

## Decatur Home With 34% Cash on Cash Return



3124 Kings Glen Trail, Decatur, GA 30034

Est. Market Value	\$108,500
Purchase Price	\$86,900
Bedrooms	4
Bath	2.5
Sq. Footage	2,006
Year Built	1998
Parking	Driveway
Basement	Slab
Rental Income	\$1,050
Mortgage	\$384

Two story home with 4 bedroom and 2.5 baths. Home also has a large bonus room, living room, family room, and spacious kitchen. Kitchen includes island with prep sink and a breakfast room separate dining room. Large corner lot in cul-de-sac.

# VALUATION DATA

## Comparable Sales

### Projected Values Calculated by:

<b>Assessed value</b>	<b>Sq Footage</b>
\$105,200.00	\$114,863.56

### Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$131,500.00	\$350,600.00	\$89,600.00	\$116,450.00	\$144,025.00
Assessed Value Ratio	0.00	1.04	0.64	0.74	0.80
Sq Footage	2,006	2,169	1,786	1,988	1,974
Sale Price	\$0.00	\$247,500.00	\$82,400.00	\$91,000.00	\$110,700.00
Price/Sq Footage	\$0.00	\$138.11	\$38.73	\$46.58	\$57.26

### Summary

Address	City State Zip	Recording Date	Settle Date	Sale Price	Price Per Sq Ft	Building Sq Ft	Bedrooms	Total Baths	Year Built	Dist (miles)	Total Assessment	Assessed Value Ratio
1. 3132 Kings Glen Trl	Decatur GA 30034	08/09/2011	08/05/2011	\$98,500	\$46.37	2,124	4	3	1998	.018745	\$137,600	0.72
2. 3768 Ozmer Ct	Decatur GA 30034	03/25/2011	03/18/2011	\$84,000	\$38.73	2,169	3	3	1992	.683171	\$131,700	0.64
3. 3884 Creek Shoals Ct	Ellenwood GA 30294	08/05/2011	08/01/2011	\$93,000	\$46.78	1,988	4	3	1999	1.412566	\$89,600	1.04
4. 3398 River Mill Ln	Ellenwood GA 30294	07/06/2011	06/16/2011	\$82,400	\$44.81	1,839	3	3	1998	1.428568	\$112,600	0.73
5. 3424 River Hills Dr	Ellenwood GA 30294	05/02/2011	04/22/2011	\$247,500	\$138.11	1,792	2	2	1988	1.612333	\$350,600	0.71
6. 2507 Tolliver Dr	Ellenwood GA 30294	04/28/2011	04/22/2011	\$89,000	\$42.30	2,104	4	3	2001	1.667262	\$120,300	0.74
7. 2423 Tolliver Hills Ln	Ellenwood GA 30294	06/06/2011	05/20/2011	\$83,900	\$46.98	1,786	4	3	2003	1.842524	\$106,200	0.79
8. 3912 Lehigh Blvd	Decatur GA 30034	04/12/2011	04/05/2011	\$107,300	\$53.97	1,988	3	2	1972	1.972139	\$103,600	1.04

# FINANCIAL SUMMARY

## Basic Purchase Information

Estimated Property Value	\$	108,500
Purchase Price	\$	86,900
Down Payment (20%)	\$	17,380
Equity at Purchase	\$	38,980

## 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

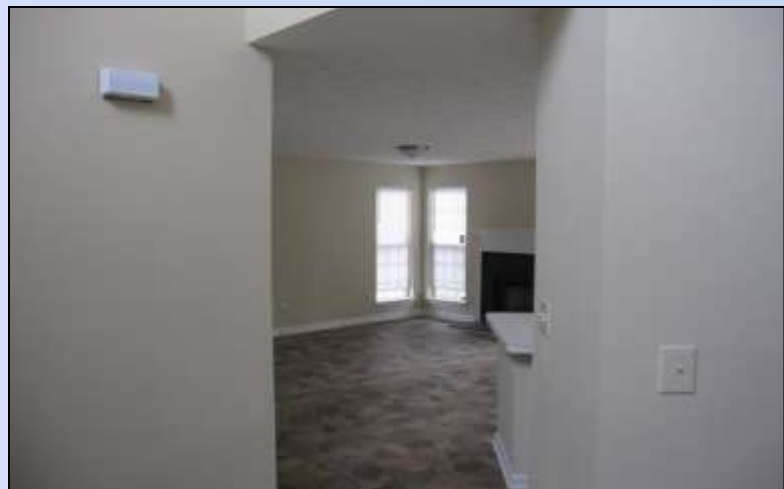
Cash on Cash Return (Year 1)		34.6%
Cap Rate (Year 1)		9.7%
Total Equity at Year 5	\$	53,382

