



Executive Summary Arkansas City, KS Arkansas City Mobile Home Park

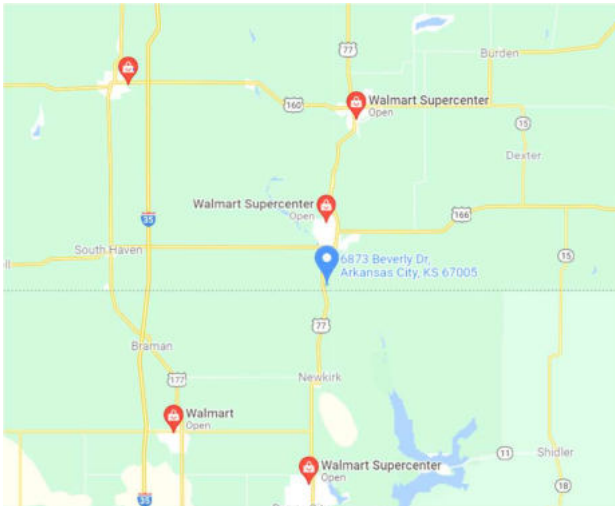
Project Description

- Light value-add 7-lot mobile home park
- 6 lots are rented, 1 is vacant
- Public water paid by tenants, septic tanks
- Upside in lot rents
- Its current financial profile and the pricing gives this park a **cap rate of 10%**



Market Description

This Park is in the growing market of Arkansas City, Cowley County, KS with a population of 34,628 and a median home price of \$87,800+ which indicates a strong demand for affordable housing. The lot rent at the park is currently around \$100, whereas 2- and 3-bedroom apartments in the market have rents from \$749 to \$970.



Deal Structure & Raise Goals

Name	Arkansas City MHP
Location	Arkansas City, KS
Asking Price	\$74,900
Purchase Price	\$75,000
Financing	Cash
Due Diligence	\$5,000
Acquisition Fee	\$8,000
Closing Costs	\$1,500
Reserves	\$7,000
Value-Add	\$2,500
Raise	\$99,000

Return on Investment

Targeted IRR: 15%-18%
 Targeted Equity Multiple: 1.5x – 1.8x
 Targeted Hold Time: 5 Years

Schedule of the Investor’s Return of Capital

- First: 100% to Investors until an **8% preferred return is achieved**
- Second: After an 8% preferred return is achieved, then 70% to Investors and 30% to Sponsor
- Third: After a 12% return is achieved, then 60% to Investors and 40% to Sponsor
- Fourth: After a 16% return is achieved, then 50% to Investors and 50% to Sponsor

Timeline

The property is expected to close escrow on or before **December 10th, 2021**. All funds are to be remitted by **December 1st, 2021**.