

Lithonia Home With 30% Cash on Cash Return



6550 Huntington Court, Lithonia, GA 30058

Est. Market Value	\$108,000
Purchase Price	\$89,900
Bedrooms	4
Bath	2
Sq. Footage	2,064
Year Built	1995
Parking	2 car garage
Basement	Crawl
Rental Income	\$1,000

Ranch style home with huge family room and fireplace, separate living room and dining room, breakfast area, and a 2 car garage on a level lot. Walk to MARTA and schools!

VALUATION DATA

Comparable Sales

Projected Values Calculated by:

Assessed value	Sq Footage
\$120,824.00	\$102,952.32

Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$137,300.00	\$140,200.00	\$84,200.00	\$115,310.00	\$113,755.00
Assessed Value Ratio	1.12	1.02	0.72	0.88	0.88
Sq Footage	2,064	2,151	1,821	1,930	1,958
Sale Price	\$153,700.00	\$103,000.00	\$86,200.00	\$100,500.00	\$97,550.00
Price/Sq Footage	\$74.47	\$53.82	\$46.95	\$49.38	\$49.88

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
1.6525 Swift Creek Rd	Lithonia GA 30058	05/10/2011	05/03/2011	\$86,200	\$47.34	1,821	3	3	1984	.572765	\$84,200	1.02
2.1038 Cherry Laurel Dr	Lithonia GA 30058	02/22/2011	02/14/2011	\$101,000	\$46.95	2,151	3	3	1991	.577007	\$140,200	0.72
3.1637 S Deshon Rd	Lithonia GA 30058	08/16/2011	07/29/2011	\$100,000	\$53.82	1,858	3	2	1978	.626502	\$114,720	0.87
4.6894 Kerrie Way	Lithonia GA 30058	10/13/2011	09/23/2011	\$103,000	\$51.42	2,003	3	3	1987	.791917	\$115,900	0.89

FINANCIAL SUMMARY

Basic Purchase Information

Estimated Property Value	\$	108,000
Purchase Price	\$	89,900
Down Payment (20%)	\$	17,980
Equity at Purchase	\$	36,080

Cash at Closing

Loan Amount	\$	71,920
Down Payment (20%)	\$	17,980
Closing Costs (4.0%)	\$	2,877
Total Cash Required at Closing *	\$	20,857

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

Mortgage Calculations

Loan Amount: \$71,920, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	397
Mortgage Payment (Yearly)	\$	4,766

Financial Performance Summary

Cash on Cash Return (Year 1)		30.2%
Cap Rate (Year 1)		8.0%
Total Equity at Year 5	\$	50,629

Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	1,000
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	2,540
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	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989	\$14,341	\$17,482	\$21,310
Vacancy Allowance	\$0	\$734	\$749	\$764	\$779	\$860	\$1,049	\$1,279
Total Operating Income	\$12,000	\$11,506	\$11,736	\$11,970	\$12,210	\$13,481	\$16,433	\$20,032
<i>Property Taxes</i>	\$2,540	\$2,591	\$2,643	\$2,695	\$2,749	\$3,036	\$3,700	\$4,511
<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>	\$960	\$979	\$999	\$1,019	\$1,039	\$1,147	\$1,399	\$1,705
minus Total Operating Expenses	\$4,100	\$4,170	\$4,241	\$4,314	\$4,389	\$4,783	\$5,699	\$6,815
Net Operating Income	\$7,900	\$7,336	\$7,494	\$7,656	\$7,821	\$8,698	\$10,734	\$13,216
minus Mortgage Expense	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766
GROSS CASH FLOW	\$3,134	\$2,570	\$2,729	\$2,890	\$3,056	\$3,932	\$5,968	\$8,450
<i>Plus Principle Paydown</i>	\$1,014	\$1,069	\$1,126	\$1,187	\$1,251	\$1,625	\$2,744	\$4,633
<i>Plus Yearly Appreciation</i>	\$2,160	\$2,203	\$2,247	\$2,292	\$2,338	\$2,581	\$3,147	\$3,836
EFFECTIVE NET CASH FLOW	\$6,308	\$5,842	\$6,102	\$6,369	\$6,645	\$8,138	\$11,858	\$16,919
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$108,000	\$110,160	\$112,363	\$114,610	\$116,903	\$129,070	\$157,336	\$191,791
<i>(Mortgage Balance)</i>	\$70,906	\$69,837	\$68,711	\$67,524	\$66,274	\$58,937	\$37,015	\$0
EQUITY (WEALTH)	\$37,094	\$40,323	\$43,652	\$47,086	\$50,629	\$70,133	\$120,320	\$191,791
TAX BENEFIT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Depreciation</i>	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269
<i>Mortgage Interest</i>	\$3,752	\$3,697	\$3,640	\$3,579	\$3,515	\$3,141	\$2,022	\$133





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
6550 Huntington Ct. Lithonia, GA 30058

Scope of Work

Date	Estimate #
11/4/2011	1494

Payment Terms	Estimated Start Date	REP
Credit Card	11/4/2011	DE

Item	Description
Handyman	Install 3 sets of locks Install 2 toilets, check and repair all plumbing, replace hot water heater Check all electrical, replace covers, install lights, GFCI Install 2 smoke and 1 carbon dioxide detectors Pressure wash house Install new blinds in all windows Check all doors for proper operation Install one garage door Install 120' gutter Repair rear deck Install new counter tops Repair drywall throughout house Vinyl floors Misc handyman repairs
Materials	Estimated cost of materials needed for the items above.
Paint- Paint Materials	Interior: Ceiling, Walls, 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.
Paint- Paint Materials	Exterior: Trim as necessary 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.
Appliance(s)	- Replace and install LH refrigerator, gas stove, hood vent, and dishwasher. This includes labor and materials.
HVAC - Service Unit	Service Unit
Window Replacement	Replace 4 windows (Order measurements)
Project Management Fee	PMF