

## Cobb County Home With 31% Cash on Cash Return



1404 Tender Trail, Powder Springs, GA 30127

Purchase Price	\$94,500
Bedrooms	5
Bath	3
Sq. Footage	2,158
Year Built	1996
Parking	2 car garage
Basement	Finished
Rental Income	\$1,000

LithCobb County home with fireplace in family room, finished basement, living room-dining room combo. Home also has a fenced yard.

# VALUATION DATA

## Comparable Sales

RES										
Status	Address	County	Area	Map	Subdivision	Bed	Bath	Year Built or Sold / Expire Date	Price	
Sold	<u>27 Station Lane</u>	Paulding	191		Poplar Farms	3	2 1/2	6/21/2011	\$121,900 #	
Sold	<u>50 Horseshoe Lane</u>	Paulding	191		Poplar Farms	3	2 1/2	10/27/2011	\$122,500 #	
Sold	<u>39 Station Way</u>	Paulding	191		Poplar Farms	4	2 1/2	8/1/2011	\$110,000 #*	
Sold	<u>3030 LUSTERLEAF COURT</u>	Cobb	73	00	EVERGREEN PARK	4	2 1/2	6/10/2011	\$121,000 #	
Sold	<u>5321 Moon Road</u>	Cobb	73		0	4	3 1/2	7/29/2011	\$115,000 #*	
Sold	<u>8 HORSESHOE Lane</u>	Paulding	191		POPLAR FARMS	3	2 1/2	9/14/2011	\$121,901 #	
Sold	<u>9 Horseshoe Court</u>	Paulding	191	000	Poplar Farms	3	2 1/2	2/17/2011	\$102,000 *	
Sold	<u>21 WARE COURT</u>	Paulding	191		POPLAR FARMS	4	2 1/2	9/30/2011	\$114,900 #	
Sold	<u>5116 Glendora Drive</u>	Cobb	73	733H9	Metrose Square	3	2 1/2	3/3/2011	\$114,750 #	
Sold	<u>11 CHAUBERLYN Lane</u>	Paulding	191	00040	MENLOW STATION	4	2 1/2	1/9/2012	\$108,500 #*	
Sold	<u>224 Horseshoe Lane</u>	Paulding	191		POPLAR FARMS	4	2 1/2	5/31/2011	\$115,000 #	
Sold	<u>14 Horseshoe Court</u>	Paulding	191		Poplar Farms	3	2 1/2	7/20/2011	\$103,500 #	
Sold	<u>213 ANCEIT OAKS WAY</u>	Paulding	191		MENLOW STATION	3	2 1/2	6/28/2011	\$101,000 #*	
Sold	<u>5320 Yoshino Terrace</u>	Cobb	73		EVERGREEN PARK	6	2 1/2	7/29/2011	\$120,000 #*	
Sold	<u>5244 Carrington Park Drive</u>	Cobb	73	9999A99	Carrington	4	2 1/2	10/5/2011	\$98,000 #*	
Sold	<u>3287 Chidress Lane</u>	Cobb	73	784U1	Carrington	4	2 1/2	11/17/2011	\$100,000 #	
Sold	<u>5280 CARRINGTON PARK DR</u>	Cobb	73	733H10	CARRINGTON	5	3 1/2	12/30/2011	\$102,000 #	

# FINANCIAL SUMMARY

## Basic Purchase Information

Estimated Property Value	\$	94,500
Purchase Price	\$	94,500
Down Payment (20.00%)	\$	18,900
Equity at Purchase	\$	18,900

## Cash at Closing

Loan Amount	\$	75,600
Down Payment (20.00%)	\$	18,900
Closing Costs (4.00%)	\$	3,024
Total Cash Required at Closing *	\$	21,924

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

## Mortgage Calculations

Loan Amount: \$75,600, Loan Term: 30yrs, Interest Rate: 5.25%

Mortgage Payment	\$	417
Mortgage Payment (Yearly)	\$	5,010

## Financial Performance Summary

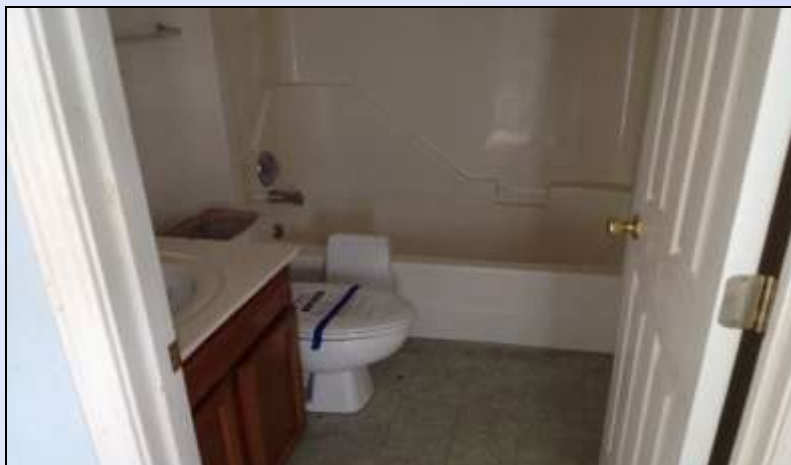
Cash on Cash Return (Year 1)		30.6%
Cap Rate (Year 1)		9.5%
Total Equity at Year 5	\$	28,672

