

## Atlanta Home With 38% Cash on Cash Return



2095 Sugar Creek Falls Court, Atlanta, GA 30316

Est. Market Value	\$107,000
Purchase Price	\$86,900
Bedrooms	4
Bath	2.5
Sq. Footage	2,132
Year Built	1998
Parking	2 car garage
Basement	Slab
Rental Income	\$1,050
Mortgage	\$384

This home features a formal living room, dining room and step down into family room with fireplace. Kitchen has breakfast bar, breakfast nook, and island. Close to I-285.

# VALUATION DATA

## Comparable Sales

<b>Comparable Sales Within Proximity</b>	<b>BD/BA</b>	<b>Sq.Ft.</b>	<b>Last Sold</b>	<b>Sales Price</b>
3284 Sugar Creek Trace SE	4/2	2,132	2/7/2011	85,000
1898 Rollingwood Dr., SE	4/3	2,078	12/29/2010	130,000
3157 Cherry Valley Dr, SE	3/3	2,075	5/6/2011	118,000
2424 Clifton Springs Manor	4/3	2,399	11/30/2010	114,900
3729 Summit Trace	3/3	2,052	10/21/2010	105,000
<b>Information herein believed to be accurate but not warranted</b>				

# FINANCIAL SUMMARY

## Basic Purchase Information

Estimated Property Value	\$	107,000
Purchase Price	\$	86,900
Down Payment (20%)	\$	17,380
Equity at Purchase	\$	37,480

## Cash at Closing

Loan Amount	\$	69,520
Down Payment (20%)	\$	17,380
Closing Costs (4.0%)	\$	2,781
Total Cash Required at Closing *	\$	20,161

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

## Mortgage Calculations

Loan Amount: \$69,520, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	384
Mortgage Payment (Yearly)	\$	4,607

## Financial Performance Summary

Cash on Cash Return (Year 1)		38.8%
Cap Rate (Year 1)		10.7%
Total Equity at Year 5	\$	51,758

## Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	1,050
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	1,548
Insurance	\$	600
Homeowners Association (Yearly)	\$	0
Property Management Fee	(%)	8.0
Maintenance Reserve	(%)	1.0
Appreciation Rate	(%)	2.0
Vacancy Allowance	(%)	6.0
Rental Income Increase	(%)	2.0
Property Tax Increase	(%)	2.0
Closing Costs (Purchase)	(%)	4.0
Closing Costs (Sale)	(%)	8.0

