

## Annual Highlights

**MARKETS TRENDING TO CORRECTION**



**MARKET WATCH  
DECREASING  
MORTGAGE RATES**



**8859 BRIGHTON  
STREET SOLD**

# YRC 2019 ANNUAL REPORT

## Summary

**2019 Annual Report to Shareholders.** I apologize for not getting a 3rd QTR report out, but this year turned out to be busier than expected. The second half of 2019 saw the sale of 8859 Brighton Street in Norfolk, VA netting a \$45K return, which was a 50% return on our initial \$90K investment. Repairs on our Warrington, PA property continue, but more to follow later on in this report.

**On the financial side, current asset values remain at \$850K with the sale of 8859 Brighton from our inventory leveling our passive income to \$258 per month.** YRC took a loss of \$5K this year due to an eviction and rental income loss in our Virginia portfolio. Due to the limited number of high performing assets in Hampton Roads area, YRC decided against exchanging the profit into a “like-kind” asset. Your Real Capital will continue to look for opportunities to increase our monthly cashflows through future acquisitions in 2020.

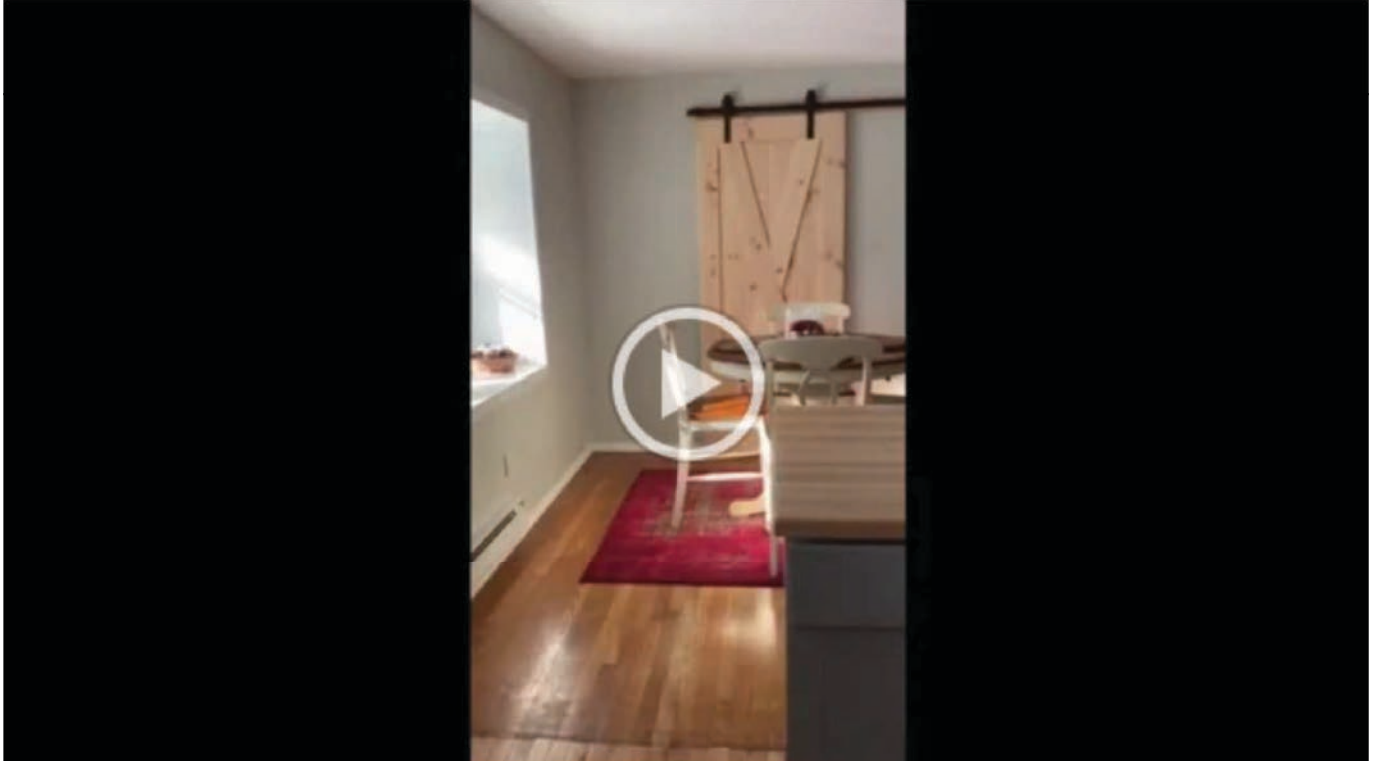
**On the market watch front, I wanted to share with you an article focussing on the potential decreased returns in an appreciation investment. The likelihood of a fast appreciation (i.e. Fix and Flip) has decreased in 2019 in comparison to previous years.**

