

# Confidential Offering Summary

The following is a summary only and is qualified in its entirety by, and should be read in conjunction with, the more detailed information that is provided upon request.

## The Issuer

Sandford Real Estate Investments LLC  
1421 Peachtree St Suetiet 1200  
Atlanta GA 30303

## The Property

Adrian Apartments II is a newly renovated 14-unit apartment complex located in the heart of Atlanta near professional offices.

The complex has three one-bed/one-bathroom, three two-bed/one-bathroom, and eight two-bed/two-bathroom units.

## The Offering

The offering is for a 25% interest with an 8% preferred return on invested capital.

## The Amount

\$175,000

## The Manager

Jeffrey Sandford will manage the property. Jeffrey has fourteen years of experience as a landlord and real estate investor with 32 properties currently under management.

## The Risks

Investment in the securities offered hereby is highly speculative due to the nature of the partnership's business. These include risks inherent in the business of real estate investment generally, conflicts, reliance upon manager of the property, the lack of a formal market for the units, no exit mechanism and the resale restrictions and hold periods prescribed by applicable securities laws or in the operating agreement.

Jeffrey Sandford

404-555-1212

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**Sandford Realty Group**

**190 Peachtree St NW**

**Atlanta, GA 30303**



## Prospective Partner Investment

### Adrian Apartments II

1212 Main St.  
Atlanta GA 30304

**Dan Johnson**  
**25.00% Interest**



404-555-1212

Rental CASH FLOW	Year 1	Year 2	Year 3	Year 4	Year 5
<b>CASH FLOW Before Taxes</b>	\$ 48,956	\$ 52,240	\$ 55,594	\$ 59,016	\$ 62,510
Dan Johnson's Preferred Return	(14,000)	(14,000)	(14,000)	(14,000)	(14,000)
Managing Partner's Share	(26,217)	(28,680)	(31,195)	(33,762)	(36,383)
Projected Income Taxes	(6,680)	(6,223)	(6,590)	(6,969)	(7,361)
<b>Dan Johnson's Share of Cash Flow</b>	<u>\$ 2,059</u>	<u>\$ 3,337</u>	<u>\$ 3,808</u>	<u>\$ 4,285</u>	<u>\$ 4,767</u>
<b>Dan Johnson's Share with Preferred Return</b>	<u>\$ 16,059</u>	<u>\$ 17,337</u>	<u>\$ 17,808</u>	<u>\$ 18,285</u>	<u>\$ 18,767</u>

ReSALE PROCEEDS					
<b>Sale PROCEEDS Before Taxes</b>	\$ 535,780	\$ 589,925	\$ 645,920	\$ 703,854	\$ 763,822
All Partner's Return of Investment Capital	(475,625)	(475,625)	(475,625)	(475,625)	(475,625)
Remaining Funds from Sale to be Distributed	<u>\$ 60,155</u>	<u>\$ 114,300</u>	<u>\$ 170,295</u>	<u>\$ 228,229</u>	<u>\$ 288,197</u>
Managing Partner's Share	(45,117)	(85,725)	(127,721)	(171,172)	(216,148)
Projected Income Taxes	(5,645)	(11,092)	(16,582)	(22,116)	(27,695)
<b>Dan Johnson's Share of ReSale Proceeds</b>	<u>\$ 9,394</u>	<u>\$ 17,483</u>	<u>\$ 25,992</u>	<u>\$ 34,942</u>	<u>\$ 44,355</u>

### Total Potential Cash Generated

<b>Partnership</b>					
Cash Generated this year	\$ 48,956	\$ 52,240	\$ 55,594	\$ 59,016	\$ 62,510
Previous Year's Cash Generated	n/a	48,956	101,196	156,790	215,806
Cash Flow From Property Sale	535,780	589,925	645,920	703,854	763,822
All Partner's Return of Investment Capital	(475,625)	(475,625)	(475,625)	(475,625)	(475,625)
<b>Total Partnership Profit Generated</b>	<u>\$ 109,111</u>	<u>\$ 215,496</u>	<u>\$ 327,085</u>	<u>\$ 444,036</u>	<u>\$ 566,514</u>

<b>Dan Johnson's Limited Partner Interest</b>					
Net Cash Flow Allocation - Rent Activity	\$ 16,059	\$ 17,337	\$ 17,808	\$ 18,285	\$ 18,767
Previous Year's Cash Generated	n/a	16,059	33,396	51,204	69,489
Net Cash Flow Allocation - Sale	9,394	17,483	25,992	34,942	44,355
<b>Dan Johnson's Share of Profit</b>	<u>\$ 25,453</u>	<u>\$ 50,879</u>	<u>\$ 77,196</u>	<u>\$ 104,430</u>	<u>\$ 132,610</u>
Dan Johnson's Return of Investment Capital	175,000	175,000	175,000	175,000	175,000
<b>Dan Johnson's Share of Total Cash</b>	<u>\$ 200,453</u>	<u>\$ 225,879</u>	<u>\$ 252,196</u>	<u>\$ 279,430</u>	<u>\$ 307,610</u>
<b>Dan Johnson's Percentage Share</b>	34.28%	32.68%	31.42%	30.38%	29.52%