## Assumptions for Calculations (Annual)

Gross Scheduled Income (Monthly)	\$	1,000
Mortgage Interest Rate	(%)	5.25
Mortgage Down Payment	(%)	20.00
Mortgage Loan Term (Fixed)		30
Property Taxes	\$	738
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	\$12,000	\$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
<b>Total Operating Income</b>	<b>\$12,000</b>	<b>\$11,506</b>	<b>\$11,736</b>	<b>\$11,970</b>	<b>\$12,210</b>	<b>\$13,481</b>	<b>\$16,433</b>	<b>\$20,032</b>
<i>Property Taxes</i>	\$738	\$753	\$768	\$783	\$799	\$882	\$1,075	\$1,311
<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
<b>minus Total Operating Expenses</b>	<b>\$2,298</b>	<b>\$2,332</b>	<b>\$2,367</b>	<b>\$2,402</b>	<b>\$2,438</b>	<b>\$2,629</b>	<b>\$3,074</b>	<b>\$3,615</b>
<b>Net Operating Income</b>	<b>\$9,702</b>	<b>\$9,174</b>	<b>\$9,369</b>	<b>\$9,568</b>	<b>\$9,772</b>	<b>\$10,851</b>	<b>\$13,359</b>	<b>\$16,416</b>
<b>minus Mortgage Expense</b>	<b>\$5,010</b>	<b>\$5,010</b>	<b>\$5,010</b>	<b>\$5,010</b>	<b>\$5,010</b>	<b>\$5,010</b>	<b>\$5,010</b>	<b>\$5,010</b>
<b>GROSS CASH FLOW</b>	<b>\$4,692</b>	<b>\$4,164</b>	<b>\$4,360</b>	<b>\$4,559</b>	<b>\$4,762</b>	<b>\$5,842</b>	<b>\$8,350</b>	<b>\$11,407</b>
<i>Plus Principle Paydown</i>	\$1,066	\$1,123	\$1,184	\$1,247	\$1,314	\$1,708	\$2,884	\$4,870
<i>Plus Yearly Appreciation</i>	\$945	\$954	\$964	\$974	\$983	\$1,034	\$1,142	\$1,261
<b>EFFECTIVE NET CASH FLOW</b>	<b>\$6,703</b>	<b>\$6,242</b>	<b>\$6,508</b>	<b>\$6,780</b>	<b>\$7,060</b>	<b>\$8,584</b>	<b>\$12,376</b>	<b>\$17,538</b>
EQUITY ACCUMULATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Property Value</i>	\$94,500	\$95,445	\$96,399	\$97,363	\$98,337	\$103,353	\$114,166	\$126,111
<i>(Mortgage Balance)</i>	\$74,534	\$73,411	\$72,227	\$70,980	\$69,665	\$61,953	\$38,909	\$0
<b>EQUITY (WEALTH)</b>	<b>\$19,966</b>	<b>\$22,034</b>	<b>\$24,173</b>	<b>\$26,384</b>	<b>\$28,672</b>	<b>\$41,400</b>	<b>\$75,257</b>	<b>\$126,111</b>
TAX BENEFIT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 20	YEAR 30
<i>Depreciation</i>	\$3,436	\$3,436	\$3,436	\$3,436	\$3,436	\$3,436	\$3,436	\$3,436
<i>Mortgage Interest</i>	\$3,944	\$3,886	\$3,826	\$3,762	\$3,695	\$3,301	\$2,125	\$140





## 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



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

Name / Address
1404 Tender Trail Powder Springs, GA 30127

### Scope of Work

Date	Estimate #
2/2/2012	1567

Payment Terms	Estimated Start Date	REP
Bank Draw	2/2/2012	DE

Item	Description
Handyman	Replace 3 exterior locks Replace guts and seats for 3 toilets, inspect and repair plumbing Replace All Poly piping Install hot water heater Pressure wash Install 14 blinds (blinds for all windows) Install 2 smoke detectors and 1 carbon dioxide Inspect/repair electric outlets, fixtures, GFCI's, light (9), replace covers Repair door trim and subfloor at front door Repair door trim at both back doors Stabilize, replace rotted trim, and paint front deck Stabilize, replace rotted trim, and paint back deck Drywall repair, walls, at windows, and ceilings Replace all HVAC vent covers Repair ceilings as needed Replace drawer in kitchen cabinet Repair sink base at kitchen Check sink disposal and remove if operable Install bi-fold doors in laundry room Install washing machine drip tray Replace cabinet drawer face in hall bath Install quarter round at tub in hall bath Install closet door and shelves in downstairs bedroom Repair door trim at garage entry point Repair drywall in garage and paint Install vinyl flooring Replace mailbox Repair siding as needed about 400' Repair soffit, fascia, and outside trim as needed Install 20' of gutters and extension Reseal all boots and vent on roof and check for leaks Repair chain link fence at front of house Misc handyman
Materials	Estimated cost of materials needed for the items above.
Window Replacement	Replace crescent window in living room

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Date	Estimate #
2/2/2012	1567

Payment Terms	Estimated Start Date	REP
Bank Draw	2/2/2012	DE

Item	Description
Garage Door	Replace both garage doors
Carpet - Chemical Clean	Clean all carpets in house
Paint- Paint Materials	Interior walls, 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.
Paint- Paint Materials	Exterior siding, trim and doors 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.
Appliance(s)	- Replace and install RH refrigerator, gas range, and dishwasher. This includes labor and materials.
HVAC - Service Unit	Replace HVAC unit / Service Furnace
Landscaping	Trim bushes
Cleaning	SUPER CLEANING - -Vacuuming all carpets, sweeping and mopping all hard surfaces, dusting, detailing kitchen, detailing bathrooms, detailing all baseboards, cleaning all window sills, sweeping and dusting garage, cleaning the inside of appliances (oven, empty refrigerator, dishwasher), and sweeping porches, walkways, and decks.
Dumpster Fee	
Project Management Fee	PMF