

Cobb County Home With 34% Cash on Cash Return



2747 Beaver Creek Crossing, Powder Springs, GA 30127

Est. Market Value	\$112,500
Purchase Price	\$92,900
Bedrooms	3
Bath	2
Sq. Footage	2,103
Year Built	1993
Parking	2 car garage
Basement	Full
Rental Income	\$1,050

Three bedroom 2 bath home with 2 car garage. Home also has a dining room, living room a full basement.

VALUATION DATA

FINANCIAL SUMMARY

Comparable Statistics:

	Subject Property	High	Low	Median	Average
Assessed Value	\$93,920.00	\$197,660.00	\$107,110.00	\$136,860.00	\$143,158.57
Assessed Value Ratio	1.11	1.12	0.62	0.99	0.95
Sq Footage	2,103	2,387	1,938	2,202	2,192
Sale Price	\$104,000.00	\$170,000.00	\$100,000.00	\$125,000.00	\$133,385.71
Price/Sq Footage	\$49.45	\$78.84	\$47.17	\$56.85	\$61.01

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	Assess Value Ratio
1. 3585 Homewood Ln	Powder Springs GA 30127	08/22/2011	07/14/2011	\$125,000	\$56.77	2,202	3	3	1993	1.067168	\$123,380	1.01
2. 2154 Stinson Ln	Powder Springs GA 30127	09/07/2011	08/26/2011	\$152,800	\$78.84	1,938	3	3	1997	1.23793	\$154,960	0.99
3. 2665 Cold Springs Trl SW	Marietta GA 30064	05/05/2011	04/29/2011	\$120,000	\$50.93	2,356	3	4	1979	1.311727	\$107,110	1.12
4. 3810 Singleton Ct	Powder Springs GA 30127	05/06/2011	04/29/2011	\$117,000	\$56.85	2,058	4	3	1997	1.479983	\$121,130	0.97
5. 3129 Blue Heron Pass	Powder Springs GA 30127	04/15/2011	03/25/2011	\$148,900	\$65.31	2,280	4	3	1997	1.525316	\$136,860	1.09
6. 2909 Ledbury Ln SW	Marietta GA 30064	09/02/2011	08/26/2011	\$100,000	\$47.17	2,120	3	3	1989	1.690545	\$161,010	0.62
7. 1716 Branchwood Ct	Powder Springs GA 30127	04/19/2011	04/08/2011	\$170,000	\$71.22	2,387	4	3	2000	1.931041	\$197,660	0.86

Basic Purchase Information

Estimated Property Value	\$	112500
Purchase Price	\$	92900
Down Payment (20.00%)	\$	18,580
Equity at Purchase	\$	38,180

Cash at Closing

Loan Amount	\$	74,320
Down Payment (20.00%)	\$	18,580
Closing Costs (4.00%)	\$	2,973
Total Cash Required at Closing *	\$	21,553

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

Mortgage Calculations

Loan Amount: \$74,320, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	410
Mortgage Payment (Yearly)	\$	4,925

Financial Performance Summary

Cash on Cash Return (Year 1)		34.4%
Cap Rate (Year 1)		10.1%
Total Equity at Year 5	\$	48,582

Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	1050
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20.00
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	822
Insurance	\$	600
Homeowners Association (Yearly)	\$	0
Property Management Fee	(%)	8.0
Maintenance Reserve	(%)	0.00
Appreciation Rate	(%)	1.00
Vacancy Allowance	(%)	6.00
Rental Income Increase	(%)	2.00
Property Tax Increase	(%)	2.00
Closing Costs (Purchase)	(%)	4.00
Closing Costs (Sale)	(%)	8.00

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
Total Operating Income	\$12,600	\$12,081	\$12,322	\$12,569	\$12,820	\$14,155	\$17,254	\$21,033
<i>Property Taxes</i>	\$822	\$838	\$855	\$872	\$890	\$982	\$1,197	\$1,460
<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>	\$1,008	\$1,028	\$1,049	\$1,070	\$1,091	\$1,205	\$1,468	\$1,790
minus Total Operating Expenses	\$2,430	\$2,467	\$2,504	\$2,542	\$2,581	\$2,787	\$3,266	\$3,850
Net Operating Income	\$10,170	\$9,614	\$9,819	\$10,027	\$10,239	\$11,368	\$13,989	\$17,183
minus Mortgage Expense	\$4,925	\$4,925	\$4,925	\$4,925	\$4,925	\$4,925	\$4,925	\$4,925
GROSS CASH FLOW	\$5,245	\$4,690	\$4,894	\$5,102	\$5,315	\$6,443	\$9,064	\$12,259
<i>Plus Principle Paydown</i>	\$1,048	\$1,104	\$1,164	\$1,226	\$1,292	\$1,679	\$2,835	\$4,788
<i>Plus Yearly Appreciation</i>	\$1,125	\$1,136	\$1,148	\$1,159	\$1,171	\$1,230	\$1,359	\$1,501
EFFECTIVE NET CASH FLOW	\$7,418	\$6,931	\$7,205	\$7,487	\$7,778	\$9,353	\$13,258	\$18,548
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$112,500	\$113,625	\$114,761	\$115,909	\$117,068	\$123,040	\$135,912	\$150,132
<i>(Mortgage Balance)</i>	\$73,272	\$72,168	\$71,004	\$69,778	\$68,485	\$60,904	\$38,251	\$0
EQUITY (WEALTH)	\$39,228	\$41,457	\$43,757	\$46,131	\$48,582	\$62,136	\$97,662	\$150,132
TAX BENEFIT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Depreciation</i>	\$3,378	\$3,378	\$3,378	\$3,378	\$3,378	\$3,378	\$3,378	\$3,378
<i>Mortgage Interest</i>	\$3,877	\$3,820	\$3,761	\$3,698	\$3,633	\$3,246	\$2,089	\$137





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
2742 Beaver Creek Crossing Powder Springs, GA 30127

Scope of Work

Date	Estimate #
11/23/2011	1509

Payment Terms	Estimated Start Date	REP
Credit Card	11/23/2011	DE

Item	Description
Handyman	Replace 3 exterior locks Install 3 toilets, inspect and repair plumbing, replace poly Install 2 smoke detectors and 1 carbon dioxide detectors Inspect/repair electric outlets, fixtures, GFCI, lights, replace covers Repair and paint front deck Re-attach all closet doors Install bi-fold doors in bedroom Repair drywall in kitchen Install counter tops in kitchen Install two kitchen drawers Repair base around cabinets Install floor to kitchen to basement Repair arm railing Install vinyl flooring Install 7 garage door Repair garage door Repair drywall in garage Basement misc repairs Misc handyman
Materials	Estimated cost of materials needed for the items above.
Roof	Repair roof
Paint- Paint Materials	Interior Wall and Ceiling and 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.
Appliance(s)	- Replace and install LH refrigerator, gas range, hood vent, and dishwasher. This includes labor and materials.
HVAC System Replacement	Replace HVAC