



# Executive Summary

## Sciota Woods Court

### Unicoi, TN

#### Project Description

Sciota Woods Court is a small mobile home park in beautiful Unicoi, Tennessee. The park has 15 single-wide lots (12 currently occupied) and sits in a nice upscale neighborhood in the Cherokee National Forest. The mobile homes are owned by the tenants and current lot rents are under market for the area. All utilities are underground including city water and fiber optic high-speed internet and there are two homes per septic system. The tenants pay their own separately metered utility bills and maintain their own yards and driveways.

Unicoi, TN is part of the Johnson City MSA with a population of over 200,000 with 2- and 3-bedroom rental rates from \$800-\$1,000 which supports the need for affordable housing in the area. The park is close to shopping, outdoor adventures, Alexander State Park, Mountain Home Veterans Hospital, and East Tennessee State University.

Sciota Woods Court has the following solid fundamentals:

- All tenant-owned homes - current lot rents
- Utilities directly billed to tenants
- Under market lot rents
- Close to economic hubs including Johnson City, TN (20 min) and Asheville, NC (1 hour)



#### Deal Structure & Raise Goals

Asking Price	\$335,000
Purchase Price	\$300,000
Down Payment	\$270,000
Seller-Carry Terms	\$30,000 at 3% interest rate with a 30-year amortization and a 5-year balloon.
Due Diligence	\$4,000
Acquisition Fee	\$15,000
Closing Costs	\$2,500
Value-Add	\$6,100
Reserves	\$27,400
<b>Raise Goal</b>	<b>\$325,000</b>

#### Return on Investment

- Targeted IRR: 15% - 19%
- Targeted Equity Multiple: 1.3x - 1.5x
- Targeted Hold Time: 2 -3 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 **May 24<sup>th</sup>, 2022**. All funds are to be remitted by **May 17<sup>th</sup>, 2022**.