TAX DEED INVESTMENT PROPOSAL

Jefferson County, Alabama

Presented by Lambodeani LLC
Date: July 09, 2026

ACQUISITION RANGE	REHAB BUDGET	TARGET SALE PRICE	PROJECTED NET PROFIT
$5,000 – $10,000	**$35,000 – $45,000**	**$100K – $150K**	**$33,500 – $76,500***

** Net profit range after all costs; split equally between investor and Lambodeani LLC*

1. EXECUTIVE SUMMARY

Lambodeani LLC is seeking a capital partner to co-invest in a targeted tax deed acquisition strategy in Jefferson County, Alabama. This program identifies residential properties sold at tax deed auctions for delinquent back taxes, rehabilitates them to market-ready condition, and sells them at fair market value — returning the investor's capital first via a first-position deed of trust, then splitting net profits equally.

Jefferson County presents a compelling opportunity: a large, established metro market (Birmingham MSA) with consistent demand for affordable renovated housing, active county tax auctions, and strong resale fundamentals. Lambodeani LLC brings deal sourcing, project management, and disposition expertise; the investor provides the acquisition and rehabilitation capital.

2. THE OPPORTUNITY – TAX DEED INVESTING

When property owners fail to pay real estate taxes, the county government eventually seizes the property and sells it at public auction to recover the delinquent taxes. The winning bidder receives a **tax deed** — a legal conveyance of title — at a price that frequently represents only a fraction of the property's market value.

Low Entry Cost — Acquisition prices range from $5,000 to $10,000, representing the outstanding back taxes owed. This is far below traditional purchase prices.

Clear Title Process — Jefferson County follows Alabama's statutory tax deed procedure. All liens and encumbrances are researched thoroughly prior to bidding. Known lien payoffs are estimated at approximately $1,000 per property.

Value Creation Through Rehab — Properties are renovated at an average cost of $35–$45 per square foot. For a typical 1,000 sq ft home, this represents a total rehab budget of $35,000–$45,000.

Strong Resale Market — Renovated homes in Jefferson County's residential neighborhoods consistently achieve fair market values of $100,000–$150,000, driven by Birmingham MSA demand.

3. DEAL STRUCTURE & CAPITAL FLOW

Each investment is structured as a single-property transaction. The investor funds the full acquisition and rehabilitation costs. Lambodeani LLC manages all operations. Capital is protected via a first-position deed of trust recorded in Jefferson County.

Phase	Action	Party Responsible
1 – Identify	Source property at tax deed auction; conduct title & lien research	Lambodeani LLC
2 – Acquire	Investor funds back-tax purchase ($5,000–$10,000) via escrow; First-position deed of trust recorded in investor's favor	Investor / Escrow
3 – Rehabilitate	Lambodeani LLC manages renovation (~$35–$45/sq ft); Investor funds rehab draws through escrow	Lambodeani LLC

4 – Sell	Property listed and sold at fair market value ($100K–$150K)	Lambodeani LLC
5 – Distribute	Escrow pays: (1) Investor capital returned first; (2) All costs paid; (3) Net profit split 50 / 50	Escrow / Both Parties

Investor Capital Protection

The investor's full acquisition and rehabilitation capital is secured by a **first-position deed of trust (1st lien)** recorded against the subject property in Jefferson County, Alabama. This means the investor's capital is the first obligation repaid from sale proceeds at closing — before any profit distribution — providing a real-property secured position throughout the hold period.

4. FINANCIAL PROJECTIONS – PER PROPERTY

The tables below present conservative and optimistic scenarios based on the deal parameters provided. All figures are per-property and represent projected ranges.

CONSERVATIVE SCENARIO	Amount
Back Tax Acquisition	$10,000
Rehab (1,000 sq ft)	$45,000
Lien Payoff (est.)	$1,000
Total Invested Capital	**$56,000**
Gross Sale Price	$100,000
Commissions & Fees (10%)	($10,000)
Net Sale Proceeds	**$90,000**
Less: Invested Capital	($56,000)
Net Profit (Before Split)	**$34,000**
Investor Share (50%)	$17,000
LLC Share (50%)	$17,000
Investor Total Return	**$72,000**
Investor ROI	**30.4%**

OPTIMISTIC SCENARIO	Amount
Back Tax Acquisition	$5,000
Rehab (1,000 sq ft)	$35,000
Lien Payoff (est.)	$1,000
Total Invested Capital	**$41,000**
Gross Sale Price	$150,000
Commissions & Fees (10%)	($15,000)
Net Sale Proceeds	**$135,000**
Less: Invested Capital	($41,000)
Net Profit (Before Split)	**$94,000**
Investor Share (50%)	$47,000
LLC Share (50%)	$47,000
Investor Total Return	**$87,000**
Investor ROI	**114.6%**

* ROI calculated on total invested capital (acquisition + rehab). All figures are estimates; actual results may vary based on final sale price, actual rehab costs, and market conditions.

5. INVESTOR PROTECTIONS & RISK MITIGATION

01 **1st Position Deed of Trust**

Investor's capital is secured by a first-position lien on the subject property, recorded at Jefferson County Probate Court. No other party can collect ahead of the investor.

02 **Escrow-Controlled Disbursements**

All funds flow through a licensed escrow agent. Draw requests for rehabilitation are reviewed and disbursed in stages. Sale proceeds are distributed per the agreed waterfall — investor principal first, then costs, then profit split.

03 **Pre-Purchase Lien Research**

Every property is researched for outstanding liens, code violations, IRS encumbrances, and HOA assessments before a bid is placed. Properties with unresolvable title issues are passed.

04 **Defined Cost Parameters**

Rehab costs are bounded at $35–$45/sq ft with a licensed contractor. Scope of work is agreed in writing before work commences. Cost overruns are absorbed by Lambodeani LLC, not the investor.

05 **Conservative Underwriting**

Sale price projections use local comparable sales (comps). Lambodeani LLC targets a minimum $30,000 profit margin before accepting a deal, ensuring a cushion even if market conditions soften.

6. ROLES & RESPONSIBILITIES

Responsibility	Investor	Lambodeani LLC
Provide acquisition capital	✓	
Provide rehabilitation capital	✓	
Property sourcing & due diligence		✓
Lien & title research		✓
Bid at tax deed auction		✓
Contractor management & renovation		✓
Listing, marketing & sale		✓
Escrow coordination	✓	✓
Profit distribution	**50% of net profit**	**50% of net profit**

7. NEXT STEPS

1. Review this proposal and direct any questions to Lambodeani LLC.
2. Execute a Joint Venture Agreement or Loan Agreement with deed of trust terms.
3. Identify target property at upcoming Jefferson County tax deed auction.
4. Investor funds acquisition through escrow; first-position deed recorded.
5. Lambodeani LLC commences rehabilitation per agreed scope of work.
6. Property is listed, sold, and proceeds distributed per the agreed waterfall.

8. DISCLAIMER

This proposal is provided for informational and discussion purposes only and does not constitute an offer to sell securities or a solicitation of an investment. All financial projections are estimates based on current market conditions and historical data; actual results may differ materially. Investing in tax deed real estate involves risks, including but not limited to market fluctuations, unexpected rehabilitation costs, title defects, and delays in sale. Prospective investors should conduct their own due diligence and consult with qualified legal, financial, and tax advisors before making any investment decision. Past performance of similar transactions is not indicative of future results.

Lambodeani LLC
Tax Deed Investment Division
Jefferson County, Alabama Operations

For inquiries, please contact Lambodeani LLC directly to schedule a consultation.