### 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	\$13,140	\$13,403	\$13,671	\$13,944	\$14,223	\$15,704	\$19,142	\$23,335
Vacancy Allowance	\$0	\$804	\$820	\$837	\$853	\$942	\$1,149	\$1,400
<b>Total Operating Income</b>	<b>\$13,140</b>	<b>\$13,403</b>	<b>\$13,671</b>	<b>\$13,944</b>	<b>\$14,223</b>	<b>\$15,704</b>	<b>\$19,142</b>	<b>\$23,335</b>
<i>Property Taxes</i>	\$1,272	\$1,297	\$1,323	\$1,350	\$1,377	\$1,520	\$1,853	\$2,259
<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>	\$131	\$134	\$137	\$139	\$142	\$157	\$191	\$233
<i>Property Management</i>	\$1,051	\$1,072	\$1,094	\$1,116	\$1,138	\$1,256	\$1,531	\$1,867
<b>minus Total Operating Expenses</b>	<b>\$3,055</b>	<b>\$3,104</b>	<b>\$3,154</b>	<b>\$3,205</b>	<b>\$3,257</b>	<b>\$3,533</b>	<b>\$4,176</b>	<b>\$4,959</b>
<b>Net Operating Income</b>	<b>\$10,085</b>	<b>\$10,299</b>	<b>\$10,517</b>	<b>\$10,739</b>	<b>\$10,966</b>	<b>\$12,170</b>	<b>\$14,967</b>	<b>\$18,376</b>
<b>minus Mortgage Expense</b>	<b>\$4,819</b>	<b>\$4,819</b>	<b>\$4,819</b>	<b>\$4,819</b>	<b>\$4,819</b>	<b>\$4,819</b>	<b>\$4,819</b>	<b>\$4,819</b>
<b>GROSS CASH FLOW</b>	<b>\$5,267</b>	<b>\$5,480</b>	<b>\$5,698</b>	<b>\$5,921</b>	<b>\$6,147</b>	<b>\$7,351</b>	<b>\$10,148</b>	<b>\$13,557</b>
<i>Plus Principle Paydown</i>	\$1,025	\$1,081	\$1,139	\$1,200	\$1,264	\$1,643	\$2,774	\$4,684
<i>Plus Yearly Appreciation</i>	\$2,500	\$2,550	\$2,601	\$2,653	\$2,706	\$2,988	\$3,642	\$4,440
<b>EFFECTIVE NET CASH FLOW</b>	<b>\$8,792</b>	<b>\$9,111</b>	<b>\$9,438</b>	<b>\$9,774</b>	<b>\$10,118</b>	<b>\$11,982</b>	<b>\$16,564</b>	<b>\$22,681</b>
<b>EQUITY ACCUMULATION</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 10</b>	<b>YEAR 20</b>	<b>YEAR 30</b>
<i>Property Value</i>	\$125,000	\$127,500	\$130,050	\$132,651	\$135,304	\$149,387	\$182,101	\$221,981
<i>(Mortgage Balance)</i>	\$71,695	\$70,614	\$69,475	\$68,276	\$67,011	\$59,593	\$37,427	\$0
<b>EQUITY (WEALTH)</b>	<b>\$53,305</b>	<b>\$56,886</b>	<b>\$60,575</b>	<b>\$64,375</b>	<b>\$68,293</b>	<b>\$89,794</b>	<b>\$144,674</b>	<b>\$221,981</b>
<b>TAX BENEFIT</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 10</b>	<b>YEAR 20</b>	<b>YEAR 30</b>
<i>Depreciation</i>	\$3,305	\$3,305	\$3,305	\$3,305	\$3,305	\$3,305	\$3,305	\$3,305
<i>Mortgage Interest</i>	\$3,793	\$3,738	\$3,680	\$3,619	\$3,554	\$3,176	\$2,044	\$134





## 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](mailto:ken@gainvesting.com)

OR

 Email: [bruce@gainvesting.com](mailto:bruce@gainvesting.com)

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## ProServe Home Solutions, LLC



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2095 Sugar Creek Falls Court Atlanta, GA 30316

### Scope of Work

Date	Estimate #
7/12/2011	1352

Payment Terms	Estimated Start Date	REP
Bank Draw	7/12/2011	DE

Item	Description
Handyman	Install 3 sets of toilets and 3 locks Install 3 smoke detectors Install mini blinds on front of house Inspect, test and repair all plumbing fixtures Test, inspect and repair all electrical outlets, switch, GFCI's Replace wall outlet covers Check all door knobs for proper operation. Install 35' gutters Install gutter extenders Install new pre-hung front door unit Pressure wash house Check roof for leaks and repair Misc drywall Repair 15' vinyl siding and repair corners & fascia Install new clean out drain cover and extension Repair electrical panel Re-attach kitchen cabinets Check garage door for proper operation Install 3 timber posts for support of retaining wall Remove and install kitchen counter tops 20' Repair kitchen tile with family room tile Install master bath mirror (2 hanging style) Install 5-6 new lights ... in and out Re-nail sub floor in upstairs Install 4' vanity counter top Repair ceiling leaks in kitchen area Repair kitchen cabinets Misc hidden damage
Materials	Estimated cost of materials needed for the items above.
Paint- Walls	Interior walls and trim
Paint Materials	This is an estimated amount of paint for the area specified above.
Paint - Cabinetry	Kitchen Cabinets
Paint Materials	This is an estimated amount of paint for the area specified above.