

MANUFACTURED HOUSING PROPERTIES INC.

CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

4,000,000 Shares

Series A Cumulative Convertible Preferred Stock

This Confidential Private Offering Memorandum (the “*Memorandum*”) relates to the offer and sale (the “*Offering*”) by **Manufactured Housing Properties Inc.**, a Nevada corporation (the “*Company*”) to accredited investors of up to 4,000,000 shares of Series A Cumulative Convertible Preferred Stock, par value \$0.01 per share, of the Company (the “*Shares*”) at a purchase price of \$2.50 per share. The Company is offering the Shares on a best-efforts basis, with a minimum subscription of 10,000 Shares.

THE SECURITIES OFFERED HEREBY ARE SPECULATIVE IN NATURE AND INVOLVE SIGNIFICANT RISKS. SEE “RISK FACTORS” FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “*SECURITIES ACT*”) OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON OR ENDORSED THE MERITS OF THE COMPANY, OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

ALTHOUGH THE COMPANY HAS NOT PURSUED OR ENTERTAINED OFFERS FOR SALES OF ITS STOCK TO OCCUR SUBSEQUENT TO THIS OFFERING, IT IS CONTEMPLATED THAT ADDITIONAL SALES WILL OCCUR IN THE FUTURE. STOCKHOLDERS DO NOT HAVE PREEMPTIVE RIGHTS, AND IF ADDITIONAL SALES OF THE COMPANY’S STOCK ARE CONSUMMATED IT WILL DILUTE ALL OF THE STOCKHOLDERS IN THE COMPANY AT THE TIME OF THE SUBSEQUENT SALES.

	Price to Investors	Commissions ⁽¹⁾	Proceeds to Company ⁽²⁾
Per Share	\$ 25.00	\$ 2.50	\$ 22.50
Min Subscription Amount	\$ 25,000.00	\$ 2,500.00	\$ 22,500.00
TOTAL	\$10,000,000.00	\$ 1,000,000.00	\$ 9,000,000.00

- (1) The Company may pay sales commissions to broker-dealers of the Offering. Officers and directors of the Company or those other individuals who are involved in this Offering will receive no commissions or other special remuneration for such efforts. As reflected here, sales commissions are estimated at 8% of the price to investors.
- (2) Assuming 4,000,000 Shares sold.

The date of this Memorandum is January 31, 2019

NOTICE TO PROSPECTIVE INVESTORS

This Memorandum is furnished to you on a confidential basis for your exclusive use solely in connection with your consideration of investing in the Shares. Information contained herein is subject to amendment. Any reproduction or distribution of this Memorandum, in whole or part, or the use of this Memorandum for any other purpose, without the prior written consent of the Company, is prohibited; provided, that this Memorandum may be distributed or shown by you to your financial, tax, legal, or other advisor for use solely by them in advising you with respect to your possible investment in the Shares offered hereby.

BY ACCEPTING DELIVERY OF THIS MEMORANDUM, YOU AGREE TO HOLD IT IN STRICT CONFIDENCE, AGREE NOT TO UTILIZE ANY INFORMATION CONTAINED HEREIN TO THE DETRIMENT OR IN COMPETITION WITH THE COMPANY, AND, IN THE EVENT THAT YOU DECIDE NOT TO PURCHASE ANY OF THE SHARES, TO RETURN IT AND ALL ACCOMPANYING DOCUMENTS TO THE COMPANY BY HAND OR BY MAIL, ADDRESSED TO MANUFACTURED HOUSING PROPERTIES INC., 136 MAIN STREET, PINEVILLE, NORTH CAROLINA 28134.

THIS MEMORANDUM CONTAINS “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, WHICH CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY, SUCH AS “MAY,” “WILL,” “SHOULD,” “EXPECT,” “ANTICIPATE,” “ESTIMATE,” OR “CONTINUE” OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. THE CAUTIONARY STATEMENTS SET FORTH UNDER THE CAPTION “RISK FACTORS” AND ELSEWHERE IN THE MEMORANDUM IDENTIFY IMPORTANT FACTORS WITH RESPECT TO SUCH FORWARD-LOOKING STATEMENTS, INCLUDING BUT NOT LIMITED TO CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE IN SUCH FORWARD-LOOKING STATEMENTS.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL TO YOU OR A SOLICITATION FROM YOU OF AN OFFER TO BUY ANY SHARES UNLESS YOUR NAME AND THE MEMORANDUM IDENTIFICATION NUMBER APPEAR ON THE COVER PAGE AND YOU ARE OTHERWISE QUALIFIED AS QUALIFIED PURCHASER (AS DEFINED HEREIN) OF THE SHARES. THE COMPANY MAY REJECT SUBSCRIPTIONS FOR SHARES, IN WHOLE OR IN PART, AND THE COMPANY MAY ACCEPT SUBSCRIPTIONS FOR SHARES OTHER THAN IN THE ORDER IN WHICH SUBSCRIPTION DOCUMENTS ARE RECEIVED.

THE PURCHASE OF THE SHARES INVOLVES A HIGH DEGREE OF RISK AND IS A SUITABLE INVESTMENT ONLY FOR PERSONS OF ADEQUATE MEANS WHO HAVE NO NEED FOR IMMEDIATE LIQUIDITY IN THIS INVESTMENT AND CAN AFFORD TO LOSE ALL OF THEIR INVESTMENT.

THE SHARES OFFERED HEREBY ARE SUBJECT TO SIGNIFICANT LIMITATIONS ON TRANSFER AS DESCRIBED HEREIN. THERE IS CURRENTLY NO MARKET FOR THE SHARES, AND IT IS NOT ANTICIPATED THAT THERE WILL BE A MARKET FOR THE SHARES AT A LATER TIME. CONSEQUENTLY, YOU SHOULD PROCEED ONLY ON THE ASSUMPTION THAT YOU WILL HAVE TO BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE SHARES.

THE STATEMENTS CONTAINED HEREIN ARE BASED ON INFORMATION BELIEVED BY THE COMPANY TO BE RELIABLE. NO WARRANTY CAN BE MADE AS TO THE ACCURACY OF SUCH INFORMATION OR THAT CIRCUMSTANCES MAY NOT HAVE CHANGED SINCE THE DATE SUCH INFORMATION WAS SUPPLIED. UPON REQUEST, YOU WILL HAVE AN OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING, AND TO OBTAIN ADDITIONAL INFORMATION (TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE) NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION WITHIN THIS MEMORANDUM.

NO OFFERING LITERATURE OR ADVERTISING IN ANY FORM WHATSOEVER OTHER THAN THIS MEMORANDUM AND THE MATERIAL REFERRED TO HEREIN WILL BE EMPLOYED IN THE OFFERING OF THE SHARES AND NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS MEMORANDUM. ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

YOU ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR ANY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY PERSON AUTHORIZED BY THE COMPANY, AS HEREIN DESCRIBED, AS LEGAL, TAX, OR INVESTMENT ADVICE. YOU SHOULD CONSULT YOUR OWN COUNSEL, ACCOUNTANT, AND BUSINESS OR INVESTMENT ADVISOR (OR ANY SUCH COMBINATION THEREOF) AS TO LEGAL, TAX, AND RELATED MATTERS CONCERNING YOUR POSSIBLE INVESTMENT IN THE SHARES OFFERED HEREBY AND THE TRANSACTIONS CONTEMPLATED HEREIN.

THE DELIVERY OF THIS MEMORANDUM AND/OR SALES OF SHARES SHALL UNDER NO CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE MATTERS DISCUSSED HEREIN SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE TO ANY PERSON TO WHOM SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

THE COMPANY IS NOT INTENDED TO BE A TAX SHELTER NOR IS IT BEING MARKETED AS SUCH. AN INVESTMENT IN THE COMPANY IS NOT INTENDED TO GENERATE TAX LOSSES OF ANY CONSEQUENCE TO PROSPECTIVE INVESTORS.

