

Initial Release

10 Cash Flow Townhomes

Clermont, Florida (Orlando)

From \$89,900



December 20, 2011

Investment Summary

This community is located seven miles directly west of Walt Disney World Resort, in the Silver Creek subdivision (Serenity at Silver Creek). The neighborhood is zoned for both short- and long-term rentals.

There are a total of 60 townhomes that were completed in 2007 and 2008 (a portion of the planned development), selling for the high-\$200s and low-\$300s.

27 townhomes did not sell due to the market down-turn (lack of financing for buyers) and are now available to investors at prices below the cost to build (approximately \$60 per square foot).

Since the halt of development in 2008, the local market has shown strong signs of stability with only 4 months of supply available, down from 16 months of inventory in 2009. Local prices have increased 9.5% year over year, creating a more builder-friendly environment.*

The developer is currently reviving property exteriors and grounds in preparation to re-launch development and sales of the project, with plans to deliver 60 new units in 2012, at over \$80 per square foot (approximately \$130,000 per unit).

BUY: Investors have the opportunity to purchase available townhomes with strong short-term appreciation potential due to increased sale prices on new development.

HOLD: Local property management is in place for a seamless ownership experience. All townhomes will be rented with 1-year leases, yielding net cash-on-cash returns at 7% annually.
Vacation rentals: Owners can opt to rent their property(s) as short-term rentals, offering the added flexibility of personal/family usage.

EXIT: Multiple exit strategies include: selling the property after new construction sales increase property values, refinancing, or simply holding long-term.

10 of the 27 townhomes are currently available at pre-development prices starting at \$89,900

* Based on all residential property sales within 10 miles of the subject property. Per the local MLS database, the average sold-price-per-foot for the six month period, June 2010 – November 2010, is \$79.97. The sold-price-per-foot for the same period, 2011, is \$87.60.

Property Profile



Townhomes built: 2008
Zoned: Residential; short-term rentals permitted

3-Bedrooms

3-Baths

Interior units: 1,497 Sq Ft

Exterior units: 1,504 Sq Ft

Unfurnished, includes all appliances (refrigerator, microwave, dishwasher, oven/range, washer and dryer)

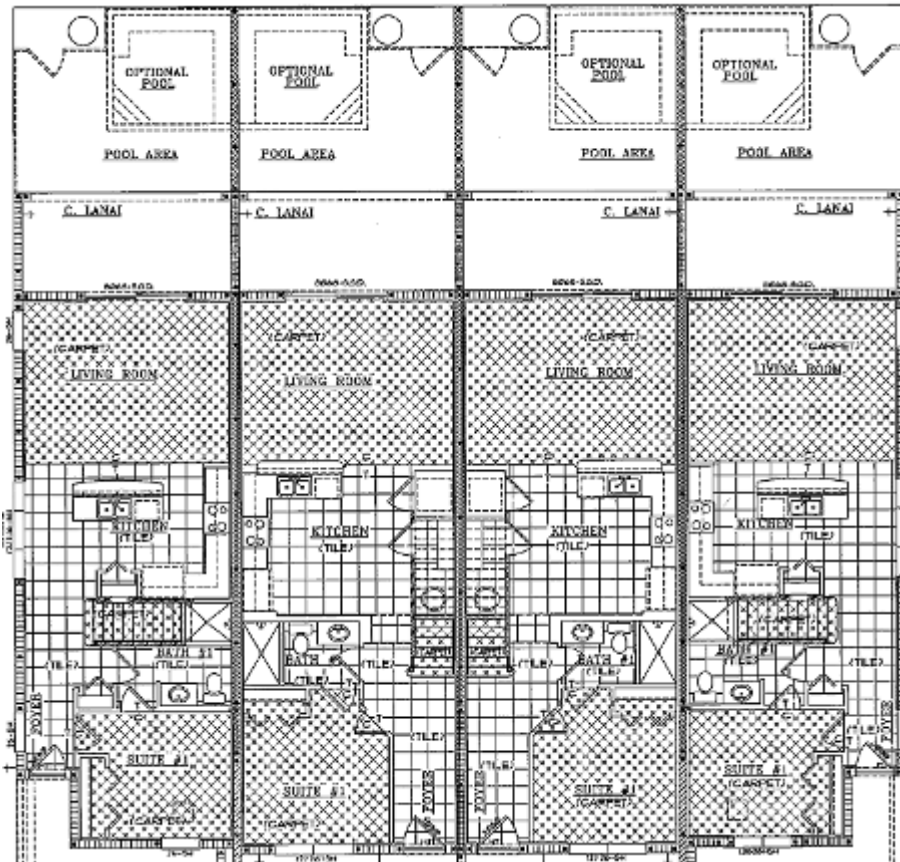
Private, screened lanais with heated splash pools

