



Business Strategy

Capable Home Buyers

An EAS Investment Group, LLC business in Virginia

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Business Strategy

Capable Home Buyers (CHB) is a Virginia based Real Estate investment company that provides turnkey solutions in the Hampton Roads, Virginia market.

CHB focuses on acquiring distressed properties and disposing via 2 exit strategies.

CHB profits by acquiring the right properties and adding value to the property to maximize the disposal price.

Purchasing Properties

CHB purchases under performing and/or distressed properties through a multitude of avenues including;

- People who need to sell quickly for any reason;
- Complicated circumstances such as property seizures, probate or an ugly divorce;
- Properties that need urgent repairs;
- Property owners fed up with dealing with bad tenants or constantly having vacancies;
- Foreclosures;
- Bank and Government Auctions;
- People relocating for work or other personal reasons;
- People who just can't sell their properties after having them listed for long periods of time.

CHB Exit Strategy

Sell the property outright on the market is the first method used to dispose of properties. This method provides a quick profit, repays the investor quickly and provides a cash injection to the business.

The second method is to dispose of the property via Seller Finance where CHB takes the position of the bank. CHB identifies the buyer and sells the property via a land contract. Title is retained by CHB until the 30-year mortgage is fully paid. At final payment, title is transferred to the buyer.

Basically, the tenant/buyer makes a down payment (generally \$10,000) and then pays the balance via a 30 year mortgage at the going interest rate - 6% at time of writing.



Financing

All purchases and any refurbishments (rehab) that may be required to any properties are financed through Private Lenders. Money is sought through accredited investors that apply to invest with CHB.

CHB utilizes investors money for all transactions to do with real estate including;

- Purchase a property
- Rehab a property
- Dispose of the property 1. Sell outright or 2. Seller Financing.

The amounts Private Lenders provide vary from as little as \$20,000 and can be as high as \$400,000+.

Private Lenders can decide if they wish to invest for a short, medium or long term and negotiate their return. The minimum investment term is 6 months.

As CHB typically works in the median price ranges in the Hampton Roads area, typical property purchase and rehab amounts combined, average \$200,000 - \$250,000.

Please refer to the Average Home Prices section below for more details on the market areas.

Every single investment provided by a private lender to CHB is supported with a legally prepared and binding Promissory Note and a Mortgage/Security Agreement that includes the Real Estate as Security. Further, the investor is listed on the property insurance as an interested party.

Disbursements of Moneys are managed through third party Title Agents and/or Attorneys. Loan moneys are never sent directly to CHB and CHB will never request or accept moneys directly from a lender without it being fully documented and secured by Real Estate. The moneys are sent to title company/attorney escrow accounts and the third party distributes moneys as directed after supporting documentation has been executed.

Protecting our investors is our number one priority. Although investing in general and investing in real estate has risks, CHB works very hard to make sure our investors are protected and do not lose money. We cannot promise or make any guarantees but we deliver on our promissory notes and will do everything in our power to make sure an investor will not lose money.

Every property is adequately insured from the day of acquisition to the day of disposal. Insurance is purchased individually for each property.

Monthly payments received include; Taxes, Insurance and any other property related costs such as HOA. These costs are all managed by CHB by placing the allocated amount into escrow accounts and paying the bills when they are due, individually for each property. This form of management is designed to ensure property occupants are never inconvenienced by a disruption in services and investors are protected against liens on the property.

Hampton Roads, Virginia – Overview

The land area includes a collection of cities, counties, and towns on the Virginia Peninsula and in South Hampton Roads. Some of the outlying areas further from the harbor may or may not be included as part of "Hampton Roads", depending upon the organization or usage. For example, as defined for federal economic purposes, the Hampton Roads metropolitan statistical area (MSA) includes two counties in northeastern North Carolina and two counties in Virginia's Middle Peninsula. The Virginia Beach–Norfolk–Newport News, VA–NC MSA has a population of over 1.7 million, making it the 37th-largest metropolitan area in the United States. The Combined Statistical Area includes four additional counties in North Carolina, pushing the regional population to over 1.8 million residents, the 32nd largest CSA in the country.



The area is home to hundreds of historical sites and attractions. Creating and maintaining adequate infrastructure has long been a major challenge. The Hampton Roads Bridge–Tunnel (HRBT), the Monitor–Merrimac Memorial Bridge–Tunnel (MMMBT) and the Chesapeake Bay Bridge–Tunnel (CBBT) are major harbor crossings of the Hampton Roads Beltway interstate, which links the large population centers of Hampton Roads.

