

# The Renovation Partner Program for Investors



**Sherwood**  
CONSTRUCTION INC

**If you are an investor...** who needs to find an affordable way of renovating your investment property to prepare it for sale, Sherwood Construction has a unique program that might be the perfect solution.

Sherwood Construction's *Renovation Partner Program for Investors* is available to qualified investors who do not want to pay the hefty renovation costs needed before a property is ready to compete on the market.

- Sherwood's licensed professionals will perform renovations with NO OUT-OF-POCKET costs to the investor.
- This partnership in the investment is available in exchange for a portion of the sale price.
- Sherwood's investment participation provides up to \$25,000 in renovation costs.
- This program is designed for investment properties intended to sell within a short time period.

## Sherwood Investment Program Components

The goal of this investment program is to provide investors with financial assistance to accomplish necessary renovations on their investment properties in preparation for resale. The components and contractual arrangements for program participation include:

1. Sherwood will participate as an investor with the appropriate percentage of participation determined by the amount of contracted renovations in proportion to the acquisition price of the property.  
*Example:* An \$80,000 property purchase that needs \$20,000 in renovations adds up to a \$100,000 total investment. Since Sherwood's renovation is equal to 20% of the total investment, Sherwood would receive 20% of the net closing proceeds when the renovated house sells.
2. Net closing proceeds are determined by gross purchase price less closing, marketing and commission expenses. This amount does not include loans or liens on property. (Essentially, net proceeds are the amount disbursed to Seller as indicated on the Hud-1 Settlement Statement, when the renovated property sells).
3. Property is required to be placed in a trust with a Sherwood appointed beneficiary. The trustee may not sell, rent or encumber the property without Sherwood/beneficiary approval.
4. The Investor must execute and personally guarantee via the property renovation agreement that repayment for the amount of the renovation improvements is due six months from the date of contract execution if the house has not yet been sold.



If you are interested in having your property evaluated for possible inclusion in this program, **request an analysis** to see if your property is eligible for this funding. The following pages outline the property preparation and marketing requirements.

**[www.SherwoodConstruction.net](http://www.SherwoodConstruction.net)**

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# Investor Program Marketing Requirements

## Welcome to the Sherwood Construction Renovation Partner Program for Investors.

We are dedicated to working with investors from start to finish in selecting, preparing for resale, and marketing properties in the retail real estate industry. It's important to remember that there is no guarantee as to how long a property will take to find a buyer, but there are some marketing tools that can assist in giving any property the best exposure to accomplish this goal.

Part of the Sherwood preliminary evaluation process is to assess the location, resale-ability and level of renovation required on any property an investor proposes for entry into the program. We look for structural issues, surrounding neighborhood safety, and more. Once we have accepted a property into the program, there are several other levels of preparation we require of the investor to assure that maximum marketing tools are employed. These standards include:

1. **Seamless Renovation** - Properties must be seamlessly renovated to be move-in-ready rather than applying patchwork repairs. This means attention to all of the details and issues, and then nicely finished (fresh paint in all rooms, décor trim, etc.) to make the house feel like a new home. A formal estimate will be provided with special attention paid to providing options that fit within the investor's budget and profit margin goals.
2. **Attention to the Esthetics** - The house needs to feel like a home. Our on-staff interior decorator adds a bit of décor in the form of some strategically placed curtains, bath towels, etc. to soften the effect of an empty/stark house, and create the feeling of "home." This is important because most home buying decision-makers are women, and how a house "feels" will greatly affect whether or not it is selected for purchase.
3. **Minimum Listing Checklist** - Once it is ready for sale, all of our program properties are required to follow a minimum checklist for listing and having the property professionally represented in the marketplace. Investors may choose their own real estate agency/realtor group to represent the property, or we can provide a list of recommendations. Local investors may even choose to personally show the property to potential buyers themselves if they live locally, but the minimum listing checklist must be adhered to. Legally, a property may not be shown by anyone other than the owner or a licensed real estate agent/broker. We require that investors hold the responsibility of interview and final selection of real estate representatives so that they can have confidence in their selection. Regardless of how an owner decides to have the property showing and listing process managed, the checklist elements below must be included. A simple \$350 listing package is available for local investors who prefer to show the property themselves and only wish to engage a real estate professional to handle the mandatory MLS posting + expanded listing service.
4. **Professional Photographic Representation** - As the internet has become the primary resource for the search and selection of properties for purchase, one of the biggest mistakes owners make is to display poor quality, or no photography with their online listings. A second mistake is to list properties with pre-renovation photos that show the properties "issues" prior to upgrade. Making a positive impression on potential buyers who may be scanning hundreds of listings can be the key to getting the house shown and eventually sold. Sherwood Construction will provide professional photography of your property following renovation work, and we require that this photography be used on all website listings.

## Our Minimum Listing Checklist

- The property must be listed formally on the MLS and other important listing sites including...
- Google Base, Oodle, HotPads, Trulia, DotHomes, Zillow, Backpage, Vast, Enormo, Frontdoor, Craigslist, postlets, and Realtor.com (expanded listing allowing 10+ photographs).
- The property must have professional-looking, easy to read house-front/lawn signage.
- A Realtor-accessible lock box must be affixed to the front door. (An electronic realtor-based lock box is recommended so that follow up can be done using the computerized tracking system which shows contact information on potential buyers that have viewed the property).

Investors who choose to show the property themselves and do not have a real estate license potentially miss out on opportunities because they are not able to:

1. Pre-qualify prospective buyers
2. Prepare offers and purchase contracts
3. Guide buyers to current industry financing options

Sherwood Construction is happy to provide referral options to qualified financing professionals in addition to Realtor/Brokers who can prepare contracts and assist buyers through the process. In some instances, we have set up discounted commission rates with these companies to maximize profits for our investor partners.

We are excited to work with you during this time of incredible opportunity in the real estate industry. Your signature below is necessary to proceed with the program, and constitutes your agreement to participate in the required sales and marketing process elements following the completion of renovations.

**IN WITNESS WHEREOF**, the Parties have signed this Agreement on the dates indicated below.

Owner or Owner's Representative: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Date \_\_\_\_\_  
Title: \_\_\_\_\_

**SHERWOOD CONSTRUCTION, INC.**, a Florida corporation

By: \_\_\_\_\_  
Horton S. Johnson, President Date \_\_\_\_\_  
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