

Executive Summary – Outback RV Resort & Outback Tiny Homes Development

Wenden, Arizona | Qualified Opportunity Zone

Date: July 29, 2025

Project Overview

The Outback RV Resort and Outback Tiny Homes Development is a master-planned, 20-acre outdoor hospitality destination located in **Wenden, Arizona**, within a federally designated **Qualified Opportunity Zone (QOZ)**. The project integrates **54 luxury tiny homes with attached RV garages**, premium resort amenities, a vendor village, an off-road adventure track, two event centers, and an indoor–outdoor Olympic-style swimming pool.

The development is being executed by **Titan Impact Group** in partnership with **Richard Stephenson**, using a **Special Purpose Vehicle (SPV)** to support construction, operations, and eventual sale to an Opportunity Zone Fund or institutional real estate investor.

The project is designed to serve:

- **Gen-X early retirees and remote workers** seeking affordable luxury living
- **Blue-collar workforce housing** supporting regional job growth from new industrial development
- **Outdoor recreation travelers** exploring Western Arizona's growing OHV and desert tourism sector

With infrastructure roughly **90% complete for Phase 1**, the project is ready to enter aggressive vertical construction upon closing the next round of capital.

Total Project Cost & Capital Structure

The Outback RV Resort is designed as a **\$15,000,000 fully built project**, consisting of:

- \$7,000,000 construction budget for houses only(detailed in formal contract)
- \$3,000,000 land & Phase 1 value already contributed by owners
- \$5,000,000 amenities, vertical improvements, vendor spaces, contingency, and soft costs

Capital Stack

- **GP Equity (Contributed):** \$3,000,000 owner contribution
- **Phase 2–3 Equity Raise:** \$2,000,000 (to complete pads & utilities) from Investors
- **Construction Capital Needed:** \$10,000,000 (Houses and Ammenities)

After completion and stabilization, ownership of the SPV is expected to be:

- **70% Institutional/QOZ Fund Buyer**
 - **30% Titan Impact Group & Richard Stephenson (retained)**
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Project Phasing & Status

Phase 1 – Roads, Grading, and Core Infrastructure (90% Complete)

- Roads and earthwork completed except final pavement
- Water rights secured (capacity for 3× projected population)
- Site layout near completion for all 54 units
- Remaining budget to finish Phase 1: **\$200,000**

Phase 2 – Pads, Utilities, Permits (Pending)

- Wet and dry utilities installation (APS electric, water, sewer, communications)

- Construction of 54 concrete pads (3,600 SF per lot)
- Updated blueprints & building permits for all units
- Budget: **\$1,750,000**

Phase 3 – Vertical Construction (Major CapEx)

- Steel-framed tiny homes with RV garages (54 total)
- \$129,000 per unit baseline cost
- Includes interior build-outs, plumbing, electrical, HVAC
- Budget: **\$3,150,000**

Phase 4 – Amenities & Vendor Spaces

- Café, general store, laundromat, gold mining park, vendor plaza
- Off-road experience and rental test track (9 acres)
- Two 6,000 SF Quonset event centers
- Budget: **\$1,190,000**

Phase 5 – Pool, Landscaping, Final Closeout

- Indoor/outdoor Olympic-style swimming pool
- Full landscaping, signage, lighting, irrigation
- Budget: **\$490,000**

Contingency – 2–3%

Budget: **\$220,000**

Revenue Streams & Financial Performance

1. Sale of 54 Tiny Home + RV Garage Hybrid Units

- Average sale price: **\$350,000**
- Discounted early investor units: **\$199,000** (first 10)
- Premium units: **\$450,000–\$500,000** (10 units)
- Remaining standard units: **\$249,000–\$350,000**

Projected Sales Revenue:

\$18,000,000 – \$22,000,000

2. Membership Income

Annual membership dues: **\$7,500 – \$15,000** per household

Projected memberships: **50–100** in first 24 months

Annual membership revenue: \$500,000 – \$1,200,000

3. Vendor Rents & Track Rentals

- Vendor leases: **\$50,000 annually**
- Off-road test track & events: **\$150,000 annually**

4. RV Resort NOI Valuation

RV resorts typically trade at a **6.0% – 7.5% cap rate**.

With projected stabilized NOI of **\$1.8 – \$2.2M**, the resort values at:

➡ **\$26,000,000 – \$32,000,000**

This supports the exit target of **\$30,000,000**.

Exit Strategy (Three Options)

1. Primary Exit: Qualified Opportunity Zone Fund (Preferred)

- QOZ investor purchases **70% equity** at a **\$30M valuation**
- SPV delivers fully completed project before Certificate of Occupancy
- Allows buyer to maximize QOZ benefits (10-year hold)
- Titan Impact Group + Richard Stephenson retain **30% ownership**

2. Market Sale Post-Stabilization

- After 80% unit sales and stabilized NOI
- Market value: **\$26M–\$32M**
- Sold to institutional outdoor hospitality investor

3. Long-Term Hold & Refinance

- SBA/HUD/CMBS refinancing
- Debt payoff and residual cash-flow to ownership
- SPV converts to operating business generating recurring revenue

Corporate & Entity Structure

The development and operating structure consists of **four coordinated entities**, organized for compliance, tax efficiency, and Qualified Opportunity Zone eligibility:

1. Outback RV Resort LLC

Owners: Richard Stephenson & Thomas Dobczyk

Role: Landowner, master developer, lender recipient, parent entity

2. Outback Tiny Homes LLC – Qualified Opportunity Zone Fund (QOF)

Owner/Manager: Titan Impact Group

Role: Capital raising, OZ compliance, development financing, equity vehicle for QOZ investors

3. Outback Tiny Homes Management LLC

Owner/Manager: Titan Impact Group

Role: Operations, oversight, construction coordination, vendor & membership program administration

4. Outback Vendor LLC

Owners: Titan Impact Group (primary)

Role: Vendor relationships, café, general store, laundromat, events, rentals, and revenue participation

Relationship Summary:

- Outback RV Resort serves as the **primary borrower** and master project entity.
- Outback Tiny Homes LLC (QOF) serves as the **equity and tax-advantaged investment vehicle** for Qualified Opportunity Fund investors.
- Outback Tiny Homes Management LLC provides **day-to-day and long-term operational management** of residential and commercial assets.
- Outback Vendor LLC manages **all vendor income streams**, including the café, general store, gold mining attraction, OHV rentals, and events.

Investment Summary

- **Total Project Cost:** \$15,000,000
- **Capital Needed Now:** \$2,000,000 (to complete Phase 2)

- **Construction Funds Needed:** \$10,000,000
- **Total Sales Potential:** \$18M – \$22M
- **Stabilized Asset Value:** \$26M – \$32M
- **Primary Exit:** Sell 70% to QOZ Fund at \$30M valuation

The Outback RV Resort and Outback Tiny Homes development offers investors a unique combination of:

- Strong asset-backed security
- High ROI through unit sales and membership revenue
- Additional upside from QOZ tax advantages

Prepared by:

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Outback RV Resort Development Team