



Executive Summary

Wagon Wheel Mobile Home Park

Abbotsford, WI

Project Description

In 1872, the Wisconsin Central Railroad cleared its right of way through the forest which would become Abbotsford, heading north for Ashland. The town was named in honor of Edwin H. Abbott of the Wisconsin Central. Abbotsford is nicknamed "Wisconsin's First City" due to its alphabetical place on a list of Wisconsin cities.

The Wagon Wheel Mobile Home Park is located near the downtown area of Abbotsford, is serviced by city water and sewer and is directly across from the county market.



The park has the following solid fundamentals:

- Stabilized 8-lot mobile home park that are all tenant-owned (no repair/maintenance costs)
- 100% occupied
- Public utilities paid by tenants
- Upside in lot rents
- Its current financial profile and the pricing gives this park a **cap rate of 10%**

Market Description

Abbotsford, at the junction of Highways 29 and 13, is home to over 160 businesses and industries which provide a wide variety of services and employment opportunities. The school district offers a well-balanced curriculum with modern classrooms and technical facilities.

The city is part of the Wausau Metropolitan Statistical Area (MSA), with a population of over 163,000. The unemployment rate in Abbotsford is 3.1% (U.S. avg. is 3.7%). Recent job growth is positive and Abbotsford jobs have recently increased over 2.0%.

The lot rent at the park is currently around \$200, whereas 2- and 3-bedroom apartments in the area have rents from \$700 to \$900 and with home appreciation up 4.2% in the last 12 months, the need for affordable housing is evident.

Housing Statistics

Statistic	Abbotsford	U.S. Average
Vacant Housing	4.1%	12.2%
Projected Future Economic Growth	39.4%	33.5%

Deal Structure & Raise Goal

Location	Abbotsford, WI
Asking Price	\$120,000
Purchase Price	\$115,000
Financing	Cash
Due Diligence	\$3,000
Acquisition Fee	\$7,500
Closing Costs	\$3,000
Reserves	\$8,000
Value-Add	\$6,500
Raise Goal	\$143,000

Return on Investment

Targeted IRR:	15%-20%
Targeted Equity Multiple:	1.5x - 2.5x
Targeted Hold Time:	5 Years

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

The property is expected to close escrow on or before **February 26th, 2021**. All funds are to be remitted by **February 22nd, 2021**.