



## Bank Owned - REO

1463 Leland Dr  
Decatur GA 30037

**Bank is Motivated to unload!**  
**Great Neighborhood**  
**Walking Distance to Downtown Decatur**  
**Schools Ranked in Top 10 in Georgia**  
**Needs only Little Work!**

Presented By

## Sandford Realty Group

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# Executive Summary

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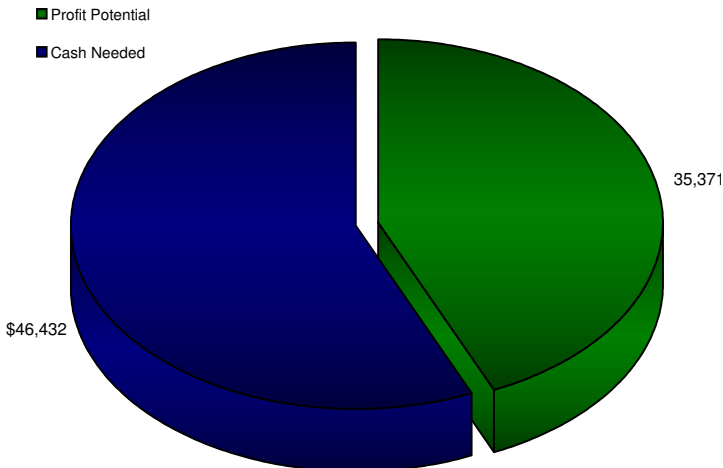
### Financial Information



Estimated Project Completion Date	<b>Month 6</b>
<b>Projected After-Repair Value Sales Price</b>	<b>\$ 299,000</b>
Estimated Selling Expenses	(20,930)
Cumulative Rehab Costs & Holding Expenses	(19,129)
Income Tax Benefit (Cost) from Sale	(18,570)
Asking Price & Closing Costs	(205,000)
<b>Total Potential Profit</b>	<b>\$ 35,371</b>
Total Cash on Cash Return b/f Taxes	116.17%
Total Cash on Cash Return a/t Taxes	76.18%
<b>Cash Needed for Investment</b>	<b>\$46,432</b>

### Financial Breakout

### Summary Description & Notes



**Easy rehab and sell! Great location and this needs little work to be done to this beauty. Just a little TLC and this will sell fast.**

**We don't think it will take 6 months to turn this property, even if it did, we project a healthy profit of over \$38,000 with little to no effort.**

**Disclaimer: All Information Presented is Believed to be Accurate.**

The information, calculations & data presented in this report are believed to be accurate but are not guaranteed or warranted. The information contained in this report shall not be considered as a substitution for legal, accounting or other professional advice. Please seek proper legal and tax advice as appropriate before making any purchases of real estate.

# Property Description



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This property was built in 2006 and is almost in perfect condition. There are just a few minor repairs needed to put this property in retail condition.

The previous owner declared bankruptcy due to medical issues and turned the property over to the bank in 2010.

The bank has kept this property immaculate and is motivated to sell!

The property is within walking distance to downtown Decatur's shops and restaurants. The neighborhood is one of the more prestigious communities in Decatur with over 200 other beautiful homes.

Property needs a few appliances replaced and some minor damage repaired from a recent storm. We estimate total rehab costs to be less than \$12,000.

## HIGHLIGHTS

*Little work needs to be done!*

*Walking distance to downtown Decatur*

*Great schools*

*Prestigious neighborhood and area*

*Newly-built property*

*Won't last long*

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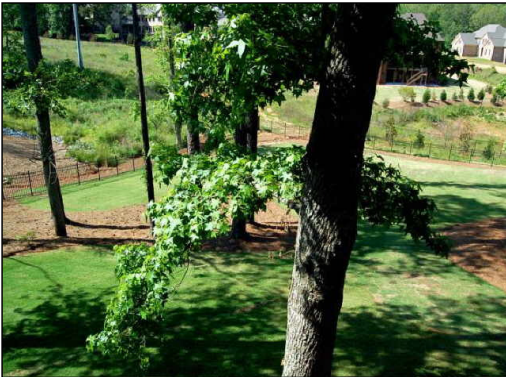
# Property Photos