THE OBLIGATIONS OF THE PARTIES TO THE TRANSACTIONS CONTEMPLATED HEREIN ARE SET FORTH IN AND WILL BE GOVERNED BY EXECUTED ORIGINALS OF THE DOCUMENTS ATTACHED AS EXHIBITS HERETO AND/OR DESCRIBED OR REFERRED TO HEREIN, AND ALL OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS MEMORANDUM ARE QUALIFIED IN THEIR ENTIRETY BY SUCH ORIGINAL DOCUMENTS. CONSEQUENTLY, YOU ARE URGED TO READ CAREFULLY THE DOCUMENTS ATTACHED HERETO AS EXHIBITS AND/OR DESCRIBED OR REFERRED TO HEREIN AND NOT SO ATTACHED, BECAUSE THEY ARE AN INTEGRAL PART OF THIS MEMORANDUM AND ARE HEREBY INCORPORATED HEREIN BY REFERENCE FOR ALL PURPOSES. YOU WILL BE PROVIDED WITH COPIES OF ANY EXECUTED DOCUMENTS DESCRIBED OR REFERRED TO HEREIN BUT NOT ATTACHED HERETO UPON REQUEST.

IN MAKING AN INVESTMENT DECISION, YOU MUST RELY ON YOUR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE AVAILABILITY OF EXEMPTIONS FROM APPLICABLE SECURITIES LAWS FOR THE SALE OF THE SHARES DEPENDS IN PART UPON THE QUALIFICATIONS AND INVESTMENT INTENT OF THE INVESTORS. YOU WILL BE REQUIRED TO REPRESENT TO THE COMPANY THAT YOU ARE KNOWLEDGEABLE ABOUT AND EXPERIENCED IN INVESTMENTS OF THIS TYPE, THAT YOU ARE ABLE TO BEAR THE ECONOMIC RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME, AND THAT YOU ARE ACQUIRING THE SHARES FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR RESALE IN CONNECTION WITH ANY DISTRIBUTION OF SUCH SHARES.

SUMMARY OF SUBSCRIPTION PROCEDURE

Other than as set forth herein, no one has been authorized to give any information or to make any representation not contained or otherwise referred to in this Confidential Private Offering Memorandum. Any information or representation not contained or otherwise referred to herein must not be relied on as having been authorized by the Company, and the Company does not assume any responsibility for any such information or representations. Read this Confidential Private Offering Memorandum carefully before subscribing for purchase of any Shares. Prospective investors are not to construe the contents of this Memorandum or any prior, contemporaneous, or subsequent communications from the Company or any person authorized by the Company, as herein described, as legal, tax, or investment advice. Each prospective investor should consult such prospective investor's own counsel, accountant, and business or investment advisor (or any such combination thereof) as to legal, tax, and related matters concerning such investor's possible investment in the Shares offered hereby and the transactions contemplated herein.

Each subscriber for Shares must subscribe for the purchase at least 25 Shares unless the Company permits, in its sole discretion, the sale of a lesser number of Shares as the minimum investment. Payment for the number of Shares for which a prospective investor has subscribed is due at the time of subscription.

Each prospective investor who desires to subscribe for Shares must complete and execute the following:

1. The Subscription Agreement and Purchaser Questionnaire accompanying delivery of this Confidential Private Offering Memorandum (all documents therein collectively being referred to herein as the "Subscription Documents"); and

2. A wire or a cashier's check (or other form of immediately available funds) made payable to the order of "Manufactured Housing Properties Inc. in an amount equal to \$2.50 times the number of Shares for which the prospective investor has subscribed, but not less than \$25,000.00 (the amount for the minimum purchase requirement of 4,000 shares).

All Subscription Documents and checks should be returned to the Company, by hand or by mail, addressed to: Manufactured Housing Properties Inc., 136 Main Street, Pineville, NC 28134, c/o Michael Z. Anise, CFO.

Wiring Instructions:

Manufactured Housing Properties Inc.

Bank Name : BB&T
7521 PINEVILLE MATTHEWS RD
CHARLOTTE, NC 28226-3907
Account Name: MHP Pursuits
Account number: 1340005204061
Routing number: 053101121 Account

NO SUBSCRIPTION AGREEMENT WILL BE CONSIDERED UNLESS ACCOMPANIED BY A PERSONAL OR CASHIER'S CHECK IN THE APPROPRIATE AMOUNT. PARTIAL PAYMENT OR POST-DATED CHECKS WILL NOT BE ACCEPTED AND IN THE EVENT RECEIVED WILL CAUSE THE CHECK AND SUBSCRIPTION DOCUMENTS TO BE RETURNED TO THE PROSPECTIVE INVESTOR. SUBSCRIPTION DOCUMENTS POSTMARKED OR PERSONALLY DELIVERED AFTER THE EXPIRATION DATE WILL BE RETURNED PROMPTLY TO THE PROSPECTIVE INVESTORS WHO EXECUTED THEM, TOGETHER WITH THEIR CHECKS.

DISTRIBUTION OF THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, NOR SOLICITATION OF AN OFFER TO BUY. NO OFFER TO PURCHASE ANY SHARES OFFERED BY THIS MEMORANDUM WILL BE ACCEPTED UNTIL THE COMPANY HAS INVESTIGATED THE SUITABILITY OF THE PROSPECTIVE INVESTOR.

OFFERING INFORMATION

This Memorandum constitutes an offer only to the person to whom the Memorandum has been delivered and only if such person is an accredited investor as such term is defined in Rule 501(a) of Regulation D ("Regulation D") under the Securities Act. Each person, by accepting delivery of this Memorandum, agrees to return the Memorandum to the Company if the person does not purchase any of the shares of Common Stock offered hereby (the "Shares") and further agrees to hold the Company and the Placement Agent harmless against any claims, costs, expenses or damages they may suffer if the person breaches such agreement. This Memorandum is personal to the recipient hereof and may not be shown to any other person, other than the recipient's legal counsel and investment advisors. Reproduction of the Memorandum is strictly prohibited.

This Memorandum does not constitute an offer of the Shares to any person other than the recipient hereof. No one has been authorized by the Company to give any information or make any representations concerning the Company other than as contained herein and, if given or made, must not be relied upon as having been authorized by the Company. Except as otherwise expressly stated, this Memorandum speaks as of the date hereof and neither the delivery of this Memorandum nor any sales hereunder shall imply that there has been no change in the Company's affairs since the date hereof. Any reproduction or distribution of this Memorandum in whole or in part, or the divulgence of any of its contents, is strictly prohibited. The Company reserves the right to reject any subscription in whole or in part for any reason. In the event the offeree elects not to make a subscription, the offeree's entire subscription is rejected or if this Offering is withdrawn or canceled, the offeree agrees to immediately return this Memorandum and the related subscription agreement to the Company. Prospective investors are not to construe the contents of this Memorandum as legal tax or business advice.

The contents of this Memorandum, including all financial data, have been supplied by and are the responsibility of the Company. This Memorandum includes certain statements with respect to the Company's anticipated future performance as well as projected financial statements. Such statements reflect various assumptions of management that may or may not prove to be correct and involve various risks and uncertainties, and no representations or warranties are made with respect to the same. Investors must expect to bear the economic risks of this investment for an indefinite period. Each investor must rely on the investor's own evaluation of the Company and the Offering, including the merits and risks involved in making an investment decision with respect to the Shares. The investment described herein is illiquid and speculative, involves a high degree of risk and is suitable only for investors of substantial means who can afford to sustain a total loss of their investment. The Shares may not be sold, transferred, or otherwise disposed of without registration under the Securities Act and applicable state securities laws, unless, in the opinion of counsel acceptable to the Company, such registration is not required.