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The military has a large presence in the region with 17 independent bases, resulting as a very major employer in the area. Army, Navy, Air Force, Coast Guard and Intelligence all have bases in the area. Area military facilities include; Langley Air Force Base, NASA's Langley Research Center, Norfolk Naval Shipyard and Camp Perry.

Hampton Roads is home to four Fortune 500 companies. Representing the food industry, transportation, retail and shipbuilding.

Almost 80% of the region's economy is derived from federal sources. This includes the large military presence, but also NASA and facilities of the Departments of Energy, Transportation, Commerce and Veterans Affairs. The region also receives a substantial impact in government student loans and grants, university research grants, and federal aid to cities.

The Hampton Roads area has the largest concentration of military bases and facilities of any metropolitan area in the world. Nearly one-fourth of the nation's active-duty military personnel are stationed in Hampton Roads, and 45% of the region's \$81B gross regional output is Defense-related.

Higher Education has a large presence in the area including; Public universities, Private universities, Universities with satellite campuses, University consortia including The National Institute of Aerospace (NIA), Technical education and Religious education.

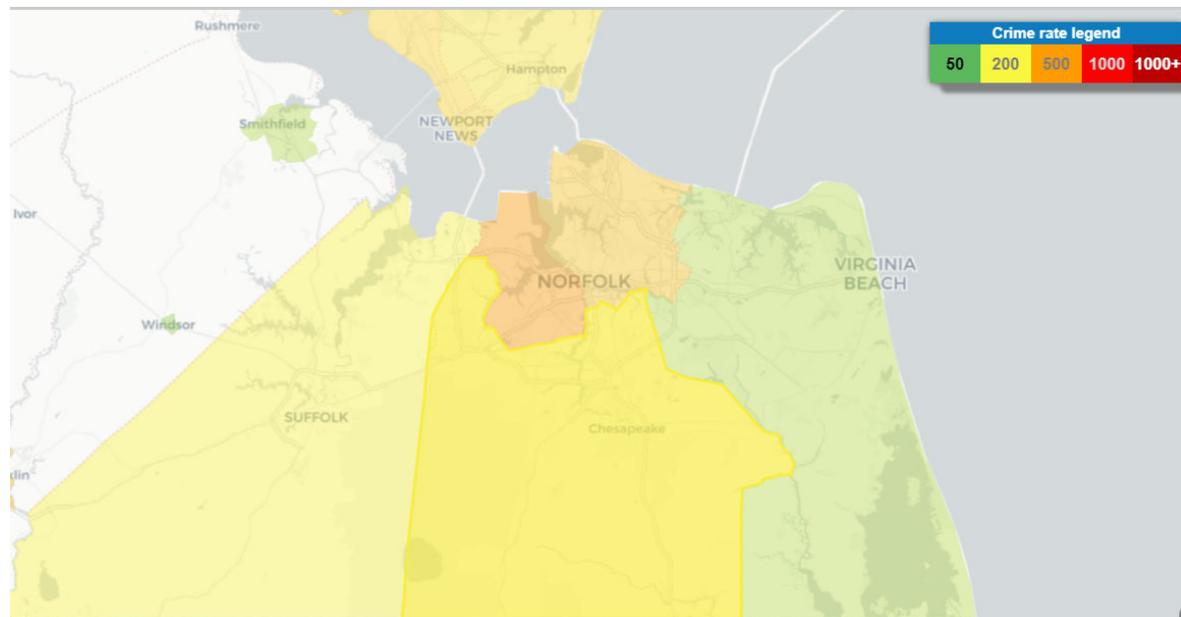
Source: extracts from https://en.wikipedia.org/wiki/Hampton_Roads - October 2019

Crime Rates

Include; Murders, Rapes, Robberies, Assaults, Burglaries, Thefts, Auto Thefts and Arson.

The 2017 crime rate in Chesapeake, VA is 225 (City-Data.com crime index), which is 1.2 times smaller than the U.S. average. It was higher than in 70.3% U.S. cities. The 2017 Chesapeake crime rate fell by 5% compared to 2016. The number of homicides stood at 11 - a decrease of 3 compared to 2016. In the last 5 years Chesapeake has seen increasing violent crime and decreasing property crime.