PROPERTY VIDEO: http://www.youtube.com/watch?v=nB5D-F1u_oU

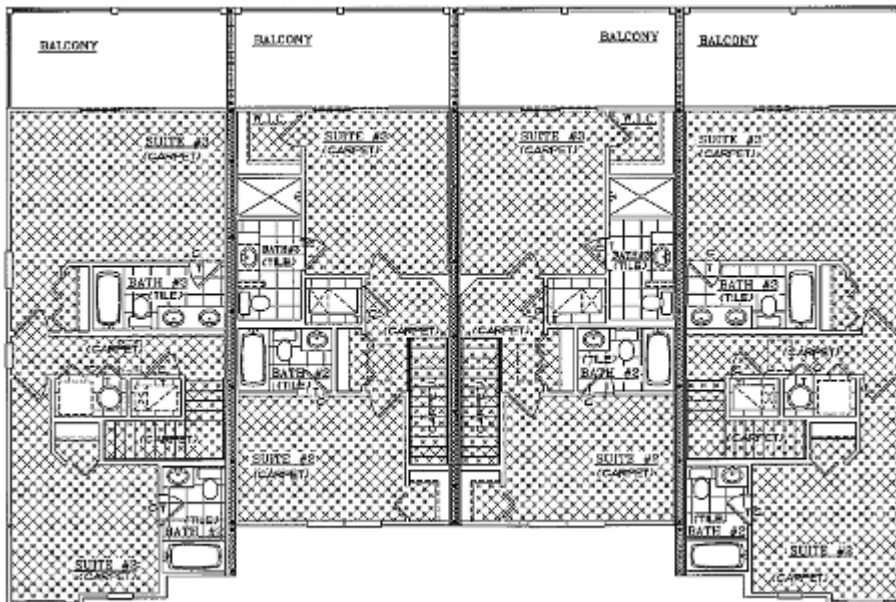
HOA Documents (.pdf download):

<http://dl.dropbox.com/u/27948290/HOA%20Docs%20-%20Serenity%20at%20Silver%20Creek.pdf>