By accepting this Memorandum, the recipient acknowledges and agrees that (i) all of the information contained herein is confidential; (ii) the recipient will not reproduce this Memorandum, in whole or in part, or disclose or permit its agents to disclose any information contained herein without the prior written consent of the Company; (iii) if the recipient does not wish to pursue this matter, it will return this Memorandum to the Company as soon as possible; (iv) the information contained herein is not to be used for any purpose other than in connection with its consideration of the Offering; and (v) any proposed actions by the recipient that are inconsistent with the foregoing will require the prior written consent of the Company.

Questions, inquiries and requests for information may be directed to the Company:

Michael Z. Anise
Manufactured Housing Properties Inc.
136 Main Street
Pineville, NC 28134
Telephone: (980) 273-1702, Ext. 244

The following summary is qualified in its entirety by the more detailed information and the financial statements, including the notes thereto, appearing elsewhere in this Memorandum. This Memorandum should be read in its entirety by prospective investors.

The Company

Organization:

The Company was originally incorporated in the State of Nevada as Frontier Staffing, Inc. on September 3, 2003. Since its incorporation, the Company has experienced several changes of its name and has been engaged in several different business endeavors. On October 12, 2017, Mobile Home Rental Holdings, LLC, a North Carolina limited liability company that was engaged in acquiring and operating manufactured housing properties (“MHRH”), merged with and into the Company. In connection with the merger, the name of the company was changed to Manufactured Housing Properties Inc., the former management of MHRH became the management of the Company and the former business of MHRH became the business of the Company. The Articles of Incorporation of the Company, as amended from time to time (including the Articles of Merger), and the Amended and Restated Bylaws of the Company will be provided to the prospective investor upon request.

Company Business:

The Company, acting through its affiliates, acquires, owns, and operates manufactured housing communities. The Company earns income from leasing manufactured home sites to tenants who own their manufactured homes and from rental of manufactured homes owned by the Company to residents.

Properties:

As of December 31, 2018, the Company owned and operated seven manufactured housing communities containing approximately 433 developed sites. The housing communities are in North Carolina, South Carolina and Tennessee. Manufactured housing communities are residential developments designed and improved for the placement of detached, single-family manufactured homes that are produced off-site and installed and set on residential sites within the housing community. The owner of a home leases the site on which it is located, or the lessee of a home leases both the home and site on which the home is located.

The Offering

Securities Offered:

Up to 4,000,000 shares of our Series A Cumulative Convertible Preferred Stock at a price of \$2.50 per share. The Company is offering the Shares on a best efforts basis with a minimum subscription of 10,000 Shares.

Dividend Rate and Payment Dates

Dividends on the offered shares will be cumulative and payable monthly in arrears to all holders of record on the applicable record date, when and as authorized by our board of directors and declared by the Company. Holders of the Shares will be entitled to receive cumulative dividends in the amount of \$.20 per share each month, which is equivalent to the rate of 8% of the \$2.50 liquidation preference per share. The first monthly dividend payment date for Shares pursuant to the offering will be for the period from the acceptance of a subscription to the end of the month in which such acceptance occurs, which payment amount shall be prorated in the event that the date of such acceptance does not occur on the first day of a month. Dividends on the

Shares will continue to accrue even if any of our agreements prohibit the current payment of dividends or we do not have earnings.

Liquidation Preference

The liquidation preference of each Share will be \$2.50. Upon our liquidation, dissolution or winding up, holders of the Shares will be entitled to receive the liquidation preference with respect to their Shares plus an amount equal to any accrued but unpaid dividends (whether or not declared) to, but not including, the date of payment with respect to such Shares.

Stockholder Optional Conversion

Holders of the Shares may at any time convert the Shares in full, but not in part, into shares of our \$.01 par value Common Stock (“*Common Stock*”) at a conversion rate of \$2.50 per share of Common Stock. In the event that such conversion might result in the issuance of a fractional share of our Common Stock, the number of shares of our Common Stock issued to the holder shall be rounded up to the nearest whole number.

Company Call and Subscriber Put Options

Commencing on the fifth anniversary of the acceptance of a subscription under this offering and continuing indefinitely thereafter, we shall have a right to call for redemption of the Shares at a call price equal to 150% of the original price of the Shares, and correspondingly, each Investor shall have a right to put the Shares back to us at a put price equal to 150% of the original purchase price of the Shares.

Ranking

The Shares will rank, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to our common stock. The terms of the Shares will not limit our ability to (i) incur indebtedness or (ii) issue additional equity securities that are equal or junior in rank to the Shares as to distribution rights and rights upon our liquidation, dissolution or winding up.

Further Issuances

The Shares will have no maturity date, and we will not be required to redeem the Shares at any time. Accordingly, the Shares will remain outstanding indefinitely, unless we decide, at our option, to exercise our call right. The Shares will not be subject to any sinking fund.

Voting Rights

The Company may not authorize or issue any class or series of equity securities ranking senior to the Shares as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend our charter (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Shares without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by Holders of outstanding Shares, voting together as a class. Otherwise, holders of the Shares will not have any voting rights.

Use of Proceeds

The Company intends to use the net proceeds from this offering to acquire additional manufactured housing properties.

Illiquidity of Shares

The Shares may not be resold by investors without registration under the Securities Act and any applicable state securities laws (“*Blue Sky Laws*”), unless an exemption from registration is available. The Company may require an opinion of counsel acceptable to it prior to the transfer of any shares on its books.

<i>Suitability Standards</i>	The Company will accept subscriptions from “ <i>accredited investors</i> ” only.
<i>Subscription Procedures</i>	Investors who wish to purchase Shares must complete, execute, and deliver to the Company a subscription agreement, together with the cash purchase price and any other required documents, prior to the expiration of this Offering. Subscriptions are not valid unless and until accepted in writing by a duly authorized officer of the Company.
<i>Evidence of Purchase</i>	The Shares offered in this offering will be issued and maintained in book-entry Form, registered in the name of the nominee of The Depository Trust Company, except under limited circumstances.
<i>Certain Risk Factors</i>	The purchase of the Shares is a speculative investment and involves a high degree of financial and other risk. Consequently, prospective investors should carefully read and understand this Memorandum and the risks involved before subscribing. It should be recognized that those risk factors set forth herein are such risks that the Company considers most likely to be significant. Prospective investors should realize, however, that factors other than those set forth herein may ultimately affect the investment offered pursuant to this Memorandum in a manner and/or to a degree that cannot be foreseen at this time and any such effect may be materially adverse to the prospective investor.
<i>Transfer Restrictions</i>	The Shares have not been registered under the Securities Act of 1933, as amended (the “ <i>Securities Act</i> ”), or any state securities laws and have been offered in reliance upon one or more exemptions thereunder. Accordingly, the Shares may not be sold or transferred without registration under such laws unless the Company receives an opinion of counsel, or other evidence satisfactory to the Company, to the effect that an exemption from such registration is available for such transfer. The Shares offered hereby are subject to significant limitations on transfer as described herein. There is currently no market for the Shares, and it is not anticipated that there will be a market for the Shares at a later time. Consequently, prospective investors should proceed only on the assumption that they will have to bear the economic risk of an investment in the Shares and the guaranteed amount for an indefinite period of time. The Bylaw also provides additional restrictions on the transferability of the Shares which are material.

BUSINESS AND PROPERTIES

Our Company

The Company, together with its affiliates, acquires, owns, and operates manufactured housing communities. The Company earns income from leasing manufactured home sites to tenants who own their manufactured home and the rental of Company-owned manufactured homes to residents of the communities.

