



INVESTING IN **MOBILE HOME PARKS**

MHPInvestors, LLC.



MHPinvestors

MHPINVESTORS, LLC.

DISCLAIMER

The material contained in this brochure is confidential and furnished solely for the purpose of considering an investment in MHPinvestors Fund LLC (the "Fund") sponsored by MHPproperties, LLC (the "Manager") and is not to be used for any other purpose or made available to any other person without the express written consent of the Manager. The material is based in part on information supplied by the Manager's management and in part upon information obtained from sources deemed to be reliable, however, neither the Manager nor its affiliates shall be deemed to have made any express or implied representations or warranties regarding this material whatsoever, including, without limitation, with regard to accuracy and completeness.

While the management believes the assumptions and forward looking statements contained in this brochure are reasonable, the Fund cannot guarantee future results, performance or achievements. Anticipated returns, expense estimates and investor distributions discussed in this business plan are based on the management's assumptions and beliefs and are not reflective of past operations of this company or the property. Summaries contained herein of any documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Prospective investors should make their own investigations, projections, and conclusions without reliance upon the material contained herein with regard to future investments sponsored by the Manager.

The Manager expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to invest in the Fund or any project and/or terminate with any entity at any time with or without notice. The material herein is subject to change. Investments may only be made as described in the Confidential Private Placement Memorandum and Subscription Agreement relating to the operations described herein, and prospective investors should thoroughly review these materials before investing. This information is not intended to be legal, tax, business or financial advice. Please consult with your applicable professional for such advice.



MHPinvestors

MHPINVESTORS, LLC.

Executive Summary

MHPInvestors is a real estate fund that purchases undervalued mobile home parks in select markets.

Why mobile home parks?

- There is a unique window of opportunity to purchase neglected mobile home parks and bring them back to life. Our mission is to help improve the lives of Americans who desire low cost home ownership in family-friendly, safe communities.



MHPinvestors

MHPINVESTORS, LLC.

Executive Summary

Investing in mobile home parks provides a niche real estate asset that offers the following benefits:

- an undervalued industry
- a decreasing quantity (due to repurposing of land)
- government-backed barriers to entry
- high consumer demand
- low competition
- adjusts with inflation
- provides better performance in a depressed economy
- industry-leading lender favorability due to low default rates



MHPinvestors

MHPINVESTORS, LLC.

Executive Summary

- customers have a vested interest in the community success (they own their own homes)
- Mobile home parks offer higher margins and lower costs than other sectors of real estate. Due to the fact that residents own their own homes (we rent lots to home owners).
- We revitalize neglected properties by purchasing them and bringing them back to life. Moreover, by doing so, we are changing the world one community at a time.



MHPinvestors

MHPINVESTORS, LLC.

INVESTMENT SUMMARY

Purchase:

- We purchase undervalued mobile home parks based on a specific set of criteria.

Improve:

- We take pride in our work and improving the communities we purchase. Our goal is to provide quality, affordable home ownership options in safe, family-friendly communities.

Manage:

- The hidden potential in our properties is unlocked while we improve lives and create value for the community.

Return:

- The company distributes cash flow to investors as well as a portion of equity created. To keep offering good value to our residents, we budget a portion of our profits back into the community.



MHPinvestors

MHPINVESTORS, LLC.

INVESTMENT SUMMARY CONT.

Our mission is to help improve the lives of Americans who desire low cost home ownership in family-friendly, safe communities.

Investing in mobile home parks provides a niche real estate asset that offers the following benefits:

- an undervalued industry
- a decreasing quantity (due to repurposing of land)
- government-backed barriers to entry
- high consumer demand
- very little competition
- grows more valuable with inflation
- provides better performance in a depressed economy
- industry-leading lender favorability due to low default rates
- customers have a vested interest in the community success

Our residents own their own homes (we rent land to home owners). Mobile home parks also offer higher margins and lower costs than other sectors of real estate.



MHPinvestors

MHPINVESTORS, LLC.

FUND RETURNS

Class A Preferred

Minimum Investment **\$50,000**

Preferred Return Year 1 **10%**

Preferred Return Year 2 **9%**

Preferred Return Year 3 **8%**

Plus **50%** Split of Excess Income

Plus **50%** Split of Backend Equity



MHPinvestors

MHPINVESTORS, LLC.

Investment Strategy



Identify
undervalued and
neglected
properties



Purchase them
at a fair price
based on NOI
and market cap
rates



Bring them back
to life with better
management
and
infrastructure
improvements



MHPinvestors

MHPINVESTORS, LLC.

Current Investments

Sweet Lake

Located on a lake among old growth hardwoods, Sweet Lake was purchased at a 15% CAP rate. There is also a seasonal RV/Campground section of this property that provides additional cashflow.

