

Executive Summary

Property Description

The Wigwam Mobile Home Park is in Cave City, Kentucky and is approximately 10 miles east of the famed Mammoth Cave National Park. Located in the Glasgow Metro Area with a growing population of over 53,000. The property consists of 4.4 acres with 32 lots on city water and city sewer. Currently, there are 20 tenant owned homes, 2 park owned homes, and 10 vacant lots.

This is a Value-Add acquisition with the following sound fundamentals:

- All Tenant Owned Homes
- Public Utilities Billed Back to Tenants
- Below Market Rents
 - Current Lot Rent: **\$175/Month**
 - Market Lot Rent: **\$285/Month**
- Manufactured Housing Friendly City

Rental Income and CAP Rate

Current Monthly Rental Income	\$3,050
Market Rate at full occupancy	\$9,120
CAP Rate	10%

Local Market

Cave City has a projected job growth of **36.2%** compared to the **33.5%** national average. Major industries include Manufacturing, Healthcare, Public Administration, Transportation and Warehousing which are all **stable** employers supplying a large customer base for the mobile home park.

Deal Structure

Asking Price:	\$329,000
Purchase Price (Cash Sale):	\$280,000

Capital Raise

All Cash Offer:	\$280,000
Due Diligence:	\$ 6,000

Closing Costs:	\$ 5,000
Acquisition Costs:	\$ 14,000
Value-Add Budget:	\$ 25,000
Margin of Error:	\$ 5,000
Total Capital Raise:	\$335,000

Return on Investment

Targeted IRR:	18%-24%
Targeted Equity Multiple:	2x
Targeted Hold Time:	3-5 Years
Investment Type:	Equity

Schedule of the Investor's Return of Capital

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

Timeline

The property is expected to close escrow on or before **May 5th, 2020**. All funds are to be remitted by **May 6th, 2020**. Investors will be admitted on a first come, first served basis.