As of December 31, 2017, the Company owned and operated seven manufactured housing communities containing approximately 433 developed sites. The communities are located in North Carolina, South Carolina, and Tennessee. Manufactured home communities are residential developments designed and improved for the placement of detached, single-family manufactured homes that are produced off-site and installed and set on residential sites within the community. The owner of a home leases the site on which it is located, and the lessee of a home leases both the home and site on which the home is located.

Manufactured housing is one of the only nonsubsidized affordable housing options in the United States. Demand for housing affordability continues to increase, but supply remains static, because there are virtually no new manufactured housing communities developed. Yet manufactured housing continues to be one of the least consolidated and least efficient commercial real estate sector today. We are committed to be an industry leader in providing this affordable housing option and an improved level of service to residents while producing an attractive and stable risk adjusted return to our investors.

The Manufactured Housing Community Industry

The manufactured housing industry represents a meaningful portion of the U.S. housing market. According to information provided by the Manufactured Housing Institute, there were an estimated 22 million people living in manufactured homes in the United States in 2017. The manufactured housing industry is primarily focused on providing affordable housing to moderate-income customers (households with annual incomes of between \$25,000 and \$50,000). A manufactured home is a single-family house constructed entirely in a factory rather than at a home site, with generally the same materials found in site-built homes and in conformity with federal construction and safety standards. There are two basic categories of manufactured homes: single-section and multi-section, ranging from 500 square feet to approximately 2,000 square feet or larger.

A manufactured home community is a land-lease community designed and improved with home sites for the placement of manufactured homes and includes related improvements and amenities. Each homeowner in a manufactured home community leases from the community a site on which a home is located. The manufactured home community owner owns the underlying land, utility connections, streets, lighting, driveways, common area amenities, and other capital improvements and is responsible for enforcement of community guidelines and maintenance of the community. Generally, each homeowner is responsible for the maintenance of his or her home and upkeep of his or her leased site. In some cases, customers may rent homes with the community owner's maintaining ownership and responsibility for the maintenance and upkeep of the home. This option provides flexibility for customers seeking a more affordable, shorter-term housing option and enables the community owner to meet a broader demand for housing and improve occupancy and cash flow.

We believe that manufactured home communities have several characteristics that make them an attractive investment when compared to certain other types of real estate, particularly multifamily, including:

- ***Significant Barriers to Entry.*** We believe that the supply of new manufactured home communities will be constrained due to significant barriers to entry in the industry, including: (i) various zoning restrictions and negative zoning biases against manufactured home communities; substantial upfront costs associated with the development of infrastructure, amenities and other offsite improvements required by various governmental agencies, and (iii) a significant length of time before lease-up and revenues can commence.
- ***Diminishing Supply.*** Supply is decreasing due to redevelopment of older parks.
- ***Large Demographic Group of Potential Customers.*** We consider households earning between \$25,000 and \$50,000 per year to be our core customer base. This demographic group represents about 43 percent of overall U.S. households, according to 2016 U.S. Census data.
- ***Stable Resident Base.*** We believe that manufactured home communities tend to achieve and maintain a stable rate of occupancy, due to the following factors: (i) residents generally own their own homes; moving a manufactured home from one community to another involves substantial cost and effort and often results in the abandonment of on-site improvements made by the resident such as decks, garages, carports, and landscaping; and (iii) residents enjoy a sense of community inherent in manufactured home communities similar to residential subdivisions.
- ***Fragmented Ownership of Communities.*** Manufactured home community ownership in the United States is highly fragmented, with most manufactured home communities owned by individuals. The

top five manufactured home community owners control approximately 7% of manufactured home community home sites.

- ***Low Recurring Capital Requirements.*** Although manufactured home community owners are responsible for maintaining the infrastructure of the community, each homeowner is responsible for the upkeep of his or her own home and home site, thereby reducing the manufactured home community owner's ongoing maintenance expenses and capital requirements.
- ***Affordable Homeowner Lifestyle.*** Manufactured home communities offer an affordable lifestyle typically unavailable in apartments, including lack of common walls, a yard for each resident, the ability to park by the front door, and a sense of community.

Our Business Strategy

Our investment strategy is to acquire both stable and undervalued and underperforming manufactured housing properties with current income. We believe that we can enhance value through our professional asset and property management. Our investment mission on behalf of our stockholders is to deliver an attractive risk-adjusted return with a focus on value creation, capital preservation, and growth. In our ongoing search for acquisition opportunities, we target and evaluate manufactured housing communities nationwide.

Our Properties

We maintain our current principal office at 136 Main Street, Pineville, NC 28134. Our telephone number at this office is (704) 869-2500.

As of December 31, 2018, the Company owned the following manufactured housing properties:

- Pecan Grove – an 81-lot, all-age community situated on 10.71 acres in Charlotte, North Carolina.
- Butternut – a 59-lot, all-age community situated on 13.13 acres in Corryton, Tennessee, a suburb of Knoxville, Tennessee.
- Azalea Hills – a 41-lot, all-age community situated on 7.46 acres in Gastonia, NC, a suburb of Charlotte, North Carolina.
- Holly Faye – a 37-lot all-age community situated on 8.01 acres in Gastonia, North Carolina, a suburb of Charlotte, North Carolina.
- Lakeview – a 93-lot all-age community situated on 17.26 acres in Spartanburg, South Carolina.
- Chatham Pines – a 49-lot all-age community situated on 23.57 acres in Chapel Hill, North Carolina.
- Maple Hills – a 73-lot all-age community situated on 21.20 acres in Mills River, North Carolina, near Asheville, North Carolina.

RISK FACTORS

You should carefully consider the risks and uncertainties described in evaluating a possible investment in the Company. Our business, financial condition and operating results could be adversely affected by any of the following factors, in which event the value of the Shares could decline, and you could lose part or all of your investment. The risks and uncertainties described below are not the only ones facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also impair our business operations or financial condition.

All statements other than statements of historical fact contained in this Memorandum are forward-looking statements. When used herein, the words “anticipate,” “expects,” “believes,” “seeks,” “goals,” “intends,” or “projects,” and similar expressions are intended to identify forward-looking statements. It is important to note that the Company’s actual results could differ materially from those projected by such forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations reflected in such forward-looking statements are reasonable, and no assurance can be given that such expectations will prove correct. Factors that could cause the Company’s results to differ materially from the results discussed in such forward-looking statements include the risks described below. All forward-looking statements in this Memorandum are expressly qualified in their entirety by the cautionary statements in this paragraph.

Risks Related to Global Financial Conditions

Disruptions in financial markets could affect our ability to obtain financing on reasonable terms and have other adverse effects on us and the market price of our securities. Since 2008, the United States stock and credit markets have experienced significant price volatility, dislocations, and liquidity disruptions, which have caused market prices of many stocks and debt securities to fluctuate substantially and the spreads on prospective debt financings to widen considerably. These circumstances have materially affected liquidity in the financial markets, making terms for certain financings less attractive, and in certain cases have resulted in the unavailability of certain types of financing. War in certain Middle Eastern countries, the slowing of the Chinese economy, and the recent decline in petroleum prices, among other factors, have added to the uncertainty in the capital markets. Uncertainty in the stock and credit markets may negatively affect our ability to access additional financing at reasonable terms, which may negatively affect our ability to acquire properties and otherwise pursue our investment strategy. A prolonged downturn in the stock or credit markets may cause us to seek alternative sources of potentially less attractive financing and may require us to adjust our investment strategy accordingly. These types of events in the stock and credit markets may make it more difficult or costly for us to raise capital through the issuance of the common stock, preferred stock, or debt securities. The potential disruptions in the financial markets may have a material adverse effect on the market value of our securities, and the return we receive on our properties and investments, as well as other unknown adverse effects on us or the economy in general.