Floor Plans



First Floor



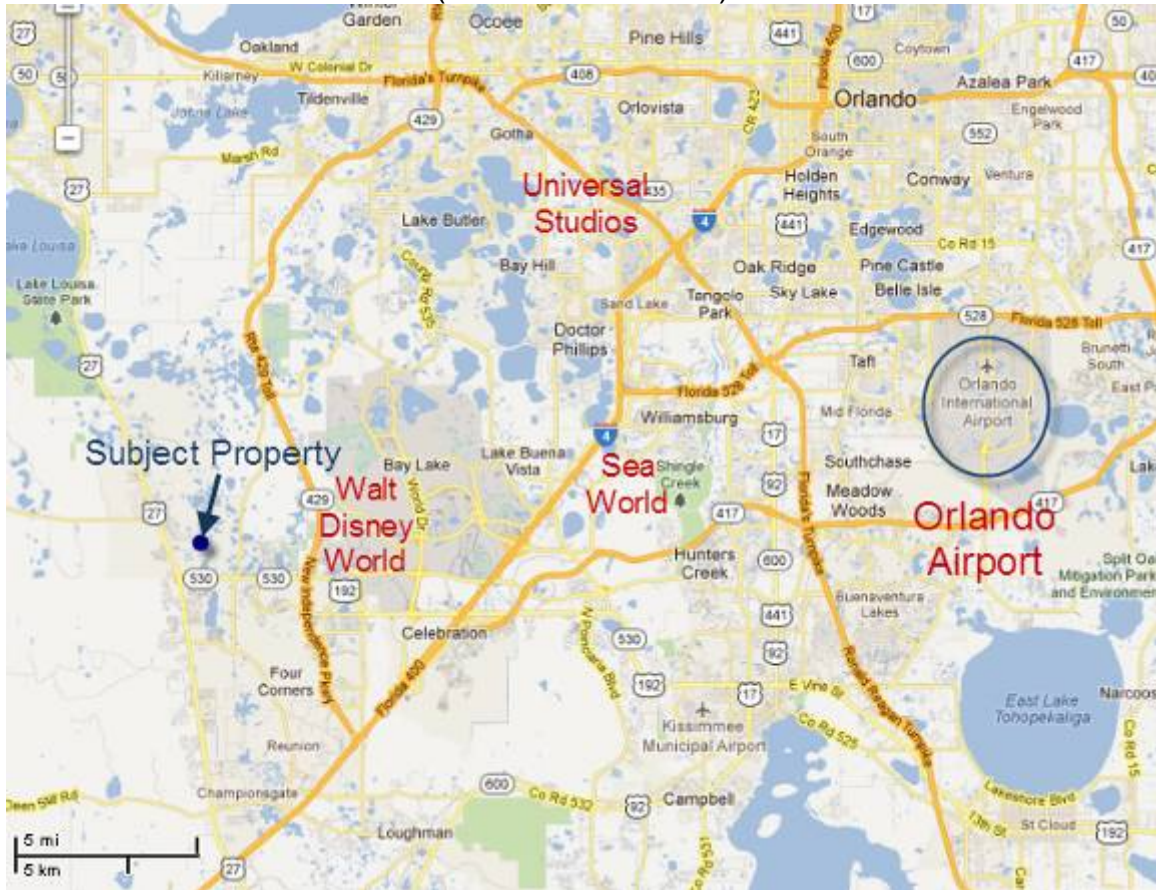
Second Floor

Property Plans (.pdf download):

<http://dl.dropbox.com/u/27948290/Floor%20Plans.pdf>

Location

(Southwest Orlando)



Walt Disney World: 7 miles

SeaWorld: 14 miles

Universal Studios: 32 miles

Orlando International Airport: 31 miles

Premium Outlet Center: 10 miles

Grocery shopping (Walmart Super Center): 1.5 miles

Florida Mall: 24 miles

Millenia Mall: 28 miles

Downtown Orlando: 30 miles

Available Properties



Individual Photos

1529



1531



1533



1535



1541



1543



1545



1547



1544



1548



Silver Creek Townhomes - Initial Release
12/20/2011

| Address | City | ST | Zip | Price | Monthly Rent | Annual Gross Rent | Annual Prop Mgt (10%) | Annual Taxes | Annual Insurance | Annual HOA \$192 mo | Annual Total Expenses | Annual Net Income | Monthly Cash Flow |
|-------------------|----------|----|-------|-----------------|--------------|-------------------|-----------------------|--------------|------------------|---------------------|-----------------------|-------------------|-------------------|
| 1529 Still Drive* | Clermont | FL | 34714 | \$91,900 | \$960 | \$11,520 | \$1,152 | 1115 | 600 | 2304 | \$5,171 | \$6,349 | \$529 |
| 1531 Still Drive | Clermont | FL | 34714 | \$89,900 | \$940 | \$11,280 | \$1,128 | 1115 | 600 | 2304 | \$5,147 | \$6,133 | \$511 |
| 1533 Still Drive | Clermont | FL | 34714 | \$89,900 | \$940 | \$11,280 | \$1,128 | 1115 | 600 | 2304 | \$5,147 | \$6,133 | \$511 |
| 1535 Still Drive* | Clermont | FL | 34714 | \$91,900 | \$960 | \$11,520 | \$1,152 | 1115 | 600 | 2304 | \$5,171 | \$6,349 | \$529 |
| 1541 Still Drive | Clermont | FL | 34714 | \$91,900 | \$960 | \$11,520 | \$1,152 | 1115 | 600 | 2304 | \$5,171 | \$6,349 | \$529 |
| 1543 Still Drive | Clermont | FL | 34714 | \$89,900 | \$940 | \$11,280 | \$1,128 | 1115 | 600 | 2304 | \$5,147 | \$6,133 | \$511 |
| 1545 Still Drive | Clermont | FL | 34714 | \$89,900 | \$940 | \$11,280 | \$1,128 | 1115 | 600 | 2304 | \$5,147 | \$6,133 | \$511 |
| 1547 Still Drive | Clermont | FL | 34714 | \$91,900 | \$960 | \$11,520 | \$1,152 | 1115 | 600 | 2304 | \$5,171 | \$6,349 | \$529 |
| 1544 Still Drive | Clermont | FL | 34714 | \$89,900 | \$940 | \$11,280 | \$1,128 | 1115 | 600 | 2304 | \$5,147 | \$6,133 | \$511 |
| 1548 Still Drive | Clermont | FL | 34714 | \$91,900 | \$960 | \$11,520 | \$1,152 | 1115 | 600 | 2304 | \$5,171 | \$6,349 | \$529 |

