



Executive Summary

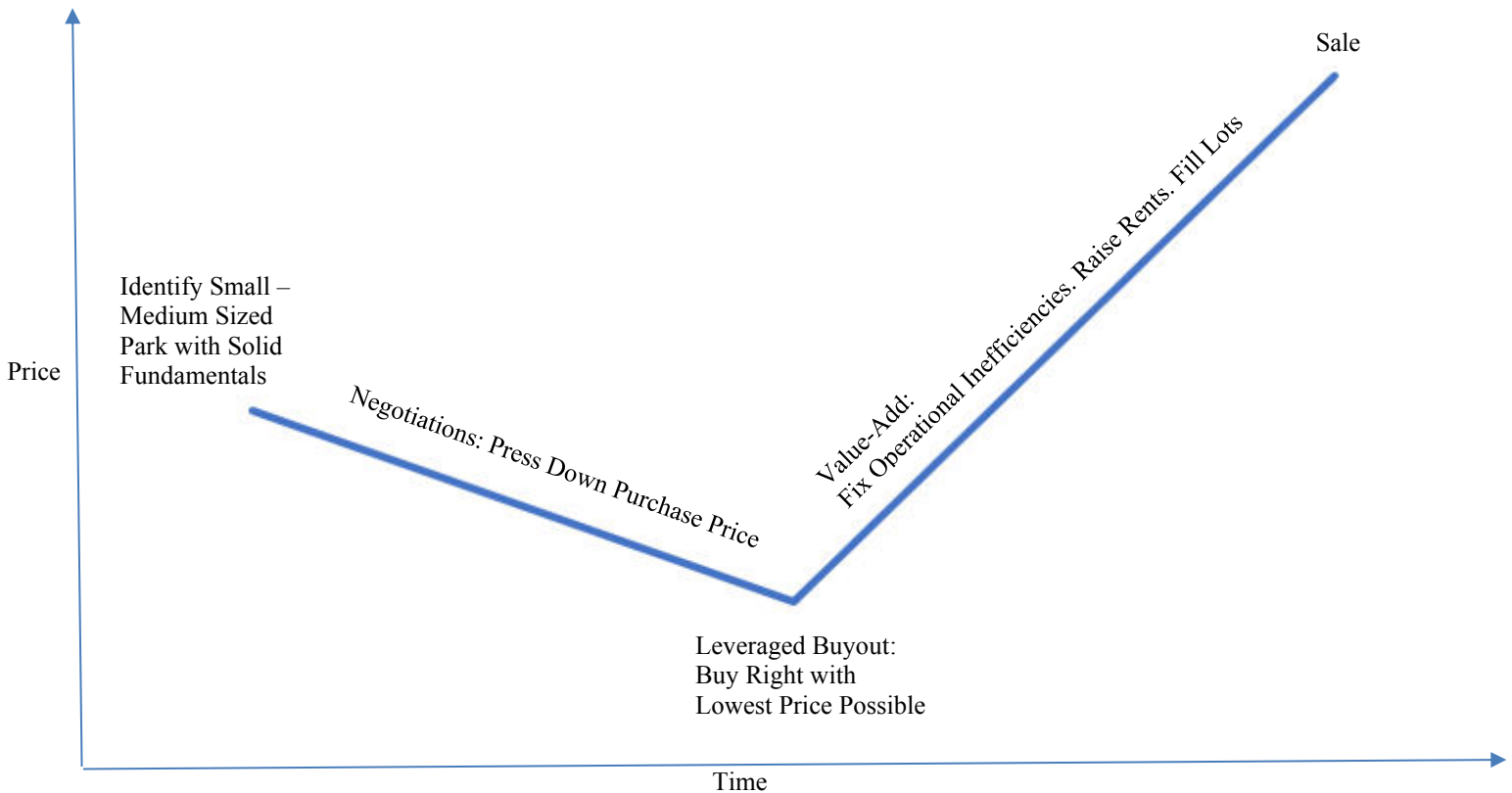
2020 Central Iowa Portfolio

Brighton, IA - Clarion, IA – Donnellson, IA

The 2020 Central Iowa Portfolio consists of three value-add mobile home parks located in solid markets due to multiple industries that supply a solid base for affordable housing options. With all public utilities and a mix of tenant-owned and park-owned homes, this portfolio of small parks produces a **15% - 19%** projected IRR with a 5-8 years hold time. All parks in this portfolio are value-add deals with upside yet are not classified as distressed.