Real Estate Industry Risks

General economic conditions and the concentration of our properties in North Carolina, South Carolina, and Tennessee may affect our ability to generate sufficient revenue.

The market and economic conditions in our current markets may significantly affect manufactured housing occupancy or rental rates. Occupancy and rental rates, in turn, may significantly affect our revenues, and if our communities do not generate revenues sufficient to meet our operating expenses, including debt service and capital expenditures, our cash flow and ability to pay or refinance our debt obligations could be adversely affected. As a result of the current geographic concentration of our properties in North Carolina, South Carolina, and Tennessee, we are exposed to the risks of downturns in the local economy or other local real estate market conditions, which could adversely affect occupancy rates, rental rates, and property values in these markets.

Other factors that may affect general economic conditions or local real estate conditions include:

- the national and local economic climate, which may be adversely affected by, among other factors, plant closings and industry slowdowns;
- local real estate market conditions such as the oversupply of manufactured home sites or a reduction in demand for manufactured home sites in an area;
- the number of repossessed homes in a particular market;
- the lack of an established dealer network;

- the rental market, which may limit the extent to which rents may be increased to meet increased expenses without decreasing occupancy rates;
- the safety, convenience, and attractiveness of our properties and the neighborhoods where they are located;
- zoning or other regulatory restrictions;
- competition from other available manufactured home communities and alternative forms of housing (such as apartment buildings and single-family homes);
- our ability to provide adequate management, maintenance, and insurance;
- increased operating costs, including insurance premiums, real estate taxes, and utilities; and
- the enactment of rent control laws or laws taxing the owners of manufactured homes.

Our income would also be adversely affected if tenants were unable to pay rent or if sites were unable to be rented on favorable terms. If we were unable to promptly renew the leases for a significant number of sites, or if the rental rates upon such renewal or reletting were significantly lower than expected rates, then our business and results of operations could be adversely affected. In addition, certain expenditures associated with each property (such as real estate taxes and maintenance costs) generally are not reduced when circumstances cause a reduction in income from the property.

We may be unable to compete with our larger competitors, which may in turn adversely affect our profitability.

The real estate business is highly competitive. We compete for manufactured housing community investments with numerous other real estate entities, such as individuals, corporations, REITs, and other enterprises engaged in real estate activities. In many cases, the competing concerns may be larger and better financed than we are, making it difficult for us to secure new manufactured housing community investments. Competition among private and institutional purchasers of manufactured housing community investments has resulted in increases in the purchase price paid for manufactured housing communities and consequent higher fixed costs. To the extent we are unable to effectively compete in the marketplace, our business may be adversely affected.

Costs associated with taxes and regulatory compliance may reduce our revenue.

We are subject to significant regulation that inhibits our activities and may increase our costs. Local zoning and use laws, environmental statutes, and other governmental requirements may restrict expansion, rehabilitation and reconstruction activities. These regulations may prevent us from taking advantage of economic opportunities. Legislation such as the Americans with Disabilities Act may require us to modify our properties at a substantial cost, and noncompliance could result in the imposition of fines or an award of damages to private litigants. Future legislation may impose additional requirements. We cannot predict what requirements may be enacted or amended or what costs we would incur to comply with such requirements. Costs resulting from changes in real estate laws, income taxes, service, or other taxes may adversely affect our funds from operations and our ability to pay or refinance our debt. Similarly, changes in laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions may result in significant unanticipated expenditures, which would adversely affect our business and results of operations.

Rent control legislation may harm our ability to increase rents.

State and local rent control laws in certain jurisdictions may limit our ability to increase rents and to recover increases in operating expenses and the costs of capital improvements. We may purchase properties in markets that are either subject to rent control or in which rent-limiting legislation exists or may be enacted.

Our investments are concentrated in the manufactured housing and residential sector, and our business would be adversely affected by an economic downturn in that sector.

Our investments in real estate assets are concentrated in the manufactured housing and residential sector. This concentration may expose us to the risk of economic downturns.

Environmental liabilities could affect our profitability.

Under various federal, state and local laws, ordinances, and regulations, an owner or operator of real estate is liable for the costs of removal or remediation of certain hazardous substances at, on, under, or in such property, as well as certain other potential costs relating to hazardous or toxic substances. Such laws often impose certain liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous substances. A conveyance of the property, therefore, does not relieve the owner or operator from liability. As a current or former owner and operator of real estate, we may be required by law to investigate and clean up hazardous substances released at or from the properties we currently own or operate or have in the past owned or operated. We may also be liable to the government or to third parties for property damage, investigation costs, and cleanup costs. In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and costs that the government incurs in connection with the contamination. Contamination may adversely affect our ability to sell or lease real estate or to borrow using the real estate as collateral. Persons who arrange for the disposal or treatment of hazardous substances also may be liable for the costs of removal or remediation of such substances at a disposal or treatment facility owned or operated by another person. In addition, certain environmental laws impose liability for the management and disposal of asbestos-containing materials and for the release of such materials into the air. These laws may provide for third parties to seek recovery from owners or operators of real properties for personal injury associated with asbestos-containing materials. In connection with the ownership, operation, management, and development of real properties, we may be considered an owner or operator of such properties and, therefore, are potentially liable for removal or remediation costs, and also may be liable for governmental fines and injuries to persons and property. When we arrange for the treatment or disposal of hazardous substances at landfills or other facilities owned by other persons, we may be liable for the removal or remediation costs at such facilities. We are not aware of any environmental liabilities relating to our investment properties that would have a material adverse effect on our business, assets, or results of operations. However, we cannot assure you that environmental liabilities will not arise in the future and that such liabilities will not have a material adverse effect on our business, assets, or results of operation.

Of the seven manufactured home communities that we currently operate, four are on well and septic systems. At these locations, we are subject to compliance with monthly, quarterly, and yearly testing for contaminants as outlined by each state's environmental protection agencies. Currently, we are not subject to radon or asbestos monitoring requirements.

Additionally, in connection with the management of the properties or upon acquisition or financing of a property, the Company authorizes the preparation of Phase I or similar environmental reports (which involves general inspections without soil sampling or groundwater analysis) completed by independent environmental consultants. Based upon such environmental reports and the Company's ongoing review of its properties, as of the date of this annual environmental report, the Company is not aware of any environmental condition with respect to any of its properties that it believes would be reasonably likely to have a material adverse effect on its financial condition and/or results of operations. These reports, however, cannot reflect conditions arising after the studies were completed, and no assurances can be given that existing environmental studies reveal all environmental liabilities, that any prior owner or operator of a property or neighboring owner or operator did not create any material environmental condition not known to us, or that a material environmental condition does not otherwise exist at any one or more of the Company's properties.

Actions by our competitors may decrease or prevent increases in the occupancy and rental rates of our properties which could adversely affect our business.

We compete with other owners and operators of manufactured housing community properties, some of which own properties similar to ours in the same submarkets in which our properties are located. The number of competitive manufactured housing community properties in a particular area could have a material adverse effect on our ability to lease sites and increase rents charged at our properties or at any newly acquired properties. In addition, other forms of multifamily residential properties, such as private and federally funded or assisted multifamily housing projects and single-family housing, provide housing alternatives to potential tenants of manufactured housing communities. If our competitors offer housing at rental rates below current market rates or below the rental rates we currently charge our tenants, we may lose potential tenants, and we may be pressured to reduce our rental rates below those we currently charge in order to retain tenants when our tenants' leases expire. As a result, our financial condition, cash flow, cash available for distribution, and ability to satisfy our debt service obligations could be materially adversely affected.

Losses in excess of our insurance coverage or uninsured losses could adversely affect our cash flow.

