

Spacious Lithonia Home With 41% Cash on Cash Return



1015 Alford Court, Lithonia, GA 30058

Est. Market Value	\$120,000
Purchase Price	\$81,900
Bedrooms	4
Bath	2.5
Sq. Footage	1,635
Year Built	1995
Parking	2 car garage
Basement	Slab
Rental Income	\$995

Lithonia home with 2 car garage. Home features a breakfast area, separate dining room, family room and fireplace. Home sold in 2002 for \$132,000 and foreclosed in 2004 for \$134,363.

VALUATION DATA

Comparable Sales

Projected Values Calculated by:

Assessed value	Sq Footage
\$94,395.00	\$93,587.40

Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$108,500.00	\$138,300.00	\$84,200.00	\$115,100.00	\$114,844.00
Assessed Value Ratio	1.24	1.02	0.69	0.87	0.87
Sq Footage	1,635	1,858	1,440	1,799	1,736
Sale Price	\$134,000.00	\$110,000.00	\$86,200.00	\$98,500.00	\$97,940.00
Price/Sq Footage	\$81.96	\$76.39	\$47.34	\$53.82	\$57.24

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. 1637 S Deshon Rd	Lithonia GA 30058	08/16/2011	07/29/2011	\$100,000	\$53.82	1,858	3	2	1978	.627787	\$114,720	0.87
2. 6525 Swift Creek Rd	Lithonia GA 30058	05/10/2011	05/03/2011	\$86,200	\$47.34	1,821	3	3	1984	.687303	\$84,200	1.02
3. 750 Stephenson Rdg	Stone Mountain GA 30087	01/26/2011	12/20/2010	\$110,000	\$76.39	1,440	3	3	1989	.692158	\$115,100	0.96
4. 1111 Peggy Mcmillan Dr	Lithonia GA 30058	01/07/2011	12/30/2010	\$98,500	\$55.84	1,764	3	2	1973	1.38361	\$121,900	0.81
5. 533 Rock Shadow Ct	Stone Mountain GA 30087	01/26/2011	12/20/2010	\$95,000	\$52.81	1,799	3	2	1980	1.935746	\$138,300	0.69

FINANCIAL SUMMARY

Basic Purchase Information

Estimated Property Value	\$	120000
Purchase Price	\$	81900
Down Payment (20%)	\$	16,380
Equity at Purchase	\$	54,480

Cash at Closing

Loan Amount	\$	65,520
Down Payment (20%)	\$	16,380
Closing Costs (4.0%)	\$	2,621
Total Cash Required at Closing *	\$	19,001

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

Mortgage Calculations

Loan Amount: \$65,520, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	362
Mortgage Payment (Yearly)	\$	4,342

Financial Performance Summary

Cash on Cash Return (Year 1)		41.9%
Cap Rate (Year 1)		11.0%
Total Equity at Year 5	\$	69,516

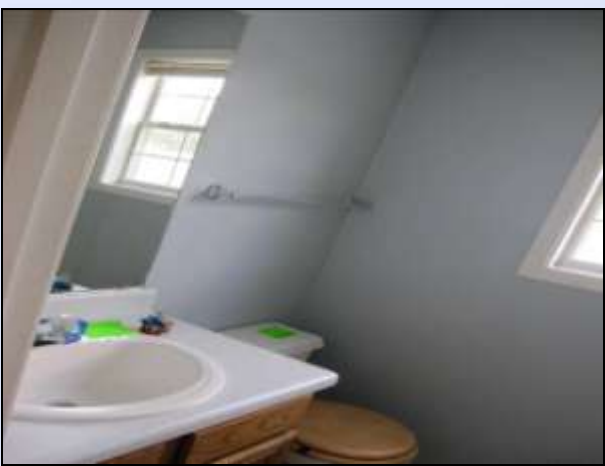
Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	995
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	1,398
Insurance	\$	600
Homeowners Association (Yearly)	\$	0
Property Management Fee	(%)	8.0
Maintenance Reserve	(%)	0.0
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	\$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	\$12,179	\$12,422	\$12,671	\$12,924	\$14,269	\$17,394	\$21,204
<i>Property Taxes</i>	\$1,398	\$1,426	\$1,454	\$1,484	\$1,513	\$1,671	\$2,037	\$2,483
<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	\$2,953	\$3,000	\$3,048	\$3,097	\$3,147	\$3,412	\$4,028	\$4,779
Net Operating Income	\$8,987	\$9,179	\$9,374	\$9,574	\$9,777	\$10,857	\$13,366	\$16,425
minus Mortgage Expense	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342
GROSS CASH FLOW	\$4,645	\$4,837	\$5,032	\$5,232	\$5,435	\$6,515	\$9,025	\$12,083
<i>Plus Principle Paydown</i>	\$924	\$974	\$1,026	\$1,081	\$1,139	\$1,480	\$2,500	\$4,221
<i>Plus Yearly Appreciation</i>	\$2,400	\$2,448	\$2,497	\$2,547	\$2,598	\$2,868	\$3,496	\$4,262
EFFECTIVE NET CASH FLOW	\$7,969	\$8,259	\$8,555	\$8,860	\$9,172	\$10,864	\$15,021	\$20,566
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$120,000	\$122,400	\$124,848	\$127,345	\$129,892	\$143,411	\$174,817	\$213,101
<i>(Mortgage Balance)</i>	\$64,596	\$63,623	\$62,597	\$61,516	\$60,376	\$53,693	\$33,722	\$0
EQUITY (WEALTH)	\$55,404	\$58,777	\$62,251	\$65,829	\$69,516	\$89,719	\$141,096	\$213,101
TAX BENEFIT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Depreciation</i>	\$2,978	\$2,978	\$2,978	\$2,978	\$2,978	\$2,978	\$2,978	\$2,978
<i>Mortgage Interest</i>	\$3,418	\$3,368	\$3,316	\$3,261	\$3,202	\$2,861	\$1,842	\$121







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



12460 Crabapple Road
 Suite 202-271
 Alpharetta, Ga 30004
 (P) 770.924.5451
 (F) 866.840.1977

Name / Address
1015 Alford Court Lithonia, GA 30058

Scope of Work

Date	Estimate #
9/26/2011	1453

Payment Terms	Estimated Start Date	REP
Bank Draw	9/26/2011	DE

Item	Description
Handyman	Install 3 sets of locks Install 3 toilets, inspect and repair all plumbing Inspect and repair electrical components, GFCIs, etc, outlet covers Install blinds throughout house Install 2 smoke 1 carbon monoxide detectors Pressure wash exterior Repair misc drywall Repair rear door frame Repair flooring Repair baseboards Touch-up cabinets...install hardware Install vinyl flooring Repair rear deck Stain rear deck Repair gate Cut bushes Misc Handyman
Materials	Estimated cost of materials needed for the items above.
Paint- Paint Materials	Interior 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- Paint Materials	Exterior 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.
Carpet - Labor & Materials	Replace carpet This includes rip out of old and removal from house, a 7/16" pad installed, and a 28 ounce builder's grade carpet installed. ****KEEP FAMILY ROOM AS CARPET****

Total