

## Cherokee County Home With 33% Cash on Cash Return



1000Whispering Woods Drive, Canton GA 30114

Est. Market Value	\$115,000
Purchase Price	\$98,900
Bedrooms	3
Bath	2
Sq. Footage	1,864
Year Built	1996
Parking	2 car garage
Basement	Slab
Rental Income	\$995

Cherokee County, GA home with 2 car garage! Home was built in 1996 and features a living room, dining room, and spacious back deck. Home sold in 2006 for \$157,000.

# VALUATION DATA

## Comparable Sales

<b>Assessed value</b>	<b>Sq Footage</b>
\$105,800.00	\$141,198.00

### Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$105,800.00	\$225,600.00	\$109,400.00	\$149,000.00	\$151,114.29
Assessed Value Ratio	1.32	1.29	0.89	0.98	1.00
Sq Footage	1,864	2,234	1,710	2,040	2,024
Sale Price	\$139,900.00	\$240,000.00	\$99,000.00	\$135,500.00	\$153,500.00
Price/Sq Footage	\$75.05	\$114.83	\$55.42	\$62.10	\$75.75

### 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. 803 Deer Chase	Canton GA 30114	10/04/2011	08/19/2011	\$99,000	\$57.89	1,710	3	2	2000	.438901	\$111,400	0.89
2. 104 Puckett Creek Dr	Canton GA 30114	07/08/2011	06/09/2011	\$155,000	\$69.38	2,234	4	3	2002	.619124	\$155,800	0.99
3. 400 Puckett Creek Cir	Canton GA 30114	02/07/2011	02/02/2011	\$240,000	\$114.83	2,090	3	3	2001	.65106	\$186,500	1.29
4. 512 Bonneset Ct	Canton GA 30114	07/19/2011	07/14/2011	\$220,000	\$114.23	1,926	3	2	2006	1.317676	\$225,600	0.98
5. 111 Golf Course Rd	Canton GA 30114	10/14/2011	08/31/2011	\$115,000	\$56.37	2,040	2	1	1952	1.644727	\$120,100	0.96
6. 105 White St	Canton GA 30114	02/17/2011	02/14/2011	\$110,000	\$55.42	1,985	4	2	1930	1.735066	\$109,400	1.01
7. 204 Lauren Ln	Canton GA 30114	07/05/2011	06/27/2011	\$135,500	\$62.10	2,182	3	3	1996	1.967506	\$149,000	0.91

# FINANCIAL SUMMARY

## Basic Purchase Information

Estimated Property Value	\$	115,000
Purchase Price	\$	98,900
Down Payment (20%)	\$	19,780
Equity at Purchase	\$	35,880

## Cash at Closing

Loan Amount	\$	79,120
Down Payment (20%)	\$	19,780
Closing Costs (4.0%)	\$	3,165
Total Cash Required at Closing *	\$	22,945

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

## Mortgage Calculations

Loan Amount: \$79,120, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	437
Mortgage Payment (Yearly)	\$	5,243

## Financial Performance Summary

Cash on Cash Return (Year 1)		32.9%
Cap Rate (Year 1)		8.8%
Total Equity at Year 5	\$	51,571

## 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	\$	1,014
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
<b>Total Operating Income</b>	<b>\$11,940</b>	<b>\$11,448</b>	<b>\$11,677</b>	<b>\$11,911</b>	<b>\$12,149</b>	<b>\$13,413</b>	<b>\$16,351</b>	<b>\$19,931</b>
<i>Property Taxes</i>	\$1,014	\$1,034	\$1,055	\$1,076	\$1,098	\$1,212	\$1,477	\$1,801
<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
<b>minus Total Operating Expenses</b>	<b>\$2,569</b>	<b>\$2,609</b>	<b>\$2,649</b>	<b>\$2,690</b>	<b>\$2,732</b>	<b>\$2,953</b>	<b>\$3,469</b>	<b>\$4,097</b>
<b>Net Operating Income</b>	<b>\$9,371</b>	<b>\$8,839</b>	<b>\$9,028</b>	<b>\$9,221</b>	<b>\$9,417</b>	<b>\$10,460</b>	<b>\$12,882</b>	<b>\$15,834</b>
<b>minus Mortgage Expense</b>	<b>\$5,243</b>	<b>\$5,243</b>	<b>\$5,243</b>	<b>\$5,243</b>	<b>\$5,243</b>	<b>\$5,243</b>	<b>\$5,243</b>	<b>\$5,243</b>
<b>GROSS CASH FLOW</b>	<b>\$4,128</b>	<b>\$3,597</b>	<b>\$3,785</b>	<b>\$3,978</b>	<b>\$4,174</b>	<b>\$5,217</b>	<b>\$7,639</b>	<b>\$10,592</b>
<i>Plus Principle Paydown</i>	\$1,116	\$1,176	\$1,239	\$1,305	\$1,376	\$1,788	\$3,018	\$5,097
<i>Plus Yearly Appreciation</i>	\$2,300	\$2,346	\$2,393	\$2,441	\$2,490	\$2,749	\$3,351	\$4,084
<b>EFFECTIVE NET CASH FLOW</b>	<b>\$7,544</b>	<b>\$7,119</b>	<b>\$7,417</b>	<b>\$7,724</b>	<b>\$8,039</b>	<b>\$9,753</b>	<b>\$14,008</b>	<b>\$19,773</b>
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$115,000	\$117,300	\$119,646	\$122,039	\$124,480	\$137,436	\$167,533	\$204,222
<i>(Mortgage Balance)</i>	\$78,004	\$76,829	\$75,590	\$74,284	\$72,909	\$64,837	\$40,721	\$0
<b>EQUITY (WEALTH)</b>	<b>\$36,996</b>	<b>\$40,471</b>	<b>\$44,056</b>	<b>\$47,755</b>	<b>\$51,571</b>	<b>\$72,598</b>	<b>\$126,812</b>	<b>\$204,222</b>
TAX BENEFIT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Depreciation</i>	\$3,596	\$3,596	\$3,596	\$3,596	\$3,596	\$3,596	\$3,596	\$3,596
<i>Mortgage Interest</i>	\$4,127	\$4,067	\$4,004	\$3,937	\$3,867	\$3,455	\$2,224	\$146







## 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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 (P) 770.924.5451  
 (F) 866.840.1977

<b>Name / Address</b>
1000 Whispering Woods Drive Canton, GA 30114

### Scope of Work

Date	Estimate #
10/21/2011	1481

Payment Terms	Estimated Start Date	REP
Credit Card	10/21/2011	DE

Item	Description
Handyman	Install 3 sets of locks Install 2 toilets, inspect and repair all plumbing Inspect and repair all electrical, GFCI, panel, covers, lights 5-6 Install front blinds Install 2 smoke and 1 carbon detector Pressure wash Stain front and rear decks Repair front door frame and window area Misc interior trim Install counter tops (laminates) Install new sink in m/bath Misc drywall Bathroom door Install 1 garage door Install window screens Stain bath cabinet Repair roof Misc Repairs Materials for the above work
Materials	
Paint	Interior (Walls, trim, ceilings where needed)
Paint Materials	Materials for the above listed work
Paint	Exterior - touch up door areas
Paint Materials	Materials for the above listed work
Carpet - Labor & Materials	Replace carpet <b>**UPSTAIRS ONLY**</b> This includes rip out of old and removal from house, a 7/16" pad installed, and a 28 ounce builder's grade carpet installed.
Appliance(s)	- Replace and install RH refrigerator, electric range, hood vent, and dishwasher. This includes labor and materials.
HVAC - Service Unit	Service Unit