We generally maintain insurance policies related to our business, including casualty, general liability, and other policies covering business operations, employees, and assets. We may be required, however, to bear all losses that are not adequately covered by insurance. In addition, there are certain losses that are not generally insured because it is not economically feasible to insure against them, including losses due to riots or acts of war. If an uninsured loss or a loss in excess of insured limits occurs with respect to one or more of our properties, then we could lose the capital we invested in the properties, as well as the anticipated profits and cash flow from the properties and, in the case of debt with recourse to us, we would remain obligated for any mortgage debt or other financial obligations related to the properties. Although we believe that our insurance programs are adequate, no assurance can be given that we will not incur losses in excess of its insurance coverage, or that we will be able to obtain insurance in the future at acceptable levels and reasonable cost.

We may not be able to integrate or finance our acquisitions and our acquisitions may not perform as expected.

We acquire and intend to continue to acquire manufactured housing communities on a select basis. Our acquisition activities and their success are subject to the following risks:

- we may be unable to acquire a desired property because of competition from other well-capitalized real estate investors, including both publicly traded REITs and institutional investment funds;
- even if we enter into an acquisition agreement for a property, it is usually subject to customary conditions to closing, including completion of due diligence investigations to our satisfaction, which may not be satisfied;
- even if we can acquire a desired property, competition from other real estate investors may significantly increase the purchase price;
- we may be unable to finance acquisitions on favorable terms;
- acquired properties may fail to perform as expected;
- acquired properties may be located in new markets where we face risks associated with a lack of market knowledge or understanding of the local economy, lack of business relationships in the area and unfamiliarity with local governmental and permitting procedures; and
- we may be unable to quickly and efficiently integrate new acquisitions, particularly acquisitions of portfolios of properties, into our existing operations.

If any of the above were to occur, our business and results of operations could be adversely affected.

In addition, we may acquire properties subject to liabilities and without any recourse, or with only limited recourse, with respect to unknown liabilities. As a result, if a liability were to be asserted against us based upon ownership of those properties, we might have to pay substantial sums to settle it, which could adversely affect our cash flow.

We may be unable to sell properties when appropriate because real estate investments are illiquid.

Real estate investments generally cannot be sold quickly and, therefore, will tend to limit our ability to vary our property portfolio promptly in response to changes in economic or other conditions. The inability to respond promptly to changes in the performance of our property portfolio could adversely affect our financial condition and ability to service our debt and make distributions to our stockholders.

Financing Risks

We face risks generally associated with our debt.

We finance a portion of our investments in properties through debt. We are subject to the risks normally associated with debt financing, including the risk that our cash flow will be insufficient to meet required payments of principal and interest. In addition, debt creates other risks, including:

- failure to repay or refinance existing debt as it matures, which may result in forced disposition of assets on disadvantageous terms;
- refinancing terms less favorable than the terms of existing debt; and
- failure to meet required payments of principal and/or interest.

We face risks related to “balloon payments” and refinancings.

Certain of our mortgages will have significant outstanding principal balances on their maturity dates, commonly known as “balloon payments.” There can be no assurance that we will be able to refinance the debt on favorable terms or at all. To the extent that we cannot refinance debt on favorable terms or at all, we may be forced to dispose of properties on disadvantageous terms or pay higher interest rates, either of which would have an adverse impact on our financial performance and ability to service debt and make distributions.

We may become more highly leveraged, resulting in increased risk of default on our obligations and an increase in debt service requirements which could adversely affect our financial condition and results of operations and our ability to pay distributions.

We have incurred, and may continue to incur, indebtedness in furtherance of our activities. We could become more highly leveraged, resulting in an increased risk of default on our obligations and in an increase in debt- service requirements, which could adversely affect our financial condition and results of operations and our ability to pay distributions to stockholders. Covenants in our credit agreements could limit our flexibility and adversely affect our financial condition.

The terms of our various credit agreements and other indebtedness require us to comply with a number of customary financial and other covenants, such as maintaining debt service coverage and leverage ratios and maintaining insurance coverage. These covenants may limit our flexibility in our operations, and breaches of these covenants could result in defaults under the instruments governing the applicable indebtedness even if we had

satisfied our payment obligations. If we were to default under our credit agreements, our financial condition would be adversely affected.

A change in the United States government policy with regard to Fannie Mae and Freddie Mac could impact our financial condition.

Federal National Mortgage Association (“Fannie Mae”) and Federal Home Loan Mortgage Association (“Freddie Mac”) are major sources of financing for the manufactured housing real estate sector. We could depend on Fannie Mae and Freddie Mac to finance growth by purchasing or guarantying manufactured housing community loans. In February 2011, the Obama Administration released a report to Congress which included options, among others, to gradually shrink and eventually shut down Fannie Mae and Freddie Mac. We do not know when or if Fannie Mae or Freddie Mac will restrict their support of lending to our real estate sector or to us in particular. A final decision by the government to eliminate Fannie Mae or Freddie Mac or reduce their acquisitions or guarantees of our mortgage loans, may adversely affect interest rates, capital availability and our ability to refinance our existing mortgage obligations as they come due and obtain additional long-term financing for the acquisition of additional communities on favorable terms or at all.

Other Risks

We may not be able to obtain adequate cash to fund our business.

Our business requires access to adequate cash to finance our operations, distributions, capital expenditures, debt service obligations, development and redevelopment costs, and property acquisition costs, if any. We expect to generate the cash to be used for these purposes primarily with operating cash flow, borrowings under secured and unsecured loans, proceeds from sales of strategically identified assets and, from time to time, when market conditions permit, through the issuance of debt and equity securities. We may not be able to generate sufficient cash to fund our business, particularly if we are unable to renew leases, lease vacant space or re-lease space as leases expire according to our expectations.

We are dependent on key personnel.

Our executive and other senior officers have a significant role in our success. Our ability to retain our management group or to attract suitable replacements should any members of the management group leave depends on the competitive nature of the employment market. The loss of services from key members of the management group or a limitation in their availability could adversely affect our financial condition and cash flow. Further, such a loss could be negatively perceived in the capital markets.

We may amend our business policies without stockholder approval.

Our Board of Directors determines our growth, investment, financing, capitalization, borrowing, operations, and distribution policies. Although our Board of Directors has no intention at present to change or reverse any of these policies, they may be amended or revised without notice to stockholders. Accordingly, stockholders may not have control over changes in our policies. We cannot assure you that changes in our policies will serve fully the interests of all stockholders.

The market value of our stock could decrease based on our performance and market perception and conditions.

The market value of our preferred and common stock may be based primarily upon the market’s perception of our growth potential and current and future cash dividends and may be secondarily based on the real estate market value of our underlying assets. The market price of our preferred and common stock is influenced by their respective distributions relative to market interest rates. Rising interest rates may lead potential buyers of our stock to expect a higher distribution rate, which would adversely affect the market price of our stock. In addition, rising interest rates would result in increased expense, thereby adversely affecting cash flow and our ability to service our indebtedness and pay distributions.

We cannot assure you that we will be able to pay distributions regularly.

Our ability to pay distributions in the future depends on our ability to operate profitably and to generate cash from our operations and the operations of our subsidiaries. We cannot guarantee that we will be able to pay distributions on a regular quarterly basis in the future.

Future terrorist attacks and military conflicts could have a material adverse effect on general economic conditions, consumer confidence, and market liquidity.

Among other things, it is possible that interest rates may be affected by these events. An increase in interest rates may increase our costs of borrowing, leading to a reduction in our earnings. Terrorist acts affecting our properties could also result in significant damages to, or loss of, our properties. Additionally, we may be unable to obtain adequate insurance coverage on acceptable economic terms for losses resulting from acts of terrorism. Our lenders may require that we carry terrorism insurance even if we do not believe this insurance is necessary or cost effective. Should an act of terrorism result in an uninsured loss or a loss in excess of insured limits, we could lose capital invested in a property, as well as the anticipated future revenues from a property, while remaining obligated for any mortgage indebtedness or other financial obligations related to the property. Any loss of these types would adversely affect our financial condition.