**Front**



**Back**



**Backyard**



**Foyer**



**Bonus Room**



**Kitchen**



**Park across the street**



**Dining Room**

# Map & Aerial View



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# Cash Flow Analysis



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Profit / Loss	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
<b>Projected After-Repair Sale Value</b>	\$ 299,000	\$ 299,000	\$ 299,000	\$ 299,000	\$ 299,000	\$ 299,000
FMV Adjustment Option (+/-)	-	-	-	-	-	-
<b>Adj Projected After-Repair Sale Value</b>	\$ 299,000	\$ 299,000	\$ 299,000	\$ 299,000	\$ 299,000	\$ 299,000
Selling Expenses	(20,930)	(20,930)	(20,930)	(20,930)	(20,930)	(20,930)
Income Tax Benefit (Cost) from Sale	(21,677)	(20,229)	(19,711)	(19,331)	(18,950)	(18,570)
Cumulative Rehab & Holding Expenses	(9,315)	(13,674)	(15,338)	(16,602)	(17,865)	(19,129)
Initial Purchase Price	\$ (205,000)	\$ (205,000)	\$ (205,000)	\$ (205,000)	\$ (205,000)	\$ (205,000)
<b>Total Profit (Loss) if Sold by Month End</b>	<b>\$ 42,078</b>	<b>\$ 39,167</b>	<b>\$ 38,021</b>	<b>\$ 37,138</b>	<b>\$ 36,255</b>	<b>\$ 35,371</b>
Cumulative Funds Needed/Used	\$ 50,447	\$ 49,644	\$ 48,841	\$ 48,038	\$ 47,235	\$ 46,432
Total Cash on Cash Return b/f Income Taxes	126.38%	119.64%	118.20%	117.55%	116.87%	116.17%
Total Cash on Cash Return a/t Income Taxes	83.41%	78.90%	77.85%	76.75%	76.75%	76.18%

## Projected Cash Generated

<b>Net Proceeds from Sale</b>	\$ 278,070	\$ 278,070	\$ 278,070	\$ 278,070	\$ 278,070	\$ 278,070
Additional Rehab Loan Draws	8,095	11,195	11,595	11,595	11,595	11,595
Initial Loan Payoff	(153,750)	(153,750)	(153,750)	(153,750)	(153,750)	(153,750)
Rehab Loan Payoff	(8,095)	(11,195)	(11,595)	(11,595)	(11,595)	(11,595)
Cumulative Rehab & Holding Expenses	(9,315)	(13,674)	(15,338)	(16,602)	(17,865)	(19,129)
Income Tax Benefit (Cost) from Sale	(21,677)	(20,229)	(19,711)	(19,331)	(18,950)	(18,570)
Initial Cash Investment	(51,250)	(51,250)	(51,250)	(51,250)	(51,250)	(51,250)
<b>Total Profit (Loss) if Sold by Month End</b>	<b>\$ 42,078</b>	<b>\$ 39,167</b>	<b>\$ 38,021</b>	<b>\$ 37,138</b>	<b>\$ 36,255</b>	<b>\$ 35,371</b>

## Rehab, Expenses & Holding Costs

<b>Rehab Costs from Schedule</b>	\$ (8,095)	\$ (3,100)	\$ (400)			
Other Monthly Expenses	(147)	(147)	(147)	(147)	(147)	(147)
Mortgage Payments - 1st Mortgage	(1,922)	(1,922)	(1,922)	(1,922)	(1,922)	(1,922)
Interest Expense - Rehab Costs	(101)	(140)	(145)	(145)	(145)	(145)
Rental Income (if any)	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
<b>Monthly Net Out Flow</b>	<b>\$ (9,315)</b>	<b>\$ (4,359)</b>	<b>\$ (1,664)</b>	<b>\$ (1,264)</b>	<b>\$ (1,264)</b>	<b>\$ (1,264)</b>
<b>Cumulative Rehab &amp; Holding Costs</b>	<b>\$ (9,315)</b>	<b>\$ (13,674)</b>	<b>\$ (15,338)</b>	<b>\$ (16,602)</b>	<b>\$ (17,865)</b>	<b>\$ (19,129)</b>

# Rehab Expenses



Total Rehab Expenses: \$ 11,595

Description	Project Costs
Carpet	1,500
Ceiling Fans	400
Doors	650
Electrical	750
Fireplace	110
Gutters	60
Heating & Cooling	600
HVAC	175
Kitchen Appliances	4,500
Light Fixtures	250
Pest Control	850
Plumbing	750
Miscellaneous	1,000
<b>Total</b>	<b>\$11,595</b>







