

1.0 Executive Summary

Real Estate Ventures ("REV") is a newly formed S-Corporation wholly owned by Steve and Linda Rogers for purposes of purchasing and owning income producing real estate. REV fills the void in the local Franklin, Tennessee rental housing market by providing clean, well cared for rental homes to well qualified tenants. Neither the homes nor the tenants are chosen on a hasty basis, but rather on purposeful, planned and methodical basis. The property selection process is rigorous and based on long term investment standards and tenants are personally evaluated by the owners. REV believes the key to successful property management is to be committed for the long term in **both** the property and tenant selection process.

The owners of REV are lifelong residents of the thriving Franklin, Tennessee area, a suburb of Nashville. Steve Rogers, an entrepreneur has owned his own company, ProStar Paints for 15+ years. Linda Rogers is a math teacher at Franklin Elementary. Both owners have access to additional sources of revenue to supplement expenses associated with the investment property. In addition to their outside revenue, the Rogers received a \$100,000 inheritance when Linda's mother passed away recently.

REV is purchasing their first investment property, a well maintained single family home located in the highly sought after Red Mill Estates subdivision. REV has a contract on the house and the sales price is \$107,500. The property is in need of some repair and maintenance (primarily cosmetic). REV will contract the work to a well known contractor that is personally known by REV for 15years. Steve Rogers will paint the property. It is estimated the repairs will take one month to complete at a cost of approximately \$10,000.

A tenant, known by the owners with excellent credit and references, has been located and is ready take occupancy the following month. She has provided a security deposit.

The owners of REV are requesting a \$53,750 commercial real estate loan to purchase the investment property. The credit facility will be based on 15 year amortization and have a loan to value ratio of 50%. The following business plan will provide a history of REV, its current and future plans, and its ability to repay this financial obligation.

1.1 Business Objectives

- Invest in quality well cared for properties that are priced within the local market range
- Locate only well qualified tenants, desiring to lease long term
- Generate passive income

1.2 Mission Statement

REV's goal is to invest in quality – both in its properties and in its tenants. One of the largest mistakes made by new real estate investors is in poor property selection. Even worse is their tenant selection process, often with little or no background and credit checks. At REV, the owners are extremely devoted to their business and their