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Sent: Sat 1/18/2014 9:51:13 PM
Subject: PB real estate deal

Jeffrey

I have put together a very good real estate play in PB on a cul de sac called Parc Monceau that runs ocean to lake at 1700 S Ocean in the estate section.

This involves the house I already mentioned -124 Parc Monceau - a 6000 sf lakefront- @ \$4,975,000 which I have a contract option on (Steve Alexander is involved). This week I lined up 1700 S Ocean (4400 sf oceanfront -across from beach with private deeded beach) @ \$4.425 in an approved short sale (owned by the estate of Gertrude Maxwell -the Save-a-Pet lady who had a reverse mortgage and whose estate was mired in other post death litigation).

The consensus fair market value of these two together is \$3.5 above the acquisition cost of \$9.4. With some work (\$1.5) they could be resold for \$19. These figures are what McCann, Moens, Angle and I agree are realistic.

There is a real market opportunity. There is no good inventory and none coming in the relevant period - next 18 months. Plus, these houses are what the brokers say the market wants - fresh, right-sized, and accepting of more modern design inside. They would also be the lowest priced on the ocean and the lake. All three brokers say there is a long cue of buyers looking for this product and McCann thinks he could presell them to people he is working with. (Part of this cue are California tax refugees of whom a handful have bought and several are still searching,)

I think the most efficient way to do this is to bundle them and do the work simultaneously.

Are you interested in participating?

Paul