### Return on Investment (ROI)

<b>Partnership's Return on Investment</b>					
Cash-on-Cash Return - After Taxes	8.68%	9.75%	10.15%	10.55%	10.96%
Internal Rate-of-Return (IRR) - After Taxes	16.14%	15.59%	15.35%	15.19%	15.06%
Modified Internal Rate-of-Return (MIRR) - After Taxes	16.14%	15.00%	14.24%	13.63%	13.11%

<b>Dan Johnson's Return on Investment</b>					
Cash-on-Cash Return - After Taxes	9.18%	9.91%	10.18%	10.45%	10.72%
Internal Rate-of-Return (IRR) - After Taxes	14.54%	14.18%	14.03%	13.92%	13.84%
Modified Internal Rate-of-Return (MIRR) - After Taxes	14.54%	13.61%	12.95%	12.41%	11.94%

## Prospective Partner Investment

### Adrian Apartments II

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**Dan Johnson**  
**25.00% Interest**



404-555-1212

Rental CASH FLOW	Year 6	Year 7	Year 8	Year 9	Year 10
<b>CASH FLOW Before Taxes</b>	\$ 66,077	\$ 69,717	\$ 73,433	\$ 77,226	\$ 81,098
Dan Johnson's Preferred Return	(14,000)	(14,000)	(14,000)	(14,000)	(14,000)
Managing Partner's Share	(39,057)	(41,788)	(44,575)	(47,420)	(50,324)
Projected Income Taxes	(7,766)	(8,185)	(8,618)	(9,066)	(9,530)
<b>Dan Johnson's Share of Cash Flow</b>	<u>\$ 5,253</u>	<u>\$ 5,744</u>	<u>\$ 6,240</u>	<u>\$ 6,741</u>	<u>\$ 7,245</u>
<b>Dan Johnson's Share with Preferred Return</b>	<u>\$ 19,253</u>	<u>\$ 19,744</u>	<u>\$ 20,240</u>	<u>\$ 20,741</u>	<u>\$ 21,245</u>

ReSALE PROCEEDS	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Sale PROCEEDS Before Taxes</b>	\$ 825,924	\$ 890,266	\$ 956,961	\$ 1,026,127	\$ 1,097,894
All Partner's Return of Investment Capital	(475,625)	(475,625)	(475,625)	(475,625)	(475,625)
Remaining Funds from Sale to be Distributed	<u>\$ 350,299</u>	<u>\$ 414,641</u>	<u>\$ 481,336</u>	<u>\$ 550,502</u>	<u>\$ 622,269</u>
Managing Partner's Share	(262,724)	(310,981)	(361,002)	(412,877)	(466,702)
Projected Income Taxes	(33,319)	(38,990)	(44,708)	(50,475)	(56,292)
<b>Dan Johnson's Share of ReSale Proceeds</b>	<u>\$ 54,256</u>	<u>\$ 64,670</u>	<u>\$ 75,626</u>	<u>\$ 87,150</u>	<u>\$ 99,276</u>

Total Potential Cash Generated					
<b>Partnership</b>					
Cash Generated this year	\$ 66,077	\$ 69,717	\$ 73,433	\$ 77,226	\$ 81,098
Previous Year's Cash Generated	278,316	344,393	414,110	487,543	564,769
Cash Flow From Property Sale	825,924	890,266	956,961	1,026,127	1,097,894
All Partner's Return of Investment Capital	(475,625)	(475,625)	(475,625)	(475,625)	(475,625)
<b>Total Partnership Profit Generated</b>	<u>\$ 694,692</u>	<u>\$ 828,751</u>	<u>\$ 968,878</u>	<u>\$ 1,115,272</u>	<u>\$ 1,268,136</u>
<b>Dan Johnson's Limited Partner Interest</b>					
Net Cash Flow Allocation - Rent Activity	\$ 19,253	\$ 19,744	\$ 20,240	\$ 20,741	\$ 21,245
Previous Year's Cash Generated	88,255	107,508	127,252	147,492	168,232
Net Cash Flow Allocation - Sale	54,256	64,670	75,626	87,150	99,276
<b>Dan Johnson's Share of Profit</b>	<u>\$ 161,764</u>	<u>\$ 191,922</u>	<u>\$ 223,117</u>	<u>\$ 255,383</u>	<u>\$ 288,753</u>
Dan Johnson's Return of Investment Capital	175,000	175,000	175,000	175,000	175,000
<b>Dan Johnson's Share of Total Cash</b>	<u>\$ 336,764</u>	<u>\$ 366,922</u>	<u>\$ 398,117</u>	<u>\$ 430,383</u>	<u>\$ 463,753</u>
<b>Dan Johnson's Percentage Share</b>	28.78%	28.13%	27.56%	27.05%	26.59%

Return on Investment (ROI)					
<b>Partnership's Return on Investment</b>					
Cash-on-Cash Return - After Taxes	11.36%	11.78%	12.19%	12.62%	13.04%
Internal Rate-of-Return (IRR) - After Taxes	14.95%	14.85%	14.75%	14.66%	14.58%
Modified Internal Rate-of-Return (MIRR) - After Taxes	12.65%	12.24%	11.87%	11.54%	11.23%
<b>Dan Johnson's Return on Investment</b>					
Cash-on-Cash Return - After Taxes	11.00%	11.28%	11.57%	11.85%	12.14%
Internal Rate-of-Return (IRR) - After Taxes	13.76%	13.70%	13.63%	13.57%	13.52%
Modified Internal Rate-of-Return (MIRR) - After Taxes	11.53%	11.16%	10.82%	10.52%	10.24%