

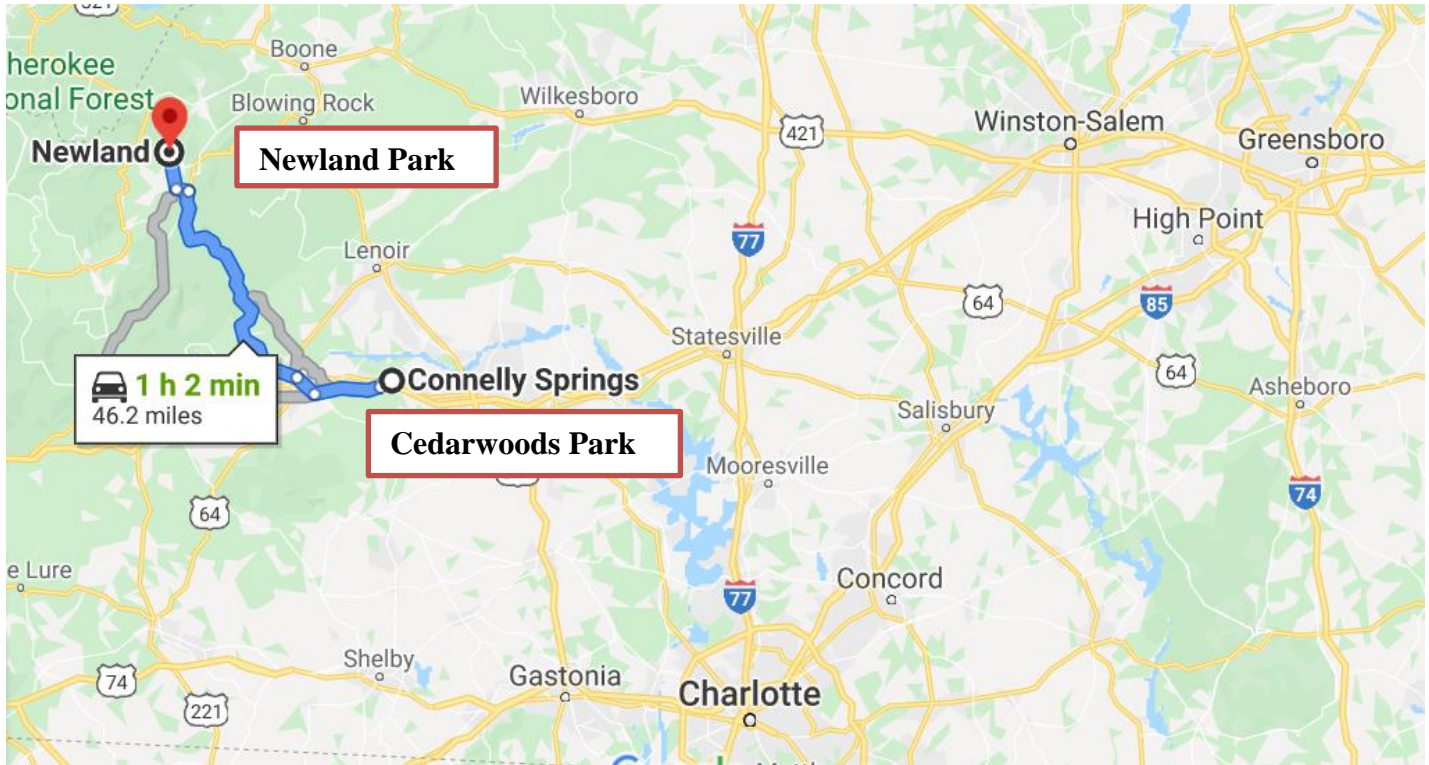


# Executive Summary

## Mobile Home Park Portfolio

### Connelly Springs, NC - Newland, NC

2-park portfolio deal spanning across North Carolina consists of **36** lots within driving distance to each other, majority tenant owned homes, averaging **10%** cap rate going in, **85%-90%** occupied, and **15-20%** projected IRR.



Park	Lot Number	Utility	Raise Amount	Funding Date	Closing Date
Cedarwoods	15	Public water & sewer/tenant pays	\$342,500	August 25 <sup>th</sup> , 2020	August 31 <sup>st</sup> , 2020
Newland	21	Public water & sewer/tenant pays	\$417,500	August 25 <sup>th</sup> , 2020	August 31 <sup>st</sup> , 2020
<b>Total</b>	<b>36</b>	-	<b>\$760,000</b>	<b>August 25<sup>th</sup>, 2020</b>	<b>August 31<sup>st</sup>, 2020</b>



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## Mobile Home Park Portfolio

### Connelly Springs, NC - Newland, NC

#### Project Description

This Value-Add acquisition has the following sound fundamentals:

- Average of Cap Rate of **10%** going in
- Majority Tenant-Owned Homes
- Diversifies Investor Portfolio across 2 parks
- Solid Markets:
  - Cedarwoods: Hickory MSA with over 360,000 in population
  - Newland: Avery County with Over 17,000 in Population, \$150k Median Home Price, Good Retiree Population Which Comprises a Large Part of MHP Tenant Base.
- Proximity Across Portfolio:
  - Creates Efficiencies for Site Visits, Maintenance, and Repairs.
- Below Market Rents
- Public Water Direct Billed/Billed back
- Off-Market, Non-brokered Deals.

#### 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 **August 31<sup>st</sup>, 2020**. All funds are to be remitted by **August 25<sup>th</sup>**.

#### Deal Structure & Raise Goals

	Cedarwood	Newland
Purchase Price	\$310,000	\$340,000
Financing	Seller Financing	Cash
Down Payment	\$260,000	\$340,000
Due Diligence	\$3,000	\$3,000
Acquisition Fee	\$16,250	\$17,500
Closing Costs	\$4,000	\$4,000
Reserves	\$28,750	\$29,250
Value-Add	\$30,500	\$23,750
Raise	\$342,500	\$417,500
<b>Total Raise</b>		<b>\$760,000</b>

#### Return on Investment

Targeted IRR: **15%-20%**  
 Targeted Equity Multiple: **1.6x - 2.5x**  
 Targeted Hold Time: **5 - 8 Years**  
 Investment Type: **Equity**