The Value Add: We stabilized Sweet Lake, attracted quality residents and promoted a sense of community and pride in ownership. Rents were raised to fair market value, vacant lots were filled and profits were reinvested. Using our increased NOI and current market CAP rates, this property has experienced annualized value growth of over 80%.

Future Growth: Our property has ample room to expand (30 acres), and the Township has already expressed their support due to our efforts to enhance the reputation and quality of the property.



MHPinvestors

MHPINVESTORS, LLC.

Current Investments

Sturgis Commons

Excellent Purchase Price:

This property was purchased for just under a 15% cap rate. This is a small, straightforward park with 20 homes.

The Value Add:

This park has been stabilized with quality tenants, all vacant lots have been filled, the rents have been raised to fair market value, and we have allocated our capital expenditures to bring more value to the park's residents. On this property, we have recognized a 67% annualized increase in value (based on our NOI and current market capitalization rates).



MHPinvestors

MHPINVESTORS, LLC.

Current Investments

Pine Crest

A broker found this deal off-market. Sellers were retiring, the park had been in the family since its construction in the 1960s. It was purchased for just under an 8% CAP rate. It has 82 spaces, about 20 were vacant, lot rents were well below market rate, all residents owned their homes.

The Economics: Rents at Pine Crest were well below market rate after purchase. As a result of road repairs, demo homes, esthetic upgrades, tree work, water meters, plumbing issues, and other miscellaneous costs, our initial capex was considerable.

Submetering the water and billing the usage back to the residents saved the community nearly \$70,000 per year in addition to fixing leaks and reducing water usage by about 70%. We are filling the remaining 20 or so vacant lots with new and used homes.



MHPinvestors

MHPINVESTORS, LLC.

Current Investments

Pine Crest

The Value Created:

Market conditions have been favorable, with low interest rates and plenty of demand for affordable housing. Based on current cap rates and improved operating income, we have been able to increase fair market value by over 240% in less than two years. This was accomplished by increasing rents, rebilling utilities, filling vacant lots, stabilizing the tenant base, and allocating Capital Improvement Budgets. This project continues to unlock more value for owners and residents alike.



MHPinvestors

MHPINVESTORS, LLC.

About US

Chad Freeman

CEO/Managing Member

- Since 2005, Chad has been investing in real estate, generating a successful track record in both residential and commercial real estate, focusing over the past 5 years on Mobile Home Parks. Chad is one of the founding members of our company and he has overseen all aspects of it including onboarding, financing, operations, accounting, as well as taking the lead on scaling our business to new heights.
- Additionally, Chad has spent over 20 years in the travel industry as an airline pilot. Currently, he lives in NE Florida where he enjoys spending time on the water, watching ships navigate the St John's River, and fishing off his dock with his wife and daughter.



MHPinvestors

MHPINVESTORS, LLC.

About US

Jeremy Taylor

Director of sales, tech and marketing

Jeremy jumped into the fast life of real estate right out of college, following in the footsteps of his father who also sold real estate, and continues to thrive in the investing side of the industry. Today, Jeremy has sold over 100 homes in his young career totalling well over \$25 Million in sales volume.

In addition to standard RE sales – he has successfully flipped multiple properties and now has joined the MHP Investors to bring high energy and modern sales experience/strategies to the fast growing MHP investment group. Jeremy currently resides in St. Augustine, Fl.



MHPinvestors

About US

Pamela Freeman

CFO

Pam has been a licensed Real Estate broker and a force in the industry since 1992. Adapting efficiently to the ever-changing field of real estate through the late 90's / early 2000's. She spent most of her time concentrating primarily on residential Real Estate throughout a majority of her career. Within the last 5 years, she has re-focused her attention to Commercial Investment Property and has built a track record of success with founding partners Chad Freeman and Kevin Kouzmanoff.

Pam now resides along the coast in South East Georgia and serves as the Chief Financial Officer (CFO) for MHP Investors.

MHPINVESTORS, LLC.



MHPinvestors

MHPINVESTORS, LLC.

About US

Kevin Kouzmanoff

COO

Kevin is one of the founding members of MHPinvestors, LLC and his current duties include monitoring and maintaining park premises and systems as well as communications with park management and decision making for the company as we grow. Kevin was exposed to real estate investing at a young age as his parents thrived off of fixing & flipping single family homes. Kevin learned quickly the value of real estate investing and the positivity it can add to ones life. Years ago he recognized the need for quality, affordable housing across the country and started educating himself about mobile home parks. Since 2017 Kevin has altered his focus to the lucrative niche of Mobile Home Park Investing.

Kevin can say that he was the first person to ever hit a grand slam on his first pitch at bat in a major league baseball game. After a lucrative career in baseball he is now a hitting coach in the Oakland Athletics organization. His dedication and drive for success in athletics gives him a competitive edge in the competitive mobile home park industry. He currently resides in Lakewood Colorado with his wife Sarah, his son Kit