*“Looking back over the past few quarters, we see slowing property appreciation, which suggests that the rapid property appreciation witnessed in recent quarters is almost certainly over.”*

*-Eli Beracha, a real estate professor in the Hollo School of Real Estate*

Some analysts believe that the signals for decreased appreciation in concert with decreased mortgage rates is not incentivizing buyers, and we are on the cusp of a market correction. The full article can be found [here](#). Another interesting article on some of the potential future markets to watch in 2020 can be found [here](#).

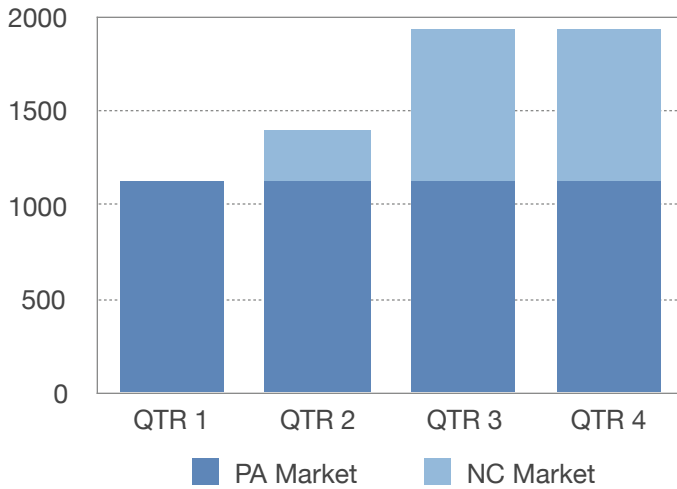
## The Warrington Remodel



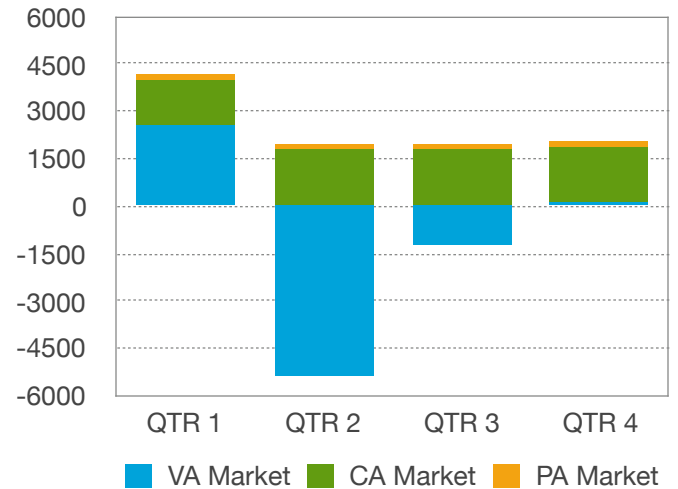
The construction of an in-law suite has completed in an effort to increase the usable space of the property from a 3 bedroom/2 bath to a 4 bedroom/3 bath to keep in line with new construction homes that are selling for over \$800k in the area. Converting a sun room and a extra living space that were being unused allowed for a quick transition. YRC will continue to look for opportunities to do this with other homes in our portfolio. Link can be found to video [here](#)

# FINANCIAL SUMMARY

**DEBT INVESTMENT DATA**



**RENTAL INVESTMENT DATA**



Company Goals	
Year 1 (2018):	Break Even. NOI=\$0
Year 5 (2023):	NOI= \$5000/month
Year 10 (2028):	NOI= \$10000/month

I look forward to continue working with each of you. If anyone that you know who may be interested in being added to this mailing list please have them contact me directly, [brian@yourrealcapital.com](mailto:brian@yourrealcapital.com), with any questions you have, or visit our website, [www.yourrealcapital.com](http://www.yourrealcapital.com). I look forward to continue working with each and every one of you.

-Brian