

## Executive Summary



### **Property Description**

The Pine Grove Mobile Home Park is in Lewiston-Auburn MSA in the town of Livermore Falls, Maine. The property consists of 12 lots with public water and septic tanks. Currently there is one park-owned home and three vacant lots. This is a Value-Add acquisition with the following sound market fundamentals:

- Lack of Supply
- Strong Demand
- Location
- Low Unemployment
- Low Housing Vacancy
- High Potential for Future Growth

### **Rental Income and CAP Rate**

Current Rental Income: \$3,010

Current Market Rate: \$9,700

CAP Rate: 12%

### **Deal Structure**

Asking Price: \$240,000

Purchase Price (Cash Offer): \$187,500

### **Capital Raise**

All Cash Offer: \$187,500

Due Diligence, Closing Costs: \$11,500

Acquisition Costs: \$9,375

Value-Add Budget: \$30,000

Margin of Error: \$11,625  
Total Capital Raise: \$250,000

### **Return on Investment**

Targeted IRR: 15%-20%  
Targeted Equity Multiple: 1.6-2.0  
Targeted Hold Time: 3-5 Years  
Investment Type: Equity  
Minimum Investment: \$25,000

### **Schedule of the Investor's Return of Capital**

- *First:* 100% to Investors until 8% preferred return achieved
- *Second:* After 8% preferred return achieved, 70% to Investors and 30% to Sponsors
- *Third:* After 12% return achieved, 60% to Investors and 40% to Sponsors
- *Fourth:* After 16% return achieved, 50% to Investors and 50% to Sponsors