See how dangerous Chesapeake, VA is compared to nearest cities:



Read more: <http://www.city-data.com/crime/crime-Chesapeake-Virginia.html>



Virginia Beach Tourism

The Virginia Beach Convention and Visitors Bureau announced Virginia Beach set a new tourism milestone for total visitors and visitor spending in 2017, welcoming 19 million domestic visitors who spent \$2.45 billion. Visitor arrivals grew for the eighth consecutive year with a 7.34 percent increase from 17.7 million visitors in 2016. Since 2009, visits to Virginia Beach increased by 38 percent, which is 13 percent above the national growth rate, due to strategic marketing efforts and positive visitor experience, according to Longwoods International's Travel USA study.



"Record-breaking arrivals and spending is a testament of the strength of our tourism sector and the values of our city," said Brad Van Dommelen, director of the Virginia Beach Convention and Visitors Bureau. "We are fortunate that Virginia Beach is committed to our tourism product, which will keep us competitive and allow us to continue to grow arrivals and visitor spending, ultimately boosting the city's economy to greater heights."

Of the 19 million people who visited Virginia Beach last year, 8.9 million were day visitors (a nearly 10 percent increase from 2016), 10.1 million were overnight visitors to the area (up 5 percent from the previous year), and of the 10.1 million, 7.4 million stayed overnight in Virginia Beach. Overnight visitors spent \$1.92 billion and day visitors spent \$539 million, a 6 percent and 7 percent increase respectively.

Source: Virginia Beach Convention and Visitors Bureau – Monday, July 23, 2018

Great opportunity for AIRBNB Investment for any interested investors.



Average Home Prices – Hampton Roads, Virginia

Chesapeake

The median home value in Chesapeake is \$267,500. Chesapeake home values have gone up 2.6% over the past year and Zillow predicts they will rise 1.9% within the next year. The median list price per square foot in Chesapeake is \$148, which is higher than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Chesapeake is \$325,000 while the median price of homes that sold is \$255,800. The median rent price in Chesapeake is \$1,595, which is higher than the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019

Virginia Beach

The median home value in Virginia Beach is \$270,600. Virginia Beach home values have gone up 2.9% over the past year and Zillow predicts they will rise 1.7% within the next year. The median list price per square foot in Virginia Beach is \$169, which is higher than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Virginia Beach is \$317,000 while the median price of homes that sold is \$264,800. The median rent price in Virginia Beach is \$1,500, which is higher than the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019

Portsmouth

The median home value in Portsmouth is \$159,800. Portsmouth home values have gone up 6.0% over the past year and Zillow predicts they will rise 2.4% within the next year. The median list price per square foot in Portsmouth is \$111, which is lower than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Portsmouth is \$164,900 while the median price of homes that sold is \$156,800. The median rent price in Portsmouth is \$1,200, which is lower than the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019

Norfolk

The median home value in Norfolk is \$191,400. Norfolk home values have gone up 3.5% over the past year and Zillow predicts they will rise 1.7% within the next year. The median list price per square foot in Norfolk is \$143, which is lower than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Norfolk is \$220,000 while the median price of homes that sold is \$195,500. The median rent price in Norfolk is \$1,400, which is the same as the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019



Newport News

The median home value in Newport News is \$180,500. Newport News home values have gone up 2.7% over the past year and Zillow predicts they will rise 1.3% within the next year. The median list price per square foot in Newport News is \$124, which is lower than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Newport News is \$191,000 while the median price of homes that sold is \$174,300. The median rent price in Newport News is \$1,215, which is lower than the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019

Hampton

The median home value in Hampton is \$167,800. Hampton home values have gone up 2.0% over the past year and Zillow predicts they will rise 0.5% within the next year. The median list price per square foot in Hampton is \$118, which is lower than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Hampton is \$185,000 while the median price of homes that sold is \$165,400. The median rent price in Hampton is \$1,200, which is lower than the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019

Suffolk

The median home value in Suffolk is \$238,300. Suffolk home values have gone up 3.4% over the past year and Zillow predicts they will rise 2.4% within the next year. The median list price per square foot in Suffolk is \$136, which is lower than the Virginia Beach-Norfolk-Newport News Metro average of \$147. The median price of homes currently listed in Suffolk is \$290,000 while the median price of homes that sold is \$241,900. The median rent price in Suffolk is \$1,625, which is higher than the Virginia Beach-Norfolk-Newport News Metro median of \$1,400.

Source: Zillow.com - October 2019