



Crown City

HOME BUYERS

A Residential Real Estate Solutions Company



WHO WE ARE



Facts About Crown City Home Buyers

- 40+ successful renovations since the beginning of 2021 along with numerous other real estate transactions
- Focused on providing solutions for clients and value for investors by locating and renovating distressed properties in Kansas City

Crown City Home Buyers is a professional real estate solutions firm that buys and sells properties throughout the greater Kansas City, Mo and KS areas. We specialize in buying distressed homes, managing complete and systemized renovations, then reselling to homeowners

Since its inception in 2021, Crown City Home Buyers is passionately pursuing the goal of helping hundreds of families in Kansas City communities find an answer to various real estate needs. Through the years, our owners have developed a solid foundation of real estate knowledge along with the integrity of fulfilling promises and making successful deals happen.

OUR MISSION

When a passion for real estate is combined with talented individuals who have an uncompromising drive to succeed, amazing things happen. At Crown City Home Buyers, it's our goal to not only have a positive effect on ourselves and our families - but also to inspire, motivate, and create lasting change in the communities we serve. We treat our clients and team members with a high level of support, respect, and integrity. Crown City Home Buyers is dedicated to continuing to find new and innovative ways to serve our team, our customers, and our Kansas City community.

REAL ESTATE KNOWLEDGE & EXPERIENCE:

Todd, Josh, and Ben have invested a great deal of time, energy, and capital into their real estate business. Crown City Home Buyers works closely with an extensive network of high-level investors who collectively have performed thousands of renovations across the country. Using this resource along with business principles based on a systemized approach, Crown City has completed 40+ renovations and numerous other transactions since the beginning of 2021. In addition, Crown City has many partnerships with different companies across Kansas City that help give another element of support to buyers and sellers. Todd has been in real estate for 10+ years across multiple states and has an extensive knowledge base and skill set related to creative deal formation. Josh has an expansive network of other real estate investors that supply a consistent stream of profitable deals to the operation. Ben uses his technical and creative capacities to help keep Crown City at the precipice of growth and innovation in the Kansas City real estate market.



COMPANY BUSINESS MODEL

BUSINESS MODEL

Our core business lies within our systems, education, and knowledge of the real estate industry. Through our experience and affiliation, we continue to connect with a national network of investors that provide support and weekly training on changes within our industry.

CROWN CITY HOME BUYERS VS. TRADITIONAL BUYER

We Follow a Strict Due Diligence Process

We have a systematic and disciplined approach when purchasing investment properties, putting each potential investment through a strict due diligence process. This rigorous set of criteria includes, but is not limited to, the following:

- Comparable property analysis and examination by multiple people on our acquisitions team
- An economic study of the neighborhood, city planning, and development
- Demographics of area, marketability, and growth potential
- Statistics on the schools, public transportations, crime, and any restrictions
- Overall condition of the property with a full review of renovation requirements

Here are just a few benefits sellers have when working with us to sell a home:

- CASH OFFER
- NO COMMISSION
- QUICK CLOSE
- NO FEES
- PAY NO CLOSING COSTS
- WE BUY THE HOUSE AS-IS
- NO APPRAISAL
- NO LENDING RESTRICTIONS

Most homeowners have no idea what options are available to them beyond listing a house with a Realtor or trying to sell the house on their own and just hoping for the best. We provide a unique alternative to listing their home.

When we work directly with a home seller, what we provide can not only make for a smooth transaction, but it can also add up to thousands of dollars in out-of-pocket expenses as compared to selling a home through traditional means.



COMPANY BUSINESS MODEL

How Do We Compare to a Traditional Buyer?

	Traditional Buyer	Crown City Homr Buyers
Method of Payment	Bank Financing	CASH
Repairs	1-8% of Home Value	None (Sold AS-IS)
Closing Timeframe	30-35+ Days	10-14 Days
Commissions	6% of the Sale Price	None
Seller Paid Closing Costs	1-6% of the Purchase Price	Zero
Appraisal	Mandatory	None
Length of Time on Market	14 Days on the Market (Kansas City Average)	0 Days

INVESTMENT BUYING CRITERIA

Our goal is to buy distressed homes in stable areas where there is still strong buyer demand. Part of our grand vision is to improve the overall quality of living in both urban and suburban neighborhoods. In addition to improving the overall quality of life, we are committed to increasing the value of the real estate in our community. Our company builds value by rehabilitating properties that are in significant need of repairs. Through our extensive renovation process, we can create beautiful homes and encourage homeownership.

