



Now is a great time to invest in the USA market, this booklet is designed to let you know how we can benefit from the current bargains available!

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1. Investment Overview

The credit crunch has had a huge affect on the US and has cost millions of jobs and many blue chip companies have needed billions in rescue aid. This has led to an unprecedented number of people having their homes repossessed, with few Americans wanting to invest in the market. This in turn has led to spectacular bargains to be had for the savvy investor, with these properties now being available at around 50-70% below market value.

You might think that this surely is a bad thing, however, with the election of Barack Obama there is a new sense of confidence from the American people. The USA can and will reinvent itself and continue to take the main role on the world stage in terms of raw economic might. The economic plans are being put into motion right now, but there is still a limited time to take advantage of this present situation, and cash in on these excellent deals.

Currently our focus has shifted to Detroit, because there are billions of US dollars flowing into this city and at the same time a huge untapped demand for quality accommodation.

We are sourcing through our key contacts incredible properties.

- Significantly below market value
- Totally refurbished to an approved specification and are rent ready!
- Our 3rd party contacts on the ground will find you a tenant and you will benefit from rental yields of up to 25%.
- Low cash outlays from £27500 to own a property outright!

These kinds of deals will not be around for long and high net worth individuals such as Donald Trump are already buying large amounts which is pushing prices up.



2. Expenditure Breakdown

While each State in the US conducts real estate transaction to their own guidelines, the overall purchase process surround buying a property in the US still quite similar to the UK. For the State of Michigan, your transaction will be conducted with the assistance of a US Lawyer and UK Lawyer working on your behalf.

Once the purchase has “closed”(Completed) each property is registered in the name of your choice. After closing you will then receive a Warranty Dee, Free and Clear Title, Title Insurance and all related legal documentation.

Stage 1: Securing/ Pre Closing from the bank (Expenditure based on a 3 bed house £24500)

- Property Secure Fee Through 3rd Parties £2450
- Ahuja Group Fee £3000

Stage 2: Final Payment to conclude the transaction with all the work listed below completed

Closing balance plus fees and charges paid as per below £22050

- Title Charges Cleared
- City Tax
- Recording Tax
- Title Insurance Fee
- Bank Charges
- 1st Year Summer Tax
- 1st Year Winter Tax
- Connection of Utilities
- Refurbishment of Property Internally and Externally
- Occupancy Certificate
- First 3 months building Insurance
- Sourcing tenant costs

Ongoing annual costs

Sumer/Winter Property Tax up to \$3,500 PA
Buildings Insurance (optional) up to \$700 PA
Property Management Fees up to \$1200 PA



3. Property Examples

Here are two samples of the type of properties and deals we can make available to our investors: An amazing opportunity to benefit from the current economic climate by purchasing foreclosure properties in the US. Currently lenders are repossessing over 250,000 properties per month and selling them off for a fraction of their price and writing off these debts as tax losses! This enables you to buy up to 70% off their market price giving instant equity from day one!

Address: 18940 WORMER ST, DETROIT, 5032

Details:

- Bungalow built in 1926
- 3 Bed 1 bath
- Garage for 1 car
- 1404 Sq Ft

Cost to buy: \$37,240 = £24,500
Est. current value: \$54,657 = £37,301

Comparable recent sale prices in the same area...

Comparable Recent Sales		Similar Homes For Sale				
MAP:	ADDRESS:	BEDS:	BATHS:	SQ FT:	SOLD DATE:	SOLD PRICE:
A	18434 WORMER ST			1	11/13/2008	\$79,433
B	18295 WOODBINE ST			1	11/05/2008	\$77,669
C	18483 WINSTON ST			1	10/29/2008	\$125,465
D	18220 RIVERVIEW ST			1	10/22/2008	\$71,212
E	18900 RIVERVIEW ST			1	10/01/2008	\$110,666
F	18393 LENORE			1	10/01/2008	\$98,351
G	23800 GRAND RIVER AVE			1000	09/23/2008	\$80,000
H	18516 FENTON ST			1	08/29/2008	\$70,000
I	18211 WOODBINE ST			1	08/14/2008	\$44,539
J	18465 WINSTON ST			1	08/13/2008	\$76,223

Address: 8900 GRIGGS ST, DETROIT, 5042

Details:

- Brick house built in 1952
- 3 Bed 2 bath
- Garage for 2 cars
- 1284 Sq Ft

Cost to buy: \$41,408 = £27,252
Est. current value: \$77,586 = £52,964

Comparable recent sale prices in the same area...

