

## EXECUTIVE SUMMARY

### Project Description

Sunbeam Mobile Home Park is a 100% tenant-owned development project located in Leitchfield, KY with a median house price of \$108,300.

Number of Lots: 18 lot-ready with utilities

Number of Occupied Lots: 7

Includes a rented shop building and storage garage

Utilities: All public, tenants pay water and sewer

The rate for a 3-bedroom apartment in the area is approximately \$950/month which is a large disparity between the current lot rent of \$130/month. This helps to support the position of the need for affordable housing in the local market.

This park has the following solid fundamentals:

- All tenant-owned homes
- Proximity to our other KY parks representing economies of scale
- Attractive Financing: Three years interest-free loan, 6% afterwards with balloon at 10 years on a 15-year amortization schedule providing sufficient time to capitalize this project



### Deal Structure & Raise Goal

Asking Price	\$295,500
Purchase Price	\$229,000
Down Payment	\$45,800
Remaining Balance	Seller Finance
Due Diligence	\$4,000
Acquisition Fee	\$20,000
Closing Costs	\$2,200
Reserves	\$10,000
Value-Add	\$33,000
<b>Total Raise Goal</b>	<b>\$115,000</b>

### Return on Investment

Targeted IRR:	15% - 20%
Targeted Equity Multiple:	2x - 3x
Targeted Hold Time:	5 - 8Years

### 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 **June 4<sup>th</sup>, 2021**. All funds are to be remitted by **June 1<sup>st</sup>, 2021**.