



3653 Chestnut Lake Ct, Henry County (Fin)

3653 Chestnut Lake Ct
Jonesboro, GA 30236

Presented by:

IPS Invest (Pty) Ltd
27 Willie Van Schoor Drive
Bellville, Cape Town, Western Cape 7530

Office: +27 21 9482130
www.ipsinvest.com



Overview

3653 Chestnut Lake Ct, Henry County (Fin)

3653 Chestnut Lake Ct
Jonesboro, GA 30236



+27 21 9482130

www.ipsinvest.com

Purchase Info

Square Feet	1 800
Purchase Price	US\$123 000
Initial Cash Invested	US\$66 575

Income Analysis

	Monthly	Annual
Net Operating Income	US\$678	US\$8 136
Cash Flow	(US\$60)	(US\$721)

Financial Metrics

Cap Rate (Purchase Price)	6.6%
Cash on Cash Return (Year 1)	-1.1%
Internal Rate of Return (Year 10)	10.0%
Sale Price (Year 10)	US\$220 274



Purchase Analysis

3653 Chestnut Lake Ct, Henry County (Fin)

3653 Chestnut Lake Ct
Jonesboro, GA 30236

+27 21 9482130



www.ipsinvest.com

Purchase Info	
Purchase Price	US\$123 000
- First Mortgage	(US\$61 500)
- Second Mortgage	(US\$0)
= Downpayment	US\$61 500
+ Buying Costs	US\$5 075
+ Initial Improvements	US\$0
= Initial Cash Invested	US\$66 575
Square Feet	1 800
Cost per Square Foot	US\$68
Monthly Rent per Square Foot	US\$0.56

Mortgages	First	Second
Loan-To-Cost Ratio	50%	0%
Loan-To-Value Ratio	50%	0%
Loan Amount	US\$61 500	US\$0
Loan Type	Amortizing	
Term	15 Years	
Interest Rate	12%	
Payment	US\$738.10	US\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	10.2
Operating Expense Ratio	32.2%
Debt Coverage Ratio	0.92
Cap Rate (Purchase Price)	6.6%
Cash on Cash Return	-1.1%

Assumptions	
Appreciation Rate	6.0%
Vacancy Rate	0.0%
Income Inflation Rate	2.0%
Expense Inflation Rate	2.0%
LTV for Refinance	70.0%
Selling Costs	US\$7 380

Income	Monthly	Annual
Gross Rent	US\$1 000	US\$12 000
Vacancy Loss	(US\$0)	(US\$0)
Operating Income	US\$1 000	US\$12 000

Expenses (% of Income)	Monthly	Annual
Insurance (3%)	(US\$33)	(US\$395)
Management Fees (10%)	(US\$100)	(US\$1 200)
Taxes (16%)	(US\$156)	(US\$1 870)
Association Fees (0%)	(US\$0)	(US\$0)
Landlord protection plan (3%)	(US\$33)	(US\$399)
Operating Expenses (32%)	(US\$322)	(US\$3 864)

Net Performance	Monthly	Annual
Net Operating Income	US\$678	US\$8 136
- Mortgage Payments	(US\$738)	(US\$8 857)
- Year 1 Improvements	(US\$0)	(US\$0)
= Cash Flow	(US\$60)	(US\$721)

Buy and Hold Projection

3653 Chestnut Lake Ct, Henry County (Fin)

3653 Chestnut Lake Ct
Jonesboro, GA 30236



+27 21 9482130

www.ipsinvest.com

Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Gross Rent	US\$12 000	US\$12 240	US\$12 485	US\$12 989	US\$14 341	US\$17 482	US\$21 310
Vacancy Loss	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)
Operating Income	US\$12 000	US\$12 240	US\$12 485	US\$12 989	US\$14 341	US\$17 482	US\$21 310

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Insurance	(US\$395)	(US\$403)	(US\$411)	(US\$428)	(US\$472)	(US\$575)	(US\$701)
Management Fees	(US\$1 200)	(US\$1 224)	(US\$1 248)	(US\$1 299)	(US\$1 434)	(US\$1 748)	(US\$2 131)
Taxes	(US\$1 870)	(US\$1 907)	(US\$1 946)	(US\$2 024)	(US\$2 235)	(US\$2 724)	(US\$3 321)
Association Fees	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)
Landlord protection plan	(US\$399)	(US\$407)	(US\$415)	(US\$432)	(US\$477)	(US\$581)	(US\$709)
Operating Expenses	(US\$3 864)	(US\$3 941)	(US\$4 020)	(US\$4 183)	(US\$4 618)	(US\$5 629)	(US\$6 862)