We are subject to risks arising from litigation.

We may become involved in litigation. Litigation can be costly, and the results of litigation are often difficult to predict. We may not have adequate insurance coverage or contractual protection to cover costs and liability in the event we are sued, and to the extent that we resort to litigation to enforce our rights, we may incur significant costs and ultimately be unsuccessful or unable to recover amounts we believe are owed to us. We may have little or no control of the timing of litigation, which presents challenges to our strategic planning.

Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.

In the ordinary course of our business, we collect and store sensitive data, including our business information and the personal information of our residents and our employees, in our facility and on our network. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance, or other disruptions. Any such breach could compromise our network, and the information stored there could be accessed, publicly disclosed, lost, or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, disrupt our operations, damage our reputation, and cause a loss of confidence, which could adversely affect our business.

We Have Limited Capitalization

We have limited net worth at the time of the Offering. There can be no assurance that our assets will be sufficient to pay any of our obligations. Investors should be aware that our obligations may exceed our net worth. While we may be legally obligated to perform certain duties, there can be no assurance that we will be financially able to do so.

We Arbitrarily Set the Offering Price

The offering price of the Shares offered hereby has been determined by us and our financial consultants without negotiation or appraisal and is based primarily upon the need for capital for additional acquisitions, the need for working capital and the amount of the expenses to be paid as a result of this Offering. The offering price of the Shares has not been based on past earnings of the Company, bears no relationship whatsoever to the earnings potential of the Company, and may not reflect the current value of the Shares. There is no market for these Shares, and transfer of the Shares have been significantly restricted. No assurance is or can be given that any Shares, if transferable, could be sold for the offering price or for any amount.

Our Operations Have Risks

The benefits of an investment in the Company depends on many factors over which the Company will have no control, including the ability to find and acquire manufactured housing properties at reasonable prices, and other matters. Other aspects that may adversely affect the operation of the Company's business are such unforeseen factors as increased operating expenses, uninsured losses, the capabilities of management personnel, and actions on the part of a public official or governmental council, body, or agency.

We Maintain Risk of Failure to Sell All of the Shares Offered Hereby

As set forth herein, we are relying upon the proceeds of the offering to continue our growth. All sources of funds to date have come from loans and "current equity" by our largest stockholder. In the event that we are not able to sell a substantial portion of the 4,000 Shares offered hereby, the amount of funds available for our operations will be substantially less and this may have an adverse impact on our ability to grow.

We Will Have Broad Discretion Over the Use of Proceeds

We will have broad discretion to allocate the net proceeds from this Offering between and among the purposes specified herein without any action or approval of the Company's stockholders. Therefore, investors in the Shares will not have the opportunity to evaluate the economic, financial or other relevant information that will be considered by the Company in determining the application of such net proceeds.

We May Need to Obtain Future Capital

If the Company is successful in raising capital in this Offering, we expect that the proceeds, combined with our current cash resources, will be sufficient to meet our operational requirements. But we may need to raise additional financing to support expansion, develop new or enhanced applications and services, respond to competitive pressures, acquire complementary businesses or technologies, or take advantage of unanticipated opportunities. If needed, we may raise additional funds by selling debt or equity securities, by entering into strategic relationships, or by making other arrangements. We may not be able to raise any additional amounts on reasonable terms when they are needed.

USE OF PROCEEDS

Depending on how much of this Offering is subscribed for and accepted by the Company and assuming that the Company will pay a commission of 10% on all of the Shares sold, the net proceeds to be received by the Company from the sale of the Shares pursuant to the Offering will be a maximum of \$9,000,000.00. The Company expects to use the net proceeds from this offering to acquire additional manufactured housing properties, but we reserves the right to some of the net proceeds for other operational purposes as our board of directors may deem necessary.

PLAN OF DISTRIBUTION

The Offering

Subject to the conditions set forth in this Memorandum, the Company is offering to "accredited investors" up to 4,000,000 Shares of Series A Cumulative Convertible Preferred Stock, at a price of \$2.50 per Share. The Company is offering the Shares on a best-efforts basis, with a minimum subscription of 10,000 Shares. No assurance can be given as to the number of Shares that will be sold or as to the amount of net proceeds therefrom available to the Company.

Investment in the Shares involves significant risk and is suitable only for persons of adequate financial means who have no need for liquidity with respect to this investment and who can bear the economic risk of a complete loss of their investment. The Shares will be sold only to investors who are or whom the Company

reasonably believes are “*accredited investors*” as that term is defined below. This Offering is made in reliance on exemptions from the registration requirements of the Securities Act and applicable state securities laws and regulations.

Suitability Standards

The suitability standards discussed below represent minimum suitability standards for prospective investors. The satisfaction of such standards by a prospective investor does not necessarily mean that the Shares are a suitable investment for such prospective investors. Prospective investors are encouraged to consult their personal financial advisors to determine whether an investment in the Shares is appropriate. The Company reserves the right to approve or disapprove each investor in its sole discretion and the Company may accept or reject subscriptions, in whole or in part, in its absolute discretion.

The Company will accept subscriptions, subject to the parameters of this Offering, only from individuals who represent that they are “accredited investors” (as defined in Rule 501 of Regulation D) under the Securities Act.

An investor is an “*accredited investor*” only if that investor meets one or more of the following tests:

- (i) the investor is a natural person who has a net worth or joint net worth with that person’s spouse exceeding \$1,000,000 at the time of purchase;
- (ii) the investor is a natural person who individually had income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and who reasonably expects income in excess of those levels in the current year;
- (iii) the investor is a director or executive officer of the Company;
- (iv) the investor is either (a) a bank as defined in Section 3(a)(2) of the Securities Act or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity, (b) any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended, (c) an insurance Company as defined in Section 2(13) of the Securities Act, (d) an investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of such Act, (e) a small business investment company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, (f) any plan established and maintained by a state, its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000, or (g) an employee benefit plan within the meaning of Title 1 of the Employee Retirement Income Security Act of 1974, as amended, if the investment decision is made by a plan fiduciary which is either a bank, a savings and loan association, insurance company, or registered investment advisor, or if the plan has assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors;
- (v) the investor is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (vi) the investor is an organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- (vii) the investor is any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as defined in Section 230.506(b)(2)(ii) of Regulation D promulgated under the Securities Act; or

- (viii) the investor is any entity in which all of the equity owners are accredited investors.

In the case of a husband and wife subscribing jointly, satisfaction of the net worth standards must be determined by aggregating their net worth and satisfaction of the income standards must be determined by joint or individual tax returns. Any other persons subscribing for shares of Common Stock must each satisfy the applicable net worth and income standards without regard to the other joint purchasers. In the case of a subscriber that is itself a partnership (other than a partnership formed for the purpose of purchasing the Shares) or a trust, the applicable net worth and income standards must be satisfied by the entity. In the case of a subscriber purchasing as custodian for a minor, the applicable net worth and income standards must be satisfied by the custodian.

