

LX Financial LLC

Investment Summary

Our file #	10455774
Date of issue:	13-Nov-19

Investment type:	Mortgage loan with profit share bonus. Exit in 6-12 months.
Purpose:	Purchase, rehab, and resale of a single family property Location: NJ 08046
Return on investment:	1% per month, plus 5% bonus paid at exit.
Security:	First mortgage and note, with personal guarantee
Additional security:	Deed In Lieu Of Foreclosure, allowing immediate transfer of the deed in case of default
Total investment:	\$150,500
Partial investment	Possible. Take all, or part in pari-passu.
Funding:	70% of Appraised Resale Value
Developer:	Experienced developer, property manager, and re-seller.
LX Financial history:	10+
Exit:	Resale. Refinance if no quick resale (See "Profitability & Exit Options" below)
Risk factors:	Market conditions, execution risks. Project may take longer than expected.
Note:	Developer believes the property will sell for \$230-250K

PROJECT DETAILS	
Type of property	SFD
Purchase price/current value	105,000
Project cost (excl. interest/profit shares)	47,179
Budget	152,179
Investment	150,500
Appraised Resale Value	215,000
Funding as % of Budget	99%
Funding as % of Appraised Resale Value	70%
Estimated project time (months)	6
Rents collected (months)	0
Cash flow	
Monthly rental value	2,000
Tax, insurance, maintenance	-798
Net monthly rental income	1,202

PROFITABILITY & EXIT OPTIONS (12 MONTHS)		
	Resale	Refinance
Price/value	215,000	215,000
Rental income, est.	0	0
Sales cost	-12,900	
Mortgage payouts	-186,620	-186,620
Dev. Investment	-1,679	-1,679
Refinance cost		-4,666
Developer return	13,801	22,035
Investor returns	27,090	27,090
Rental Income		2,000
Tax, insurance, exp.		-798
Net rental income		1,202
Est. bank mtg pmt		-1,011
Monthly cash flow		191

INVESTMENT STRUCTURE AND PROJECTED RETURN				
		Months	Return \$	Return %
		0	7,525	
Investment as a % of Budget	99%	1	9,030	72.0%
Investment as a % of Appraised Resale Value	70%	2	10,535	42.0%
Profit share bonus paid at exit, %	5.00%	3	12,040	32.0%
Monthly interest, %	1.00%	4	13,545	27.0%
		5	15,050	24.0%
Total Investment	150,500	6	16,555	22.0%
		7	18,060	20.6%
Profit share bonus, paid at exit	7,525	8	19,565	19.5%
Monthly payments, months 1-6, paid at exit	9,030	9	21,070	18.7%
Monthly payments, months 7-12	9,030	10	22,575	18.0%
12 month return	25,585	11	24,080	17.5%
		12	25,585	17.0%

Timing is important. Please let me know right away if you are interested. The information file will be ready shortly. Thanks, PL

Paul Luykx
 paul@lxfinancial.com
 www.lxfinancial.com