

EXECUTIVE SUMMARY

Project Description

Country View Estates Mobile Home Community consists of 20 lots on approximately eight acres in Fredonia, KS which is the county seat of Wilson County. The community also has room to develop an additional 20 lots and currently has five RV lots which are currently not being utilized. The town of Fredonia is located at the intersection of Highways 400 and 47 and about an hour drive to both Joplin, MO and Wichita, KS. Wilson County has a diverse economy including businesses associated with the healthcare, manufacturing, mining, and transportation industries.

The rate for a 3-bedroom apartment in the area is approximately \$932/month yielding a large disparity with the current lot rent of \$150/month. This gap helps to support the position of the need for affordable housing in the local market.

This park has the following solid fundamentals:

- Number of Lots: 20 with lot-ready utilities
- Home Ownership: 100% tenant-owned homes
- Current Number of Occupied Lots: 8
- Utilities: All public, tenants pay water and sewer
- Recent improvements: sewer line expansion, updates to electrical panels and gravel roads.
- **9.6% CAP RATE at time of purchase**



Deal Structure & Raise Goal

Asking Price	\$105,000
Purchase Price (Cash)	\$75,000
Due Diligence	\$4,000
Acquisition Fee	\$15,000
Closing Costs	\$3,000
Reserves	\$10,000
Value-Add	\$3,000
Total Raise Goal	\$110,000

Targeted Investment Parameters

Targeted IRR:	15% - 20%
Targeted Equity Multiple:	1.5x – 2.5x
Targeted Hold Time:	5 – 8 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 **August 18th, 2021**. All funds are to be remitted by **August 10th, 2021**.