TYPES OF PROPERTIES WE TARGET

- Distressed properties in significant need of repairs
- Properties where sellers need to sell quickly
- Properties owned free and clear

The ability to identify a fiscally responsible real estate investment is certainly a learned skill. We have been thoroughly trained and possess this skill - along with the tools to find these great investment opportunities in today's market.

Not every opportunity is a "good deal", and we have built our company on a stable foundation of knowing our numbers. If the numbers don't make sense to us, it certainly won't make sense to our investors. Our goal is to be in business for many years and brand a company that will be passed down to our children. This cannot be accomplished by taking uncalculated risks.



PROPERTY SHOWCASE

CROWN CITY HOME RENOVATION PROJECTS

Before



After



PROPERTY SHOWCASE

CROWN CITY HOME RENOVATION PROJECTS

Before

After



CROWN CITY HOME BUYERS SAMPLE INVESTMENT PROPERTY

SINGLE FAMILY HOME: CORRINGTON AVENUE IN GRANDVIEW, MO

Crown City Home Buyers completed this great renovation project in Grandview, MO - this 4BR, 2BA was 1358 square feet located in a quiet neighborhood adjacent to Grandview High School. This raised ranch was built in 1965 and needed minor structural repairs and a full cosmetic update.

Rehab Overview:

The updates included minor foundation work, full kitchen remodel, two bathroom remodels, hardwood floor sand and refinish, full interior and exterior paint, carpet, new furnace, and façade removal and siding replacement on the front of the house.



Contractor Overview:

A licensed, bonded and insured general contractor and his crew executed an agreed-upon detailed scope of work, completing the above overview - additional details available upon request.

Progress Reports:

As a member of our investment team at Crown City Home Buyers, you will receive bi-monthly updates, which include a photographic timeline exhibiting the renovation progress



CROWN CITY HOME BUYERS

SAMPLE INVESTMENT PROPERTY

Corrington Ave Investment Summary

Purchase Price	Rehab Cost	After Repair Value	Loan to Value
\$80,000	\$70,046	\$225,000 (ARV)	67% (LTV)

Bed/Bath	Square Feet	Lot Size	Year Built	Price/SqFt
3B/2 Bath	1,358	10K SF	1965	\$166

Comparable Properties

SOLD

Address	Bed/Bath	Square Feet	Lot Size	Built	Price/SqFt.	Sale Price	Date Sold
12819 Cambridge Note: Fully Rehabbed	3B/2.1Bath	2,029	12k SF	1968	\$111	\$225,000	Mar 1
6721 E 127th St Note: Clean, Not Updated	4B/2.1Bath	2,296	10k SF	1972	\$98	\$225,000	Apr 15
12809 Cambridge Note: Ranch Floor Plan, Larger House, Not Updated	3B/2.1Bath	2,235	10k SF	1969	\$101	\$226,000	May 4

ACTIVE/CONTINGENT

Address	Bed/Bath	Square Feet	Lot Size	Built	Price/Sq Ft.	Listed Price
7000 High Grove Rd Note: Ranch Floor Plan, Larger House, Not Updated	4Bed/2.1.1Bath	3,306	18k SF	1965	\$70	\$232,000
12813 Winchester Ave Note: Larger Layout, Lesser Quality Remodel	3Bed/3Bath	1756	12k SF	1985	\$130	\$228,000
12803 Richmond Ave Note: Not Updated	3Bed/2.1Bath	1,613	9k SF	1975	\$123	\$199,900

Corrington Avenue project requires \$150,046.00

- Option to finance all or part per standard mortgage note requirements
- Anticipated loan term for this investment is 6 months
- Simple Interest lump sum payment at end of term



PRIVATE LENDING

WHAT IS PRIVATE LENDING?

With regards to Crown City, private lending is a mortgage secured loan given to a real estate investor. Essentially, you replace the bank and collect the benefits of lending against real estate. It's a great way to generate a predictable income stream - while at the same time providing excellent security and safety for your principal investment. You can do what the banks have been doing for years...make a profitable return on investments backed by real estate. There is no other investment vehicle like it.

Sources of Private Money:

- 401k
- Self-Directed IRA
- Equity Lines
- Personal Savings, Trust Fund, or any other easily accessible cash

When we have identified and evaluated a home using our investment model, our private lenders receive an investment profile and an opportunity to fund the project. The interest rates allow the lender to yield 4 or 5 times the growth when compared to bank CD's and other traditional investment plans.

Through private money lending, you have the opportunity to become the bank!