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	US\$8 136	US\$8 299	US\$8 465	US\$8 807	US\$9 723	US\$11 853	US\$14 448
- Mortgage Payments	(US\$8 857)	(US\$8 857)	(US\$8 857)	(US\$8 857)	(US\$8 857)	(US\$0)	(US\$0)
- Improvements	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)	(US\$0)
= Cash Flow	(US\$721)	(US\$558)	(US\$393)	(US\$51)	US\$866	US\$11 853	US\$14 448
Cap Rate (Purchase Price)	6.6%	6.7%	6.9%	7.2%	7.9%	9.6%	11.7%
Cap Rate (Market Value)	6.2%	6.0%	5.8%	5.4%	4.4%	3.0%	2.0%
Cash on Cash Return	-1.1%	-0.8%	-0.6%	-0.1%	1.3%	17.8%	21.7%
Return on Equity	-1.0%	-0.7%	-0.4%	-0.0%	0.5%	3.0%	2.0%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	US\$130 380	US\$138 203	US\$146 495	US\$164 602	US\$220 274	US\$394 478	US\$706 449
- Loan Balance	(US\$59 939)	(US\$58 180)	(US\$56 197)	(US\$51 446)	(US\$33 182)	(US\$0)	(US\$0)
= Equity	US\$70 441	US\$80 023	US\$90 298	US\$113 155	US\$187 092	US\$394 478	US\$706 449
Loan-to-Value Ratio	46.0%	42.1%	38.4%	31.3%	15.1%	0.0%	0.0%
Potential Cash-Out Refi	US\$31 327	US\$38 562	US\$46 349	US\$63 775	US\$121 010	US\$276 134	US\$494 515

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	US\$70 441	US\$80 023	US\$90 298	US\$113 155	US\$187 092	US\$394 478	US\$706 449
- Selling Costs	(US\$7 823)	(US\$8 292)	(US\$8 790)	(US\$9 876)	(US\$13 216)	(US\$23 669)	(US\$42 387)
= Proceeds After Sale	US\$62 618	US\$71 731	US\$81 508	US\$103 279	US\$173 876	US\$370 809	US\$664 062
+ Cumulative Cash Flow	(US\$721)	(US\$1 280)	(US\$1 672)	(US\$1 946)	US\$515	US\$64 825	US\$197 204
- Initial Cash Invested	(US\$66 575)	(US\$66 575)	(US\$66 575)	(US\$66 575)	(US\$66 575)	(US\$66 575)	(US\$66 575)
= Net Profit	(US\$4 678)	US\$3 876	US\$13 261	US\$34 758	US\$107 816	US\$369 059	US\$794 691
Internal Rate of Return	-7.0%	2.9%	6.2%	8.7%	10.0%	10.0%	9.7%
Return on Investment	-7%	6%	20%	52%	162%	554%	1 194%

