

Spacious Lithonia Home With 37% Cash on Cash Return



2240 Rambling Way, Lithonia, GA 30058

Est. Market Value	\$97,000
Purchase Price	\$81,900
Bedrooms	3
Bath	2.5
Sq. Footage	1,685
Year Built	2000
Parking	2 car garage
Basement	Slab
Rental Income	\$950

Three bedroom 2 bath home built in 2000 with a two car garage. Home has living room, dining room, and a foyer.

VALUATION DATA

- ✓ PROPERTY CURRENTLY HAS A TAX ASSESSMENT OF \$109,200
- ✓ PROPERTY SOLD ON 11-5-01 FOR \$126,717
- ✓ PROPERTY WAS FORECLOSED IN JANUARY FOR \$154,403

Comparable Sales

Projected Values Calculated by:

Assessed value	Sq Footage
\$97,188.00	\$99,752.00

Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$109,200.00	\$107,700.00	\$98,300.00	\$102,300.00	\$102,766.67
Assessed Value Ratio	1.07	0.94	0.85	0.89	0.89
Sq Footage	1,685	1,637	1,460	1,560	1,552
Sale Price	\$116,400.00	\$101,000.00	\$87,400.00	\$87,400.00	\$91,933.33
Price/Sq Footage	\$69.08	\$61.70	\$56.03	\$59.86	\$59.20

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. 2659 Rambling Way	Lithonia GA 30058	07/08/2011	06/29/2011	\$87,400	\$56.03	1,560	3	3	2000	.107976	\$102,300	0.85
2. 2949 Stonebridge Creek Dr	Lithonia GA 30058	03/07/2011	12/20/2010	\$87,400	\$59.86	1,460	3	2	2001	.201633	\$98,300	0.89
3. 2516 Meadow Springs Dr	Lithonia GA 30058	03/28/2011	01/27/2011	\$101,000	\$61.70	1,637	3	3	1996	.900356	\$107,700	0.94

FINANCIAL SUMMARY

Basic Purchase Information

Estimated Property Value	\$	97,000
Purchase Price	\$	81,900
Down Payment (20%)	\$	16,380
Equity at Purchase	\$	31,480

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)		37.2%
Cap Rate (Year 1)		10.4%
Total Equity at Year 5	\$	44,620

Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	950
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	1,343
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	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
Gross Scheduled Income	\$11,400	\$11,628	\$11,861	\$12,098	\$12,340	\$13,624	\$16,608	\$20,245
Vacancy Allowance	\$0	\$698	\$712	\$726	\$740	\$817	\$996	\$1,215
Total Operating Income	\$11,400	\$10,930	\$11,149	\$11,372	\$11,599	\$12,807	\$15,611	\$19,030
<i>Property Taxes</i>	\$1,343	\$1,370	\$1,397	\$1,425	\$1,454	\$1,605	\$1,956	\$2,385
<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>	\$912	\$930	\$949	\$968	\$987	\$1,090	\$1,329	\$1,620
minus Total Operating Expenses	\$2,855	\$2,900	\$2,946	\$2,993	\$3,041	\$3,295	\$3,885	\$4,605
Net Operating Income	\$8,545	\$8,030	\$8,203	\$8,379	\$8,558	\$9,512	\$11,726	\$14,425
minus Mortgage Expense	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342	\$4,342
GROSS CASH FLOW	\$4,203	\$3,689	\$3,861	\$4,037	\$4,217	\$5,170	\$7,384	\$10,084
<i>Plus Principle Paydown</i>	\$924	\$974	\$1,026	\$1,081	\$1,139	\$1,480	\$2,500	\$4,221
<i>Plus Yearly Appreciation</i>	\$1,940	\$1,979	\$2,018	\$2,059	\$2,100	\$2,318	\$2,826	\$3,445
EFFECTIVE NET CASH FLOW	\$7,067	\$6,641	\$6,905	\$7,177	\$7,456	\$8,969	\$12,710	\$17,750
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$97,000	\$98,940	\$100,919	\$102,937	\$104,996	\$115,924	\$141,311	\$172,257
<i>(Mortgage Balance)</i>	\$64,596	\$63,623	\$62,597	\$61,516	\$60,376	\$53,693	\$33,722	\$0
EQUITY (WEALTH)	\$32,404	\$35,317	\$38,322	\$41,422	\$44,620	\$62,231	\$107,589	\$172,257
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



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Name / Address
2240 Rambling Way Lithonia, GA 30058

Scope of Work

Date	Estimate #
10/12/2011	1465

Payment Terms	Estimated Start Date	REP
Bank Draw	10/12/2011	DE

Item	Description
Handyman	Install 3 locks Replace 3 toilets, hotwater heater, check all fixtures, sink etc. Install 2 smoke and 1 carbon monoxide Repair roof Check all electrical ...GFCI, 3-5 lights, new outlet covers, etc. Check all doors for proper operation Pressure wash house Gutters Replace vinyl siding Repair drywall from leaks Install rear exit door Repair garage door frame Misc drywall Misc vinyl Misc soffit/fascia repair Misc handyman items
Materials	Estimated cost of materials needed for the items above.
Paint- Paint Materials	Interior prime all ceilings, walls, trim and paint 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	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- 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.
Garage Door	Replace the garage door on the house with a basic 4 panel solid metal door.
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.