Comparable Recent Sales						
MAP:	ADDRESS:	BEDS:	BATHS:	SQ FT:	SOLD DATE:	SOLD PRICE:
A	8824 MENDOTA ST		2		10/29/2008	\$90,429
B	9181 MENDOTA ST		1		10/22/2008	\$97,007
C	8247 WYOMING ST		1		10/15/2008	\$50,872
D	9193 MANOR ST		1		09/19/2008	\$100,100
E	8922 BIRWOOD ST		1	1593	09/10/2008	\$109,000
F	9073 ANNAPOLIS ST		1	910	09/10/2008	\$28,000
G	9353 MANOR ST		1	1346	08/07/2008	\$70,295
H	8322 MEYERS RD		1	925	08/06/2008	\$35,344
I	8233 MIDDLEPOINT ST		1		08/05/2008	\$40,000
J	5801 OAKMAN BLVD		1	1452	07/24/2008	\$25,000



4. Exit Strategies: Realising Your Profit

Firstly: Buy and Hold to generate a large passive income – Pension

With the large rental yields, you could easily earn back the entire purchase price in less than 50 months. This means that you would be looking at pure profit on a monthly basis.

This is assuming a rental income of approximately £510 a month, you would be earning a gross rental of £6120 per year! Imagine if you owned 4 of these properties that's just under £25000 a year!

Secondly: Lease Option Buy Back

This is where the tenant buys from the investor after 1 year to 18 months. This programme works as follows:

Investor buys property at say £24500 (refurbished with tenant in place)

Tenant pays rent to investor of which up to 95% is guaranteed by the US Government for 4775 (£510) per month.

After 18 months, the tenant offers to exercise his/her option to purchase (tenant is assisted by the management company to obtain a mortgage) through several avenues of credit counselors and also through traditional finance institutions.

Investor agrees to sell at £42700

Therefore, investors investment:

Paid £24500

Sold at £42700

Profit £18200

Plus Rental Received over 18 months £9180

Net Potential Profit over 18 months £27380

Thirdly: Flipping

Also there is the conventional way of putting the property out for resale and when you do consider the option of selling on, our 3rd parties can assist you also.



5. Points of Interest

Management of Property: The management team is offering a flat fee of \$100 per month

Repairs of Property: The management company has a permanent maintenance team on call for any repairs for the cost of the parts only and a small fee for labour

Tenants: The tenants will in the main be working Americans wanting rental property for the longer term. This is because the American government is injecting billions of dollars into Detroit for the simple reason that it is the home of the motor industry and they cannot afford to let the large car manufacturers collapse. The repercussions in unemployment and its inevitable spin offs are the too horrific to imagine for the economy. In this respect, over the last 5 months we have seen average rentals for the types of house we offer increase from \$500 per month to \$800 per month and in some case \$1200 per month, so there is very definite growth happening in the Detroit rental market. Because of the financial help these large car manufacturers are expect to scoop, job opportunities and more stability is being created in the City thereby producing very high rental yields for you the investor.

Section8: What is a section 8 tenant? A tenant approved by the government, the tenant pays 5% of the rent while the remaining 95% is paid by the government into the investors account.

6. On Strike – You're Out!

Our program has a "one strike" policy. Unlike the UK and other parts of Europe, where unruly tenants just seem to get re-house, this does not happen in the US under HUD and HCV (Housing Choice Voucher Program).

Tenants that are evicted from a HUD home lose any further right to join a HUD or HCV program anywhere in the US for life – thereby securing your investment. That also goes for any other occupants in the property above the age of 18. Harsh yes, but this ensures that Tenants do not abuse the property and treat it like their own home, which it is. This stance has resulted in a extremely low percentage of evictions and higher quality tenants.

Tenant Demand – Currently the Detroit Housing Associations are looking to provide as many HUD homes as possible there are over 30,000 people within the tri county needing rental accommodation. The Detroit Metro area has 9,176 families on the HUD housing choice voucher waiting list.



7. How To Reserve

To reserve units please call the Ahuja Group on 0870 990 3205 and make payment of £3000 you will then be introduced to our relevant contacts to get the transaction moving.

8. Terms & Conditions and Refund Policy

We undertake due diligence on all the deals that we promote to ensure availability of investments and authenticity of the information provided. To avoid a conflict of interest we do not own the properties we promote and therefore the information on which we base our assessment of properties is provided by the vendor or selling agent.

You understand it is therefore possible on occasion for some information to differ from what is stated and acknowledge that all information is provided as approximate guidelines. Accordingly, market value is established using real data but should be used as a guideline; the Ahuja Group do not accept liability for survey costs failing to reach indicated market value guideline.

Yield is calculated as a percentage expression of annual rental income compared to asking price. Annual rental income may be determined using real or estimated (based on local comparables) rental figures.

We aim to locate properties with a yield and BMV discount corresponding to your requirements. Preference will be given to properties which meet your preferential criteria, but you the suitability of an investment is determined by its equivalence to your required yield and BMV only.

If you're unable to purchase a property through no fault of your own we will source a similar replacement investment. The stipulation of what is similar will be at the discretion of the Ahuja Group, although we will discuss your preferred criteria with you before finalising criteria.

Deals are reserved on the assumption you will have sufficient buying power to purchase, so it's your responsibility to ensure that this is the case. If a deal falls through a replacement property not a refund will be provided.