

## **The Principal Group, Inc**

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### **Attention: Individual investors, lenders, fund managers, landlords, or multiple property owners**

The Principal Group welcomes you to the opportunity to "BUY LOW AND SELL HIGH" in what we believe is presently one of the most stable, supported and growing markets in the United States.

Since March of 1997, our team has purchased over \$50,000,000 of homes from the nation's largest lenders at deep discounts from their market value. Regardless if you're a local, state or national lender as large as, **Chase, Bank One, Veterans Administration, Wells Fargo, Fannie Mae, Country Wide or Bank of New York**, the need for immediate liquidity is always present for defaulted loans, especially in the lender environment of 2015.

As The Principal Group's management begins approaching its third decade of real estate and investment services, the emphasis of the firm's activity is and will continue to be to focus on the duplication and enhancement of previous successes. In summary The Principal Group's aspirations are to continue to:

\*Provide the consumer with a "ONE STOP SHOPPING" experience for the purchase and resale of residential properties.

\*Increase the firm's net asset value and revenues

\*Provide the largest lenders in the United States with a solution to relieve them of the burden of carrying defaulted loans on their books.

Local, state, and national lenders combined have billions of dollars of defaulted mortgages under management. In most cases, these are non-income producing mortgages. Be it small or large, every lender has defaulted loans on their books. The foundation of The Principal Group's success starts with providing lenders immediate liquidity on defaulted loans.

**Simply put, lenders lend money. They do not evict, remodel and resell residential properties. Sometimes lenders need for liquidity overcomes the lack of desire to afford the expense of an REO department to liquidate defaulted loans.**

These expenses include the cost of foreclosure, possession, rehabilitation, title litigation and resale. These expenses can cost up to tens of thousands of dollars and take months, even stretching into years, before liquidity is realized. Before homes can be resold effectively, they must be brought up to lender required standards. More specifically, homes valued at \$150,000 and under are typically resold with state and federal mortgage assistance requiring strict lender required repairs before a consumer can finance the home. Following the cost of rehabilitation these homes must be marketed to "niche" consumers who usually have credit delinquencies and financial restrictions. The vast majority of lenders desire to

liquidate these defaulted mortgages while minimizing time delays and cost. Many lenders, more specifically, national lenders without REO departments in the Dallas-Fort Worth area want liquidity options.

Currently, The Principal Group provides immediate liquidity to over fifty lenders, eliminating their cost and time of liquidation. The Principal Group purchases these homes, often in multiple blocks ranging from \$500,000 to \$1,000,000. This liquidity can be created for lenders as quickly as three to five days. For over two decades, The Principal Group has specialized in effectively liquidating defaulted mortgages while providing affordable homes to credit worthy and credit impaired consumers.

Supply must be answered with demand. Very few, if any, builders build homes in the Greater Dallas Area for less than \$500,000 to \$1,000,000. The Principal Group specializes in the “niche” market of quality affordable homes with a resale value of less than a \$250,000.

In the event you are looking for an individual property, multiple properties, or a fraction of multiple properties, I invite you to partner with us. The Principal Group has over 20 years of area real estate and business expertise.

It's my belief that you will agree that **“IT’S THE SMART THING TO DO”**.

Kenneth E. Shelton  
President-CEO  
The Principal Group, Inc.