Our Niche & Why Small to Medium Sized Parks:

- The “Big Park” market is frothy and overheated, causing prices to be higher than what the parks are worth.
- While many investors focus on the larger parks and overpay for these assets, we focus on this niche where we can better negotiate purchase prices. Unlike assets distressed with justified low valuations, most small to medium parks with solid fundamentals are often undervalued.
- Deals are generally better on small parks as “mom-and-pop” owners rarely raised rents, leaving room for profits from initiating various value-add activities.
- Affordable housing is and will continue to be an issue for most of the country. By investing in mobile home parks, we deliver to tenants a cost-effective housing option and deliver to our investors higher than average returns.



Park	Number of Lots	Occupancy	Utility	Raise Amount	Funding Date
Brighton, IA	7	4 Park-Owned & 71% Occupied	Public Water & Sewer/Park pays	\$105,000	November 17 th , 2020
Clarion, IA	10	All Tenant-Owned & 80% Occupied	Public Water & Sewer/Park pays	\$225,000	November 17 th , 2020
Donnellson, IA	6	6 Park-Owned & 83% Occupied	Public Water & Sewer/Park pays	\$135,000	November 17 th , 2020
Total	23	-	-	\$465,000	November 17th, 2020



Executive Summary 2020 Central Iowa Portfolio Brighton, IA - Clarion, IA – Donnellson, IA

Project Description

The 2020 Central Iowa Portfolio has the following sound fundamentals:

- Small Parks with Solid Fundamentals.
- Diversifies Investor Capital across 3 parks
- Parks in this portfolio close to each other:
 - Creates Efficiencies for Site Visits, Maintenance, and Repairs.
- Below Market Rents.
- Transition Park-Owned to Tenant-Owned.



- **Donnellson:**
 - Part of the Fort Madison-Keokuk Metro Area of almost 60,000 in population.
 - Commuting Distance to Fairfield, Fort Madison and Burlington, Iowa.
 - Upside in lot rents and transitioning away from Park-Owned homes.
 - **Cap Rate at Purchase: 9.5%**

- **Clarion:**
 - Within Commuting Distance to Fort Dodge and Webster City metros.
 - All Tenant-Owned.
 - Below Market Rents.
 - **Cap Rate at Purchase: 10.4%**



- **Brighton:**
 - Small park within commuting distance to Washington and Fairfield, Iowa.
 - Within an hour of the Iowa City metro.
 - Upside in lot rents and transitioning away from Park-Owned homes.
 - **Cap Rate at Purchase: 15.0%**

Deal Structure & Raise Goals

Park	Clarion	Brighton	Donnellson
Asking Price	\$200,000	\$75,000	\$110,000
Purchase Price	\$180,000	\$70,000	\$95,000
Financing	Cash	Cash	Cash
Cash Payment	\$180,000	\$70,000	\$95,000
Due Diligence	\$3,000	\$3,000	\$3,000
Acquisition Fee	\$9,000	\$6,500	\$8,500
Closing Costs	\$4,500	\$4,500	\$4,500
Reserves	\$8,500	\$10,000	\$9,000
Value-Add	\$20,000	\$11,000	\$15,000
Raise	\$225,000	\$105,000	\$135,000
Total Raise			\$465,000

Return on Investment

Targeted IRR:	15%-19%
Targeted Equity Multiple:	1.6x - 2.9x
Targeted Hold Time:	5 - 8 Years



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Schedule of the Investor's Return of Capital

- *First:* 100% to Investors until a **10% preferred return** is achieved
- *Second:* After a 10% preferred return is achieved, then 80% to Investors and 20% to Sponsor
- *Third:* After a 14% return is achieved, then 70% to Investors and 30% to Sponsor
- *Fourth:* After a 18% return is achieved, then 60% to Investors and 40% to Sponsor

Timeline

All funds are to be remitted by **November 17th, 2020.**

*Due to the deal size and the timing of this offering, **\$70,000 and above investments are highly preferred.**

*We may identify other deals during the due diligence process and may replace one of the parks with a similar or better opportunity. We may also discontinue one or more deals due to unsatisfactory due diligence results based on our discretion. In the event of these instances, we will put a new deal in the offering and the total raise amount will stay similar.