Graphs

3653 Chestnut Lake Ct, Henry County (Fin)

3653 Chestnut Lake Ct

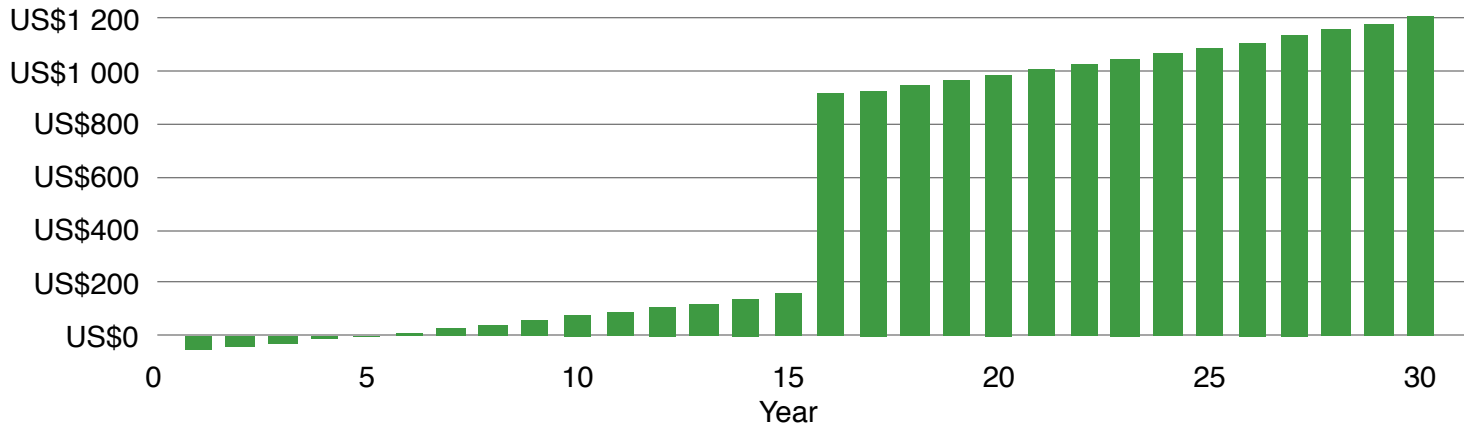
Jonesboro, GA 30236



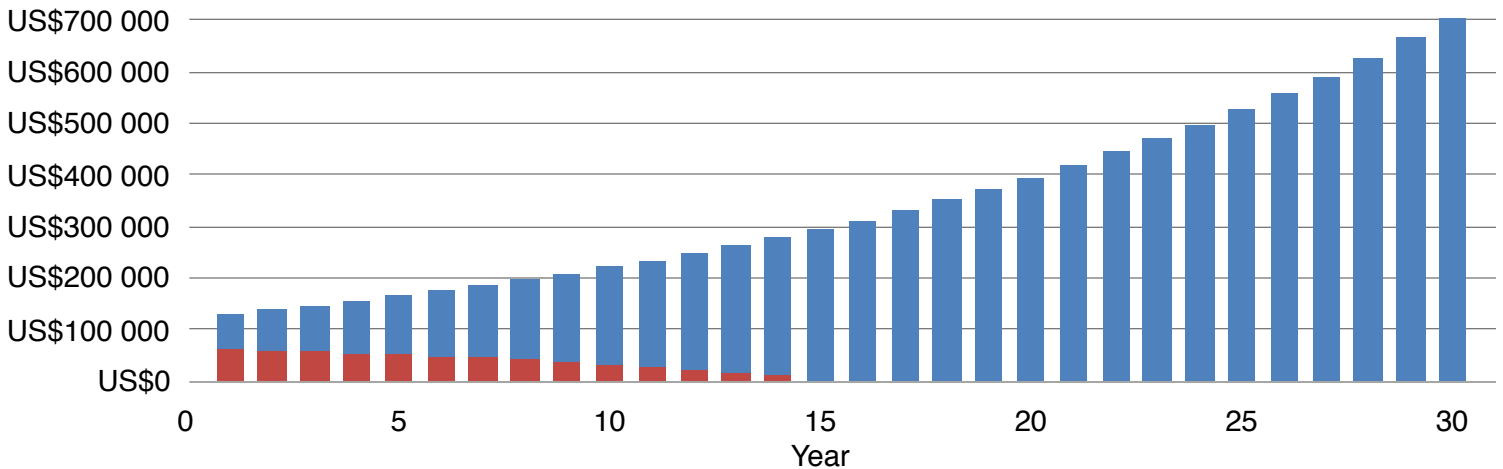
+27 21 9482130

www.ipsinvest.com

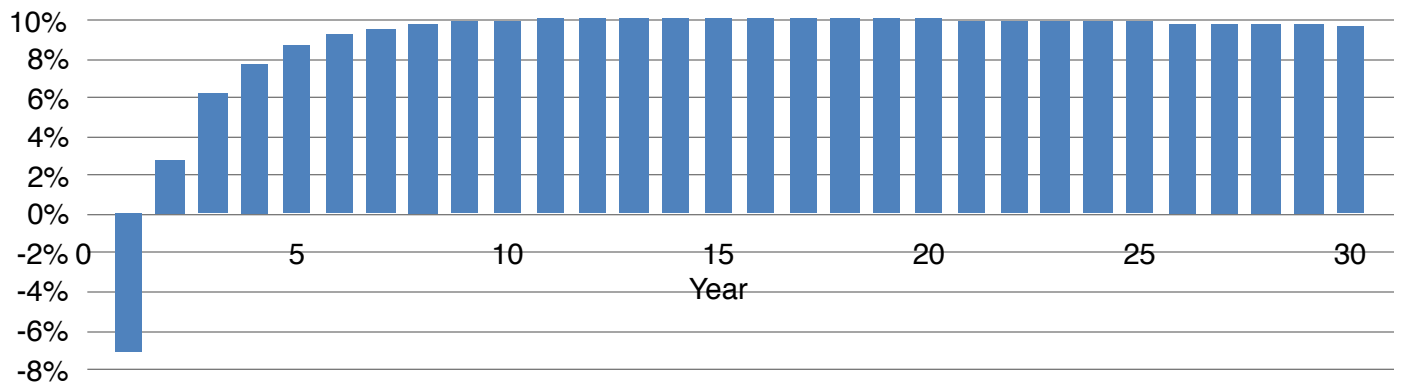
Monthly Cash Flow



■ Loan Balance + ■ Equity = Market Value



Internal Rate of Return (IRR)



Itemized Closing Costs

3653 Chestnut Lake Ct, Henry County (Fin)
3653 Chestnut Lake Ct
Jonesboro, GA 30236



+27 21 9482130

www.ipsinvest.com

Buying Costs

Loan Origination Fee	US\$3 075
Recording Fee	US\$2 000
Total	US\$5 075