HOW THE PROCESS WORKS

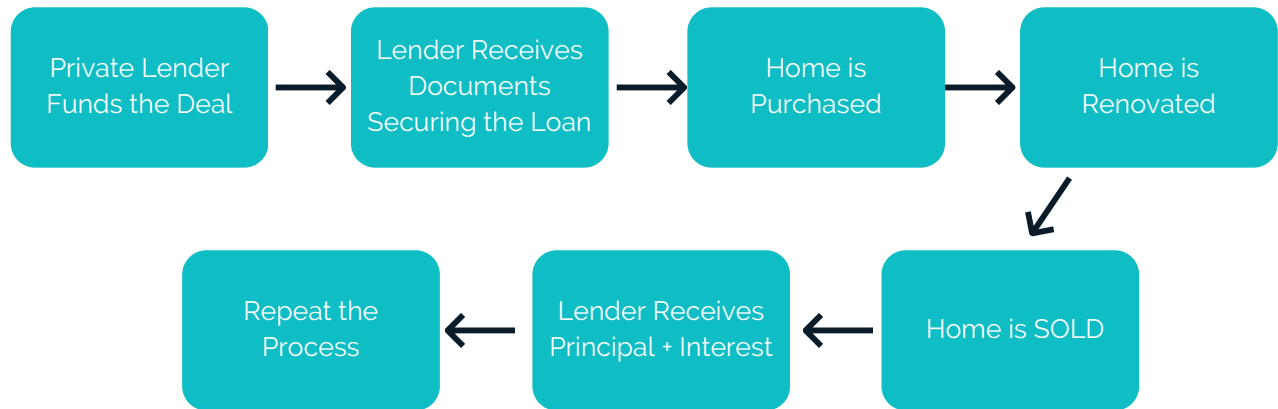
The process is simple. We find a property that meets our criteria, place an offer, and put it under contract. An investment proposal is provided on the subject property for your review. Once you approve the proposal, the funds are used to complete the purchase and renovate the property. At purchase closing, you receive a mortgage and promissory note, and property insurance information. Next is the renovation stage which you get to witness through bi-monthly updates including progress pictures. Upon completion, we list and sell the property. When it's time for sale closing, you'll receive your principal plus the 10-12% interest payment. The standard cycle is 6 months. If you're happy with the process and results, we can cycle you through again. A very simple method to build a long-term, mutually beneficial relationship.

Typical Hold Time:
Rehab Flip: 4-6 months Wholesale Flip: 3-15 days



PRIVATE LENDING

OVERVIEW OF THE PRIVATE LENDING PROCESS



INVESTMENT DEAL SCENARIO

Here's what the numbers would look like on a typical renovation project, with a 6-month hold (including rehab & re-sell time) with a private lender return of 10% Annualized and 1 origination point.

Purchase Price	\$80,000
Repiar Cost	\$70,046
Total Invested (6 month hold)	\$150,046
Sales Price	\$225,000

LENDER POTENTIAL RETURN ON INVESTMENT = \$ 9,000



PRIVATE LENDING

HOW YOU BENEFIT FROM PRIVATE LENDING

Double-digit annualized returns from an investment backed by a real estate mortgage. Keep in mind, our loan to value is capped ensuring another layer of security. These types of protections are not offered with stocks, funds, or other investments. Also, there are no trading costs or other surprise managerial fees involved in this simple process.

In addition to the financial reward, there is another important benefit to working with us. You become a team member in our effort to have a tremendously positive impact on the community.

*IT'S A WIN/WIN OPPORTUNITY FOR BOTH THE
LENDER AND BORROWER*

What's in it for you?

- Safe investment secured by real estate
- High returns on your money
- No management costs
- No daily headaches with managing contractors



PRIVATE LENDING

Our equity is built in the purchase of the home, where we are buying 30-40% below a retail buyer – that creates instant equity at purchase. Also, in a typical transaction, we cut out the middleman cost such as commissions, mortgage broker fees, loan fees; and our escrow fees are also lower because there is less for them to review and prepare.

Because of our buying strategy, we can offer our buyers a fully renovated home at or below everything else in the neighborhood. We walk away from hundreds of “close” deals that do not meet our specific buying criteria, and we won't buy unless it makes sense for everyone involved.

