



Executive Summary Tiger Drive Mobile Home Park Wellsville, OH

Project Description

Tiger Drive Mobile Home Park consists of nine lots in Wellsville, OH; four of which are occupied tenant-owned homes. Wellsville is part of the Salem MSA which has a population of over 100,000. The park is also about 45 miles from Pittsburgh, PA.

The median home price in the Salem MSA is approximately \$113,000 and the rental rate for a 2 to 3-bedroom apartment is approximately \$738 - \$992/month. This yields a large disparity with the current lot rent of \$195/month and helps to support the position of the need for affordable housing in the local market.

This park has the following solid fundamentals:

- All public utilities – paid by tenants
- Value-add opportunities consisting of cosmetic upgrades and periodic rent increases
- Close to the Pittsburgh, PA economic hub
- Economies of scale present due to another park under management about 30 minutes away.



Deal Structure & Raise Goal

Purchase Price	\$68,000
Cash Purchase	\$68,000
Due Diligence	\$4,000
Acquisition Fee	\$6,000
Closing Costs	\$1,500
Reserves	\$14,680
Value-Add	\$1,360
Margin of Error	-\$540
Total Raise Goal	\$95,000

Targeted Investment Parameters

Targeted IRR:	12% -15%
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 **April 29, 2022**. All funds are to be remitted by **April 22, 2022**.