

EXECUTIVE SUMMARY

Project Description

This small property is in the growing market of Lenoir, NC which is part of the Hickory-Lenoir-Morganton Metro Area with a population of over 360,000. There are four Walmarts within 20 minutes of this property indicating strong economic fundamentals. Although small, the property has solid fundamentals such as public water billed directly to tenants and above-average condition of the homes.

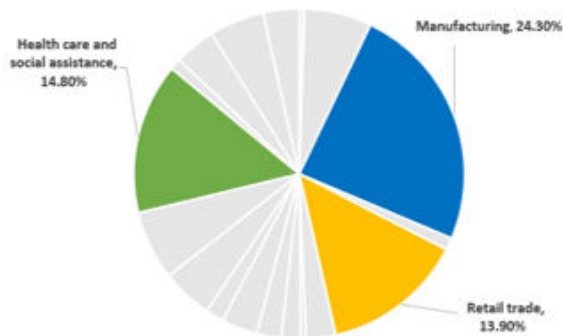


- 3 homes: 2 mobile homes and 1 tiny house
- 100% occupied
- Its current financial profile and the pricing gives this property a **cap rate of 15%**
- Higher cap rate going in leads to higher potential IRR

Diverse Market

With a median home price of close to \$100,000, a demand for apartment rentals and the low availability all indicate that the Lenoir market has a strong demand for affordable housing.

Diverse industries are also present with no one sector consisting more than 30% of the local economy.



Deal Structure & Raise Goal

Location	Lenoir, NC
Asking Price	\$74,999
Purchase Price	\$52,000
Financing	Cash
Due Diligence	\$2,000
Acquisition Fee	\$5,000
Closing Costs	\$3,000
Reserves	\$4,000
Value-Add	\$4,000
Raise	\$70,000

Return on Investment

Targeted Project 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 5th, 2021**. All funds are to be remitted by **January 29th, 2021**.