Why Private Lending is So Compelling

- Passive income (minimal time involved)
- No dealing with tenants
- No manual labor renovating properties
- No dealing with unscrupulous contractors
- Short-term use of lending of capital
- Sense of security based on 1st lien position
- Borrowers do the HARD WORK of finding the collateral
- Borrowers put THEIR MONEY into lender's collateral
- Borrowers put THEIR TIME and LABOR into lender's collateral
- The borrower takes the majority of the risk
- If a buyer must foreclose, the lender makes even more money
- Multiple loans can be made at one time
- It is easy and clean work
- Huge industry for annual business loan volume
- Make money while you sleep
- Massive positive tax implications
- Ask us about this
- PROFITABLE with no cap on earnings



PRIVATE LENDING

RISKS VS. REWARDS

Sitting in Bank	Real Estate Private Lending
\$100,000 X 1% Interest	\$100,000 x 10% Interest
12 Month Term = \$1,000 ROI	12 Month Term = \$10,000 ROI
	*Backed by Real Estate Private Lending

YOU ARE MAKING A 10X GREATER RETURN ON YOUR MONEY!

Stock Market	Real Estate Private Lending
Completely Unsecured	Secured by Deed of Trust or Mortgage Deed
Completely Uninsured	Collateral's Full Insured
Invest at Market Price	Collateralized Below Market Value
Returns are Unknown	Returns are Fixed with Agreed Upon Terms
	Tangible Asset



PRIVATE LENDING

HOW PRIVATE MONEY HELPS OUR COMPANY

Private money lenders bring speed and efficiency to our transactions. Many of the homes we are purchasing need a quick close of 10-14 days. A traditional bank requires 30-45 days to close a loan. Many traditional home sales fall out of contract because of financing issues. Using quick cash as leverage allows us to negotiate a much lower purchase price and reduce our risk.

Being able to offer a fast closing with private funds motivates sellers to take our offer over the competition. Also, lending guidelines are continually changing and are now requiring extensive applications, approvals, miscellaneous fees and strict investor guidelines. They also limit the number of investment properties that can be purchased by one company.

On a home purchase requiring renovations, private lender funds will be allocated to the purchase price, renovations, carrying costs, cost to resell and a small buffer for unexpected expenses. We can then produce products like these that can sell quickly and for top dollar.

Our Benefits of Using Private Money

- We won't have to deal with banks, applications, approvals, etc.
- We can buy at deeper discounts
- Gives us a competitive advantage above the rest
- Allows us to buy with cash - Cash is King



PRIVATE LENDING

WE PROTECT OUR LENDERS

Mortgages offer the banks solid long-term fixed returns. You can put yourself in the position of the bank by directing your investment capital, including retirement funds, to well-secured real estate mortgages. Mortgages have premier safety because if default occurs, the bank can recover its investment as the first lien holder on the property.

Each property we acquire is put through a rigorous evaluation process in order to assess the profitability before the property is ever purchased. For your protection, you are provided the full property proposal and full legal packet to secure your investment capital:

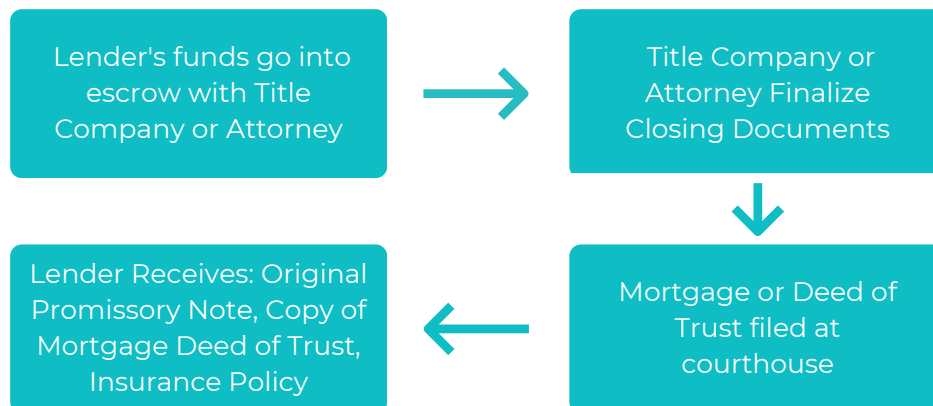
Promissory Note: This is your collateral for your investment capital

Deed of Trust/Mortgage: This is the document that is recorded with the county clerk and recorder to publicly secure your investment against the real property that we are providing as collateral

Hazard Insurance Policy: This is where you as the private lender would be listed as the "Mortgagee" for your protection in case of fire or natural disaster, etc.

