Rental Income Increase	(%)	2.00
Property Tax Increase	(%)	2.00
Closing Costs (Purchase)	(%)	4.00
Closing Costs (Sale)	(%)	8.00

Cash Flow and Equity Accumulation

CASH-FLOW	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
Gross Scheduled Income	\$11,940	\$12,179	\$12,422	\$12,671	\$12,924	\$14,269	\$17,394	\$21,204
Vacancy Allowance	\$0	\$731	\$745	\$760	\$775	\$856	\$1,044	\$1,272
Total Operating Income	\$11,940	\$11,448	\$11,677	\$11,911	\$12,149	\$13,413	\$16,351	\$19,931
<i>Property Taxes</i>	\$1,411	\$1,439	\$1,468	\$1,497	\$1,527	\$1,686	\$2,056	\$2,506
<i>Insurance</i>	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
<i>Homeowners Association</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Maintenance Reserve</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Property Management</i>	\$955	\$974	\$994	\$1,014	\$1,034	\$1,142	\$1,392	\$1,696
minus Total Operating Expenses	\$2,966	\$3,014	\$3,062	\$3,111	\$3,161	\$3,428	\$4,047	\$4,802
Net Operating Income	\$8,974	\$8,435	\$8,615	\$8,800	\$8,988	\$9,985	\$12,304	\$15,129
minus Mortgage Expense	\$4,236	\$4,236	\$4,236	\$4,236	\$4,236	\$4,236	\$4,236	\$4,236
GROSS CASH FLOW	\$4,738	\$4,199	\$4,380	\$4,564	\$4,752	\$5,750	\$8,068	\$10,894
<i>Plus Principle Paydown</i>	\$901	\$950	\$1,001	\$1,055	\$1,111	\$1,444	\$2,439	\$4,118
<i>Plus Yearly Appreciation</i>	\$989	\$999	\$1,009	\$1,019	\$1,029	\$1,082	\$1,195	\$1,320
EFFECTIVE NET CASH FLOW	\$6,628	\$6,148	\$6,390	\$6,638	\$6,893	\$8,276	\$11,701	\$16,331
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$98,900	\$99,889	\$100,888	\$101,897	\$102,916	\$108,165	\$119,482	\$131,982
<i>(Mortgage Balance)</i>	\$63,019	\$62,069	\$61,068	\$60,013	\$58,902	\$52,381	\$32,898	\$0
EQUITY (WEALTH)	\$35,881	\$37,820	\$39,820	\$41,883	\$44,014	\$55,784	\$86,584	\$131,982
TAX BENEFIT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Depreciation</i>	\$2,905	\$2,905	\$2,905	\$2,905	\$2,905	\$2,905	\$2,905	\$2,905
<i>Mortgage Interest</i>	\$3,334	\$3,286	\$3,235	\$3,181	\$3,124	\$2,791	\$1,797	\$118







The Purchase Process

- Step 1: Call us at (770) 924-5450 and let us know you would like to get prequalified. We will put you in touch with one of our local lenders.
- Step 2: Complete a purchase agreement to lock up the property and fax it back to us at (866) 341-0187.
- Step 3: Either overnight or wire the earnest money to our attorney. We will provide you with their name address and/or wiring instructions.
- Step 4: Work closely with lender for 3-5 weeks to complete financing. Be sure to return all signed disclosures and provide any requested documentation promptly.
- Step 5: Close on investment property! Upon closing, we will work with you to transition the property to one of our property managers and make sure you collect any pro-rated rents.

NOTE: Properties are sold on a first-come, first-served basis.

Call us today!

Please call or email us with any questions, or to request a purchase agreement.

 Phone: 770-924-5450

 Fax: (866) 341-0187

 Email: ken@gainvesting.com

OR

 Email: bruce@gainvesting.com

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ProServe Home Solutions, LLC



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Name / Address
464 Berkshire Place Fairburn, GA 30213

Scope of Work

Date	Estimate #
11/18/2011	1507

Payment Terms	Estimated Start Date	REP
Credit Card	11/18/2011	DE

Item	Description
Handyman	Replace 2 exterior locks Install 3 toilets, inspect and repair plumbing Install 2 smoke and 1 carbon dioxide detectors Inspect/repair electric outlets, fixtures, GFCI, lights (6), replace covers Repair all ceilings as needed through out Repair dining room ceilings, wall, and baseboard with water damage Repair trim around bottom of both garage doors Repair brick flashing at front Caulk brick around house Repair 25' of fascia Replace 4 kitchen cabinet doors Install vinyl flooring Remove front screen door Replace hot water heater Install 90' of gutters Repair 10' of siding Pressure wash Repair roof Misc Handyman
Materials	Estimated cost of materials needed for the items above.
Window Replacement	Replace windows 2 - 48x30 2 - 24x30 1- 30x30
Landscaping	Landscape (clear out back yard)
Roof	Repair roof on house.
Paint- Paint Materials	Interior- Walls, Ceiling and Trim This is an estimated amount of paint for the area specified above. This price will increase or decrease depending on the amount of paint that is actually used.
Paint - Cabinetry Paint Materials	Kitchen Cabinets This is an estimated amount of paint for the area specified above. This price will increase or decrease depending on the amount of paint that is actually used.
Paint-	Exterior - touch up trim as needed and exterior doors