

## The ARROYOS PRESERVE – RV Park and KOA Campground\*

The campground will have 310 sites located in S. W. Arizona Sonoran Desert.

NOI of \$970,000 estimate after 48-months from opening.

Cost to build is estimated to be \$6.1 million. Acquisition and entitlements are completed (nearly \$2 million), and construction is ready to start.

Developer seeks a joint venture with another development company and RV park operator.

Once NOI projections are achieved, the project can be offered for sale to a portfolio RV investment company (**EXIT PLAN #1**). Current cap rates in this segment range from 7% to 8.5%.

The project sits on 50-acres and is dual zoned to permit RVs and mobile homes, with option for fee-simple ownership of 165 lots (**EXIT PLAN #2**).

Site-occupancy demand is expected to be high with 2 million seasonal visitors in the immediate area September through May, and more than 50,000 RVs dry-camping on nearby BLM land (boondocking with no utilities).

The market includes area-snowbird visitors (not boondocking), plus all boondocking RVers that eventually check into an RV park to dump the tanks, get water, and do laundry. Adding to this market will be results of the promotions into nearby California and western states inviting off-roading recreation groups to make The ARROYOS PRESERVE their destination for weekend and extended days adventure trips. (The park will cater to the off-road recreation segment using the adjacent Arizona Peace Trail with Glamping and Vintage Trailer rental accommodations.) As an off-roading, theme-based destination, the park's season is expected to extend into more of the summer months (broadening season shoulders).

This park expects full occupancy during the 3-month peak season of January, February & March, and an average of 50 percent full occupancy during the peak season shoulder months of September, October, November, December, April & May.

There currently is no other RV park campground with the amenities of The ARROYOS PRESERVE within 100-miles.

\* KOA Franchise not yet committed. /Volumes/CLIP-IT\_Yel/60-second read TAP.odt