* Currently rented at \$1,000 per month

Property Management



Fusilier Management Group (FMG), a local property management firm with over 100 properties under management, is available to optimize your townhome locally for ease of ownership.

FMG will handle **marketing, tenant screening, tenant placement, collection of rents, cash flow accounting, maintenance and repairs.**

Management fees are as follows:

Monthly management fee – 10% of rents collected
Tenant placement – 75% of first month's rent
Lease renewal – 15% of one month's rent

A sample Property Management Agreement is available upon request.

Landlords will have online access to monitor monthly cash flow statements. Rents are collected at the beginning of each month, with rental distributions paid by direct deposit (optional), to the owner's account between the 12th and 15th of each month.



For added **peace of mind**, Fusilier Management Group maintains accountability for strong tenant placement by offering an EVICTION GUARANTEE, meaning, FMG will assume all costs related to evicting a non-paying tenant.

Purchase Process and Form

Serenity at Silver Creek

Purchase Steps – AFTER CONFIRMING AVAILABILITY, complete this page and the next page and return it to your agent.

Step 1: Complete this Purchase form.

Step 2: Upon return of this completed Purchase form, you will receive a Purchase Agreement via email that can be electronically signed. Seller will also sign by electronic signature.

Step 3: Wire \$2,000 earnest money deposit (to be held in 3rd party escrow until closing).

Step 4: Upon Purchase Agreement execution and receipt of \$2,000 earnest deposit, the property will be pulled off the market and a home inspection will be ordered for the property (\$300 payment can be made by credit card).

Step 5: Upon removal of all purchase contingencies, you will be sent closing documents to be signed and returned by mail.

Step 6: After closing, property management will start marketing the property while grounds and building exteriors are refreshed.

Check the property(s) being purchased:

1529 Still Drive

Sale Conditions:

1531 Still Drive

All purchases are subject to availability. Properties will be marketed until a Purchase Agreement is signed by BOTH buyer and seller, at which time, said property will formally be off the market, per terms of the Purchase Agreement.

1533 Still Drive

1535 Still Drive

Seller will continue taking back-up contracts.

1541 Still Drive

For buyer's peace of mind, Purchase Agreements will be written SUBJECT TO buyer's approval of a home inspection (\$300, pre-paid) and property viewing (in the event buyer chooses to visit the property). Additionally, the seller will pay for a limited home warranty to cover major systems and appliances for the first 12-months of ownership.

1543 Still Drive

1545 Still Drive

1547 Still Drive

1544 Still Drive

1548 Still Drive

Sample Purchase Agreement (.pdf download):

<http://dl.dropbox.com/u/27948290/Sample%20Purchase%20Agreement%20-%20Silver%20Creek.pdf>

Initial release price: \$89,900 (interior units)
Initial release price: \$91,900 (exterior units)

Buyer 1, taking title as: _____

Circle one: Married or Single

Email: _____

Phone: _____

Address: _____

Buyer 2, taking title as: _____

Circle one: Married or Single

Email: _____

Phone: _____

Address: _____

Purchase price and estimated closing costs:

Purchase price: \$91,900

Initial deposit: \$2,000

Balance to close: \$89,900

Plus closing costs: \$1,250

2-months HOA: \$384

Property Management: \$300 (to be kept in escrow for emergency repairs)

Home Inspection: \$300 (pre-paid – per buyer's request)

Approximate Total: \$94,134