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## Income Tax Analysis



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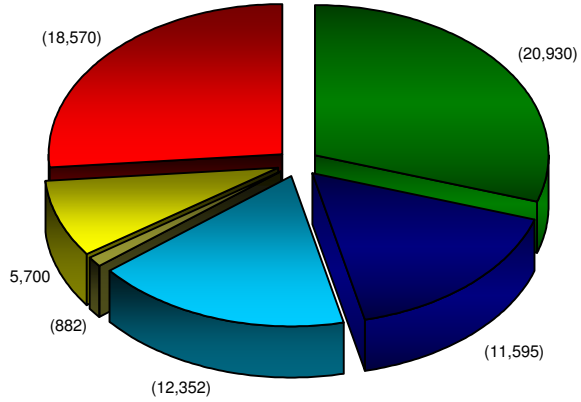
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
<b>Projected Sales Price</b>	<b>\$ 299,000</b>	<b>\$ 299,000</b>	<b>\$ 299,000</b>	<b>\$ 299,000</b>	<b>\$ 299,000</b>	<b>\$ 299,000</b>
Estimated Selling Expenses	(20,930)	(20,930)	(20,930)	(20,930)	(20,930)	(20,930)
Cumulative Improvements Made	(8,095)	(11,195)	(11,595)	(11,595)	(11,595)	(11,595)
Interest Expense	(2,023)	(3,984)	(5,911)	(7,832)	(9,754)	(11,676)
Other Holding Expenses Less Rents <i>(if Any)</i>	803	1,606	2,409	3,212	4,015	4,818
Original Cost of Property	(205,000)	(205,000)	(205,000)	(205,000)	(205,000)	(205,000)
<b>Taxable Gain (Loss) on Property Sale</b>	<b>\$ 63,755</b>	<b>\$ 59,497</b>	<b>\$ 57,973</b>	<b>\$ 56,855</b>	<b>\$ 55,736</b>	<b>\$ 54,617</b>
Combined Federal & State Tax Rate	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%
<b>Tax (Expense) Benefit from Sale</b>	<b>(21,677)</b>	<b>(20,229)</b>	<b>(19,711)</b>	<b>(19,331)</b>	<b>(18,950)</b>	<b>(18,570)</b>

# Financial Graphs

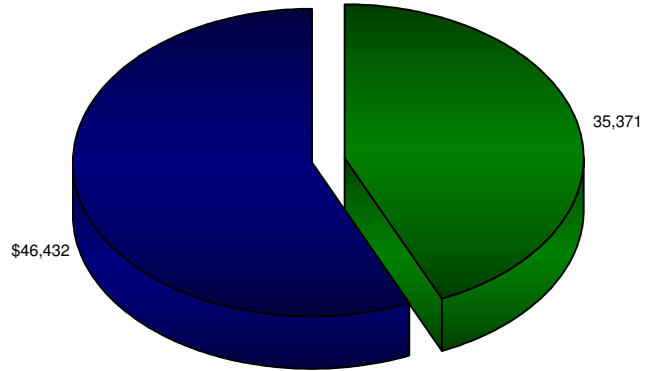


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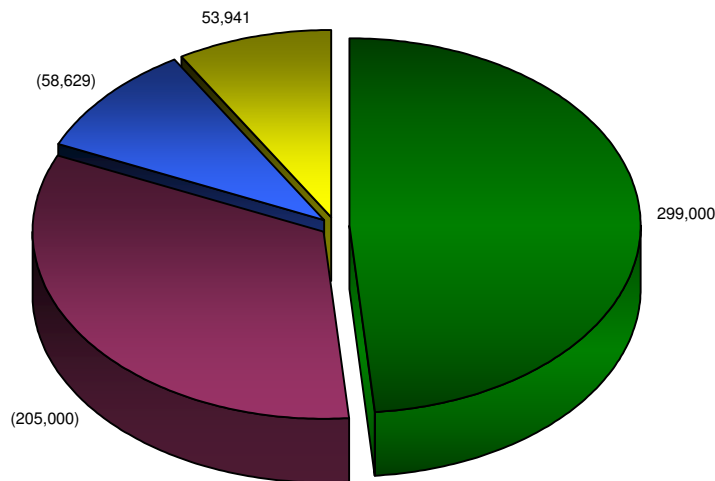
- Sales Expense \$-20930
- Rehab Costs \$-11595
- Interest Expense
- Other Expenses \$-882
- Rental Income \$5700
- Income Taxes \$-18569.70605



- Profit Potential
- Cash Needed



- Repair Value \$299000
- Purchase Price \$-205000
- All Costs \$-58629
- Potential Profit \$53941