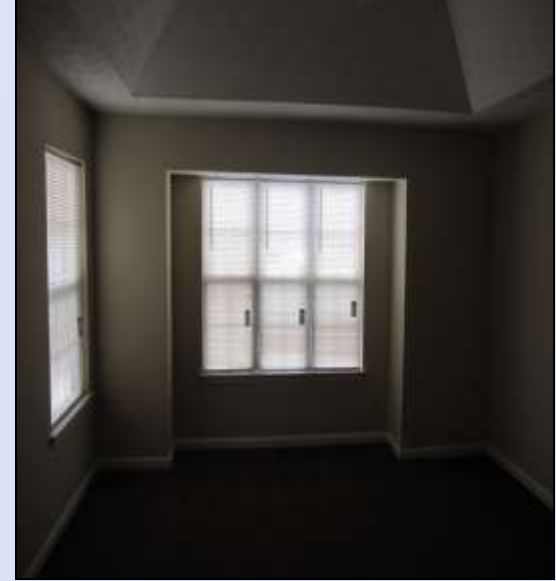
## Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	1,050
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	2,424
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	\$12,600	\$12,852	\$13,109	\$13,371	\$13,639	\$15,058	\$18,356	\$22,376
Vacancy Allowance	\$0	\$771	\$787	\$802	\$818	\$903	\$1,101	\$1,343
<b>Total Operating Income</b>	<b>\$12,600</b>	<b>\$12,852</b>	<b>\$13,109</b>	<b>\$13,371</b>	<b>\$13,639</b>	<b>\$15,058</b>	<b>\$18,356</b>	<b>\$22,376</b>
<i>Property Taxes</i>	\$2,424	\$2,472	\$2,522	\$2,572	\$2,624	\$2,897	\$3,531	\$4,305
<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>	\$126	\$129	\$131	\$134	\$136	\$151	\$184	\$224
<i>Property Management</i>	\$1,008	\$1,028	\$1,049	\$1,070	\$1,091	\$1,205	\$1,468	\$1,790
<b>minus Total Operating Expenses</b>	<b>\$4,158</b>	<b>\$4,229</b>	<b>\$4,302</b>	<b>\$4,376</b>	<b>\$4,451</b>	<b>\$4,852</b>	<b>\$5,783</b>	<b>\$6,918</b>
<b>Net Operating Income</b>	<b>\$8,442</b>	<b>\$8,623</b>	<b>\$8,807</b>	<b>\$8,995</b>	<b>\$9,187</b>	<b>\$10,206</b>	<b>\$12,572</b>	<b>\$15,457</b>
<b>minus Mortgage Expense</b>	<b>\$4,607</b>	<b>\$4,607</b>	<b>\$4,607</b>	<b>\$4,607</b>	<b>\$4,607</b>	<b>\$4,607</b>	<b>\$4,607</b>	<b>\$4,607</b>
<b>GROSS CASH FLOW</b>	<b>\$3,835</b>	<b>\$4,016</b>	<b>\$4,201</b>	<b>\$4,389</b>	<b>\$4,581</b>	<b>\$5,599</b>	<b>\$7,966</b>	<b>\$10,850</b>
<i>Plus Principle Paydown</i>	\$980	\$1,033	\$1,089	\$1,147	\$1,209	\$1,571	\$2,652	\$4,478
<i>Plus Yearly Appreciation</i>	\$2,170	\$2,213	\$2,258	\$2,303	\$2,349	\$2,593	\$3,161	\$3,854
<b>EFFECTIVE NET CASH FLOW</b>	<b>\$6,985</b>	<b>\$7,262</b>	<b>\$7,547</b>	<b>\$7,839</b>	<b>\$8,139</b>	<b>\$9,763</b>	<b>\$13,779</b>	<b>\$19,182</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>	\$108,500	\$110,670	\$112,883	\$115,141	\$117,444	\$129,668	\$158,064	\$192,679
<i>(Mortgage Balance)</i>	\$68,540	\$67,507	\$66,418	\$65,271	\$64,062	\$56,970	\$35,780	\$0
<b>EQUITY (WEALTH)</b>	<b>\$39,960</b>	<b>\$43,163</b>	<b>\$46,465</b>	<b>\$49,870</b>	<b>\$53,382</b>	<b>\$72,697</b>	<b>\$122,284</b>	<b>\$192,679</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>	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160
<i>Mortgage Interest</i>	\$3,626	\$3,574	\$3,518	\$3,460	\$3,398	\$3,036	\$1,954	\$128







## 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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Name / Address
3124 Kings Glen Trail Decatur, GA 30034

### Scope of Work

Date	Estimate #
7/15/2011	1358

Payment Terms	Estimated Start Date	REP
Bank Draw	7/15/2011	DE

Item	Description
Handyman	Install 3 toilets and 3 sets of locks Install mini blinds (8 sets) Install 2 smoke detectors Inspect and repair electrical outlets and switches, GFCI's Inspect and repair all plumbing fixtures, lines, etc. Pressure wash house Install 10 window screens Install new electrical outlet covers Check all door knobs for proper operation Inspect roof for leaks and repair Install 150' of damaged Fascia Retrain and repair front door Caulk exterior siding Repair Sub-floors in kitchen/family (4 areas) Scrape off old wood in kitchen area Install closet doors in utility room Repair kitchen drawer with face plate Install shoe mold in kitchen area (approx 60') Install approx 6 lights Install 1 ceiling fan Misc drywall in house Remove security door Install vinyl in kitchen area & master bath Install new bath sink Install new AC vents Repair rear door frame Misc handyman
Materials	Estimated cost of materials needed for the items above.
Paint- Walls Paint Materials	Remove wall papers, paint walls, trim and ceilings and 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 Walls Paint Materials	Paint trim and fascia & touch up 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.