



# Hughes Capital Investor Update

## ROI Strategies Enjoys a Positive Response from Park Residents

Our mobile home park in Columbia, South Carolina is progressing nicely into a clean, upgraded place to live for our residents. Since the residents are benefitting from the park improvements, they've responded positively as we have started to enforce the new park rules. Those that have not had positive reactions are the ones that we wanted out anyway and they left quickly. It is exactly what we expected and wanted as we implemented the new rules. **People want to be proud of where they live, and we are bringing that feeling back for these residents.**

Our business partner who is there running the park was joking with us that next time we need to add an income line item to our Profit & Loss for the recycling of Bud Light cans, as we have discontinued one of the resident's displays of his drinking ability. It was the first thing Steve and I were exposed to when we arrived on the site back in November 2017. It was raining and gloomy out that day. Our partner took us out to look at a section of the park. Remember, this park is 23 acres, so it's reasonably sized. **There, one of the residents had built himself a round, wired cage in his front yard, 4 feet wide by 6 feet tall, like a cage you would put around your prized rose bush to keep the deer from eating it, but he had filled it to the brim with crushed Bud Light cans.** Steve and I were thinking, "What have we gotten ourselves into?" New rule #68: No wire cages allowed unless protecting expensive plants!

## Buy and Hold Fund Works to Find Top-Notch Property Managers

**Our five new markets are coming along, with Detroit being the slowest.** The property manager we chose to work with there is not doing a good job of following our guidelines. This is why we test them with just a couple of properties to start with. We know that the homes in each of these markets are not the challenge. We have already done our homework on whether the home market is where we want to be, prior to picking and working with a property manager.

**The challenge is making sure the property manager we pick will do their job and do it well.** If they don't, we obviously move on to another one until we find the right one, but that does slow down the process of buying more homes.

The interest in 1031 exchanges continues to escalate. We've had record turn outs at our presentations. We are now moving into the bigger room at ArrowCreek to accommodate our guests. **It is really exciting to be able to offer a solution for landlords who are tired of managing their investment properties and are looking for a more passive investment, but still want to invest in real estate.** Like we say, "Be an investor, *not* a landlord" so you will have more time for \_\_\_\_\_ (fill in the blank).

## Advanced Commission Nears iPhone Mobile App Launch

We are getting close to rolling out our mobile app for iPhones. The Android app has already been out and working for about 6 months. The app saves agents' information, so it becomes easier to apply for an advance after the first time. It also offers a constant stream of new educational content to help agents generate more leads and grow their business. **The idea behind the app is to be in constant communication with Realtors and to provide them with a source of support beyond commission advances.** Then, when they are ready for a commission advance, we are the first company they think of *and* it is super easy to apply. Our biggest competitor in this arena does not have a mobile app, nor is there a similar source of business and marketing support created specifically for Realtors, so we are offering something truly unique to them.

Until next month,

Handwritten signature of Steve Sixberry in black ink.

Steve Sixberry

Handwritten signature of Greg Hughes in black ink.

Greg Hughes