# Prospective Partner Investment

**Dan Johnson**



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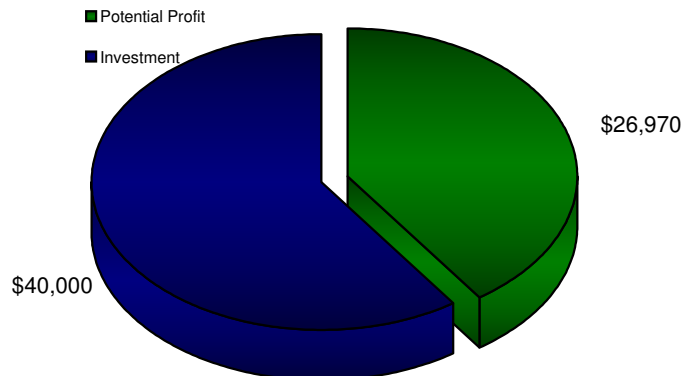
**50.00% Equity Interest**  
**0.00% Preferred Return**  
**\$ 40,000 Investment**

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Partner Profit Share	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Before-Tax Projected Cash from Sale	\$ 115,005	\$ 110,646	\$ 108,982	\$ 107,718	\$ 106,455	\$ 105,191
Return of Capital	(51,250)	(51,250)	(51,250)	(51,250)	(51,250)	(51,250)
Before-Tax Profit (Loss)	63,755	59,396	57,732	56,468	55,205	53,941
<b>Net Distributable Cash/Profit</b>	<b>\$ 63,755</b>	<b>\$ 59,396</b>	<b>\$ 57,732</b>	<b>\$ 56,468</b>	<b>\$ 55,205</b>	<b>\$ 53,941</b>
Managing Partner's Profit Share	(31,877)	(29,698)	(28,866)	(28,234)	(27,602)	(26,970)
<b>Dan Johnson's Share of Profits</b>	<b>\$ 31,877</b>	<b>\$ 29,698</b>	<b>\$ 28,866</b>	<b>\$ 28,234</b>	<b>\$ 27,602</b>	<b>\$ 26,970</b>

## Cash to Dan Johnson

Dan Johnson's Share of Profits	31,877	29,698	28,866	28,234	27,602	26,970
Dan Johnson's Return of Capital	40,000	40,000	40,000	40,000	40,000	40,000
<b>Total Cash to Dan Johnson</b>	<b>\$ 71,877</b>	<b>\$ 69,698</b>	<b>\$ 68,866</b>	<b>\$ 68,234</b>	<b>\$ 67,602</b>	<b>\$ 66,970</b>
<b>Dan Johnson's Cash on Cash Return</b>	<b>79.7%</b>	<b>74.2%</b>	<b>72.2%</b>	<b>70.6%</b>	<b>69.0%</b>	<b>67.4%</b>



Investment Period is Six Months

# Sales Comparables

**1**

**220 Cotton Field Ct  
Decatur, GA**

Sales Date	August 31, 2010
Sales Price	\$ 429,000
Year Built	2001
Bedrooms	5
Bathrooms	3
Square Footage	4,500



**2**

**101 Field Crest St  
Decatur, GA**

Sales Date	August 31, 2010
Sales Price	\$ 389,000
Year Built	2005
Bedrooms	5
Bathrooms	3
Square Footage	4,650



**3**

**4522 Moreland Sr  
Decatur, GA**

Sales Date	6/31/2010
Sales Price	\$ 525,000
Year Built	2000
Bedrooms	5
Bathrooms	3
Square Footage	3,950