Crown City pays for a title search as well as a title policy on the home, just as we would in a retail transaction. For a rental investment with a long-term note, we always keep a valid hazard insurance policy on the property to protect against causalities. You'll be named as a mortgagee and notified if the insurance lapses. In the event of any damage to the property, insurance distributions would be used to rebuild or repair the property or used to repay you.

Overview of the Closing Process



COMMON WAYS PRIVATE LENDERS FUND DEALS

Cash

Cash held in most types of bank accounts can be accessed quickly and can fund deals in minutes, instead of hours or days. Fees are generally minimal for wire transfers and cashier's checks (\$5-\$30).

Home Equity Line of Credit

A home equity line of credit is a very powerful source of funding that many people have but rarely think of using. Unleveraged equity is dead money and it's not making any interest. You can easily tap into that money. It's a way to make sure you're in first position when we're ready to pull the trigger and buy a property.

Personal & Business Lines of Credit

Personal loans and "signature lines of credit" can be obtained from most banks or credit unions by anyone with good credit and a stable income.

Retirement Accounts

More and more private money lenders are using their IRA funds to invest in real estate. A self-directed IRA is essentially the same as a traditional IRA but allows you to purchase a broader range of investments, including real estate.

Liquidated Securities & Investments

Investments are a way to put your savings to work earning more money. However, if your stocks and investments have not performed as you expected, it might be time to consider other investment vehicles. As you know, stocks can be liquidated when and if you wish. Liquidating your investments to deploy the capital in real estate can provide a more consistent, predictable, and secured return.

Sources of Funding for Private Lenders

- Cash
- Home Equity Line
- Personal & Business Lines of Credit
- Retirement Accounts
- Liquidated Securities & Investments



INVESTING WITH A SELF-DIRECTED IRA ACCOUNT

Most people think that an IRA can only be used to purchase investments like stocks and mutual funds – which is un true! You can get private mortgage loans using the funds which are already in your IRA'S and other retirement plans.

As it pertains to lending for real estate investments, the Self-Directed IRA is a beneficial vessel. The IRS has set forth guidelines on what you can and cannot invest in with your IRA. Many people are surprised at the scope of options available. From tax liens, gold, real estate investments and real estate notes, IRA's are much more flexible than most people realize. If you choose to set up your investment vehicle as a Roth IRA, which allows you to enjoy your earnings tax-free or deferred, you have now created a express lane to an early retirement!

In order for you to use retirement accounts for loans, they must first be administered by a third-party custodian. After selecting your custodian, you simply send a transfer form, and they'll do all the work for you. Once the background work is completed, you are ready to make private mortgage loans. We would be happy to recommend a local custodian we've worked with in the past who can assist you with setting up your account!

Retirement Accounts That Can Be Self-Directed

- Roth IRA's
- Traditional IRA's
- SEP IRA's
- SIMPLE IRA's
- 401k (solo)
- 401k (qualified plan)
- Educational Savings Accounts
- Health Savings Accounts

**Profits can be tax free or tax deferred when you invest with one of these vehicles*



INVESTMENT TERMS & CONDITIONS

TERMS & CONDITIONS

Minimum Investment:

When working with private lenders, \$20,000 is our minimum standard investment. When first investing with us, a lower initial investment amount may be agreed upon to ensure you're confident working with our company.

Mortgage Terms:

The majority of our loans are set up on a 6 month note; however, it depends on the size of the project. If the project is a teardown and rebuild, we will have to wait on the county inspectors for approvals. We account for all of those details upfront and will give you estimated time frames for the return of your investment. Also, we do not pool funds - your funding will be tied to one piece of property secured by a deed of trust.

Investment Terms & Conditions

- Minimum Investment - \$20,000
- Interest Rate – 10-12% Annualized on average
- Origination Points – 1% of Total Investment
- Mortgage Terms – 6-12 months (projects usually completed in 3 to 6 months)
- Return of Principal and Interest – paid back at closing
- 1st or 2nd Lien position (depending on investment amount)
- Option to renew
- All documents recorded

Payment Schedule:

Typically, we pay one large lump sum at closing on a short-term note. This is much easier to manage for both of us, especially if we're working out of a retirement account. On a longer note, we will pay monthly, just like a typical mortgage.

1st or 2nd Lien Position:

The Investor, as "mortgagor," has the right of first lien holder and Power of Sale on the property. The 1ST lien position is placed as a senior mortgage. You are probably familiar with the terms first and second mortgage. The second mortgage is a junior lien because it's in 2nd position. The senior lien or first mortgage must be paid prior to the 2nd lien.