In addition, the Shares will be sold only to a person who represents, among other things, that:

- (i) any purchase of such Shares by the investor will be for the investor's own account, for investment only, and not with a view toward the resale or distribution thereof;
- (ii) the investor does not presently have any reason to anticipate any change in its present financial circumstances or other particular occasion or event that would cause it to sell such Shares;
- (iii) the investor has such knowledge and experience in financial and business matters that the investor is capable of evaluating the merits and risks of purchasing such Shares; the investor is experienced in buying instruments similar to the Common Stock; the investor is able to bear the economic risk of an investment in such; and the investor acknowledges that an investment in such Shares involves a high degree of risk; including the possible loss of its entire investment, and that there is no assurance of any income from such investment;
- (iv) the investor has adequate means of providing for current needs and possible personal contingencies and has no need for liquidity in the investment in the Company;
- (v) the investor understands that such Shares are restricted shares and must be held for at least six months and have not been and will not be registered under the Securities Act, or any state law. The investor agrees to notify the Company prior to any proposed sale, transfer, distribution, or other disposition of any such Shares or any beneficial interest therein, and will not sell, transfer, distribute or otherwise dispose of any such Shares without the consent of the Company, which may be granted or withheld in the Company's sole discretion, and unless such Shares are registered or such sale, transfer, distribution, or other disposition is exempt from registration. The investor understands that the Company has no intention to register such Shares with the United States Securities and Exchange Commission or any state of the United States and is under no obligation to assist the investor in obtaining or complying with any exemption from registration. The Company may require that a proposed transferee meet appropriate financial suitability standards and that the transferee furnish a legal opinion satisfactory to the Company and its counsel that the proposed transfer complies with applicable federal, state, and any other applicable securities laws. An appropriate legend evidencing such restrictions may be placed on any certificates issued representing such Shares and appropriate stop-transfer instructions may be placed with respect to such Shares;
- (vi) the investor must bear the economic risk of investment in the Company for an indefinite period of time, because such Shares have not been registered under the Securities Act nor any state securities laws and cannot be sold unless such Shares are either subsequently registered under the Securities Act and applicable state laws (and the Company has no obligation to register such Shares) or an exemption from such registration is available;
- (vii) the investor is not purchasing such Shares based on representations, oral or written, by any person with respect to the future value of, or income from, such Shares, or the length of time that the investor will be required to remain as the owner of such Shares but rather upon an independent examination and judgment as to the prospects of the Company;

- (viii) such Shares were not offered to the investor by means of general solicitations, publicly disseminated advertisements, or sales literature;
- (ix) the investor has not authorized any broker, dealer, agent, finder, or similar person to act on the investor's behalf, nor does the investor have any knowledge of any broker, dealer, agent, finder, or similar person purporting to act on its behalf with respect to this transaction;
- (x) the investor acknowledges that there is no established market for such Shares and that it is not anticipated that any public market for such Shares will develop;
- (xi) the investor acknowledges that the investor has been provided a Memorandum dated April 12, 2018 and has fully informed itself, himself, or herself of the terms, contents, conditions and effects thereof;
- (xii) the investor acknowledges that the investor has had access to financial and other information of the Company; that any and all documents, records, and books pertaining to this investment have been made available for its inspection, or the inspection of its attorney or accountant, and that the books and records of the Company will be available, upon reasonable notice, for its inspection during reasonable hours at the principal place of business of the Company. The investor understands the capital structure of the Company and that such Shares represent a minority position in the Company;
- (xiii) the investor has been afforded the opportunity to ask questions of representatives of the Company and receive satisfactory answers thereto, as the investor deems necessary in connection with the investor's decision to purchase such Shares;
- (xiv) the investor is not entitled to cancel, terminate, or revoke the Subscription Agreement or any related agreements and understands that the Subscription Agreement shall survive the investor's death or disability;
- (xv) the investor acknowledges that if a substantial portion of the Shares are sold in the Offering, the proceeds from the Offering may have an adverse effect on our ability to grow;
- (xvi) the investor acknowledges that the price for such Shares and the number of Shares being offered in the Offering were determined by the Company and there has been no independent appraisal of such Shares;
- (xvii) the investor acknowledges that any financial projections provided to the investor by the Company are subject to numerous risks and uncertainties and that the actual results of the Company will vary from those contained in the financial projections and that such variations may be material and adverse; and
- (xviii) the investor satisfies the other representations and warranties contained in the Subscription Agreement.

The satisfaction of the suitability standards referred to above does not necessarily mean that the shares of Common Stock offered hereby are a suitable investment for a prospective investor. The Company may make or cause to be made such further inquiry and obtain such additional information as it considers appropriate with regard to the suitability of prospective investors. The Company, in its absolute discretion, may reject subscriptions, in whole or in part, or allot to a particular investor fewer than the number of shares of Common Stock for which such investor subscribed. The Company reserves the right to modify or increase the suitability standards with respect to certain investors in order to comply with any applicable state or local laws, rules or regulations, or otherwise.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Prospective investors are urged to read “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” which is set forth as Item 2 in the Company’s Form 10-Q for the third quarter of on file with the SEC, a copy of which is incorporated herein by reference and made a part of this Memorandum for all purposes. The Form 10-Q and other periodic reports made by or on behalf of the Company pursuant to Section 13(a) of the Exchange Act and Regulation 13A promulgated thereunder can be found at <http://www.sec.gov>.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

For information concerning the significant owners of the Company’s securities, reference is hereby to Item 4 in the Company’s Form 10 Registration Statement, as amended, on file with the SEC, a copy of which is incorporated herein by reference and made a part of this Memorandum for all purposes. The Form 10 Registration Statement and other periodic reports made by or on behalf of the Company pursuant to Section 13(a) of the Exchange Act and Regulation 13A promulgated thereunder can be found at <http://www.sec.gov>.

DIRECTORS AND EXECUTIVE OFFICERS

For information concerning the Company’s directors and executive officers, reference is hereby to Item 4 in the Company’s Form 10 Registration Statement, as amended, on file with the SEC, a copy of which is incorporated herein by reference and made a part of this Memorandum for all purposes. The Form 10 Registration Statement and other periodic reports made by or on behalf of the Company pursuant to Section 13(a) of the Exchange Act and Regulation 13A promulgated thereunder can be found at <http://www.sec.gov>.

EXECUTIVE COMPENSATION

For information concerning the compensation of the Company’s directors and executive officers, reference is hereby to Item 4 in the Company’s Form 10 Registration Statement, as amended, on file with the SEC, a copy of which is incorporated herein by reference and made a part of this Memorandum for all purposes. The Form 10 Registration Statement and other periodic reports made by or on behalf of the Company pursuant to Section 13(a) of the Exchange Act and Regulation 13A promulgated thereunder can be found at <http://www.sec.gov>.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

For information concerning material relationships, related transactions and director independence, reference is hereby to Item 7 in the Company’s Form 10 Registration Statement, as amended, on file with the SEC, a copy of which is incorporated herein by reference and made a part of this Memorandum for all purposes. The Form 10 Registration Statement and other periodic reports made by or on behalf of the Company pursuant to Section 13(a) of the Exchange Act and Regulation 13A promulgated thereunder can be found at <http://www.sec.gov>.

DESCRIPTION OF SECURITIES

For information concerning the Company’s securities and related matters, reference is hereby to Item 11 in the Company’s Form 10 Registration Statement, as amended, on file with the SEC, a copy of which is incorporated herein by reference and made a part of this Memorandum for all purposes. The Form 10 Registration Statement and other periodic reports made by or on behalf of the Company pursuant to Section 13(a) of the Exchange Act and Regulation 13A promulgated thereunder can be found at <http://www.sec.gov>.

WHERE YOU CAN FIND MORE INFORMATION

We have previously filed a Form 10 Registration Statement with the SEC to register our Common Stock pursuant to Section 12(g) of the Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the “*Exchange Act*”). In addition, we comply with the reporting requirements under Section 13(a) of the Exchange Act and we are committed to continuing to file the periodic reports mandated thereunder.

You may read and copy any materials we have filed with the SEC in the SEC's Public Reference Room, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Additionally, the SEC also maintains an Internet website that contains reports, proxy statements and other information about issuers, including us, that file electronically with the SEC. The address of this site is www.sec.gov.