

Investment Return Example

This is an example of a property that was purchased in Texas:

\$200,000 down payment on a \$1,200,000 64 unit apartment complex
\$ 10,000/month income after 3 months (improvements captured first \$20K)
\$120,000/yield 1st year

CBA Project

\$100,000 Initial cash out of pocket - can be procured by re-financing existing home
\$ 5,000 CBA to get started
\$ 30,000 10% down on property (property \$300,000)
\$ 7,500 plans
\$ 7,500 engineering
\$ 3,500 soils & erosions
\$ 65,000 50% to mill for materials (2,000 sq ft house)
\$118,500

Project duration: 6 to 9 months

The Process:

Day 1	Make the offer
Day 7	Submit plans to loan officer
Day 14	Plans approved
	Materials deposit to mill
Day 60	Foundation begins
	Announce For Sale sign at Realtor Weekly meetings
Day 180	Sell as complete for appraised value

\$850,000

Cost of home **\$650,000**

\$200,000 Net profit in 6 - 9 months

Average Selling Price of a 3 bedroom 2 bath 2,000 square foot home

Castro Valley, Concord, Fremont, Los Gatos, Pleasanton, San Jose, San Ramon, Walnut Creek

\$850,000