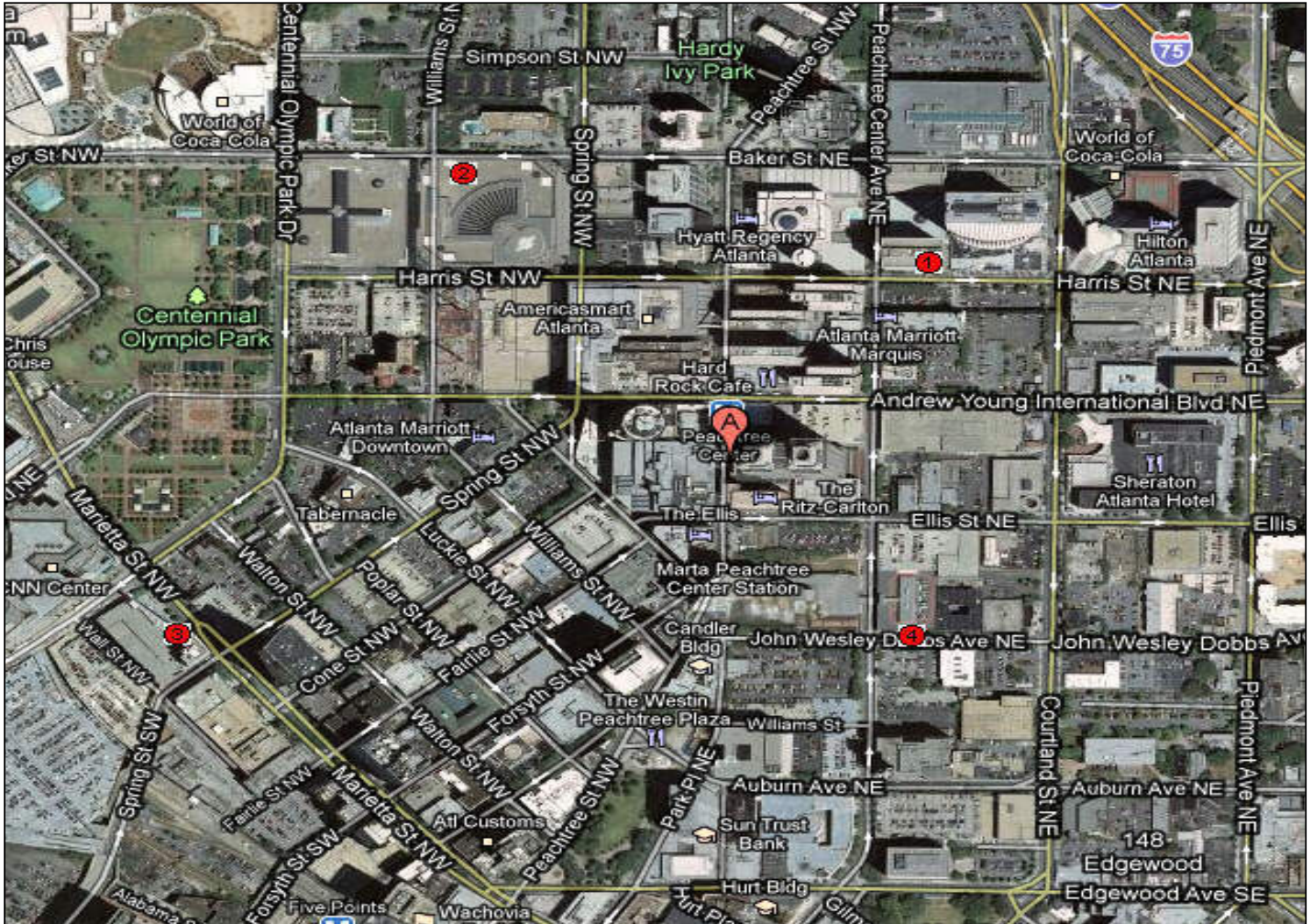
**4**

**133 Church St  
Decatur, GA**

Sales Date	September 30, 2010
Sales Price	\$ 455,000
Year Built	2003
Bedrooms	6
Bathrooms	3
Square Footage	5,200



# Comparables Map



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Notes....

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# About Us



## Jeffrey Sandford

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**Sandford Realty Group's mission has been to work with those owners of investment real estate who have pride in their property and intend to operate them for long term profit by ensuring stability and growth for the future for over 20 years. By working closely with each client to develop a management plan that meets their objectives, Sandford Realty Group ensures and preserves maximum value and income. The central points of our strategy are:**

**Providing a clean, well-maintained property for lease or for sale.**

**Marketing the highest price for the rental or sale product based on current market conditions.**

**Attracting the best qualified purchase or rental prospects for the property.**

**Developing long-term tenancies for rental properties, to minimize turnover and minimize vacancy expense.**

**Our experience and attention to detail make us the perfect choice for the owners of income producing real estate and those who rent or purchase from them.**

**Sandford Realty Group, headquartered in Atlanta, GA, is a full service real estate firm specializing in commercial and apartment brokerage services, corporate real estate consultation, construction, development management, and property and facilities management.**

**Sandford Realty Group manages more than 14 million square feet of commercial and apartment facilities and had an annual transaction volume of approximately \$50 million in 2009. The firm has more than 110 employees in 5 regional offices throughout the southeastern United States.**