This Post-Qualification Offering Circular Amendment No. 1 amends the Offering Circular of Manufactured Housing Properties Inc. qualified on November 1, 2019 to add, update and/or replace information contained in the Offering Circular.

Offering Circular, Dated May 27, 2020

Manufactured Housing Properties Inc.

136 Main Street
Pineville, NC 28134
(980) 273-1702; www.mhproperties.com

UP TO 1,000,000 SHARES OF
SERIES B REDEEMABLE PREFERRED STOCK
AND 40,000 SHARES OF COMMON STOCK

Manufactured Housing Properties Inc. (which we refer to as "our company," "we," "our" and "us"), is offering up to 1,000,000 shares of Series B Cumulative Redeemable Preferred Stock, which we refer to as the Series B Preferred Stock, at an offering price of $10.00 per share, for a maximum offering amount of $10,000,000. In addition, we are offering bonus shares to early investors in this offering. The first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock.

The Series B Preferred Stock being offered will rank, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to our Common Stock and *pari passu* with our Series A Cumulative Convertible Preferred Stock, which we refer to as our Series A Preferred Stock. Holders of our Series B Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.067 per share each month; provided that upon an event of default (generally defined as our failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to $0.083 per month. The liquidation preference for each share of our Series B Preferred Stock is $10.00. Upon a liquidation, dissolution or winding up of our company, holders of shares of our Series B Preferred Stock 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. Commencing on November 29, 2024 (the fifth anniversary of the initial closing of this offering) and continuing indefinitely thereafter, we shall have a right to call for redemption the outstanding shares of our Series B Preferred Stock at a call price equal to 150% of the original issue price of our Series B Preferred Stock, and correspondingly, each holder of shares of our Series B Preferred Stock shall have a right to put the shares of Series B Preferred Stock held by such holder back to us at a put price equal to 150% of the original issue purchase price of such shares. The Series B Preferred Stock will have no voting rights (except for certain matters) and are not convertible into shares of our Common Stock. See "Description of Securities" beginning on page 44 for additional details.

This offering is being conducted on a "best efforts" basis pursuant to Regulation A of Section 3(6) of the Securities Act of 1933, as amended, or the Securities Act, for Tier 2 offerings. This offering will terminate at the earlier of: (1) the date at which the maximum amount of offered Series B Preferred Stock has been sold, (2) the date which is 180 days after this offering was originally qualified by the U.S. Securities and Exchange Commission, or the SEC, which was November 1, 2019, subject to an extension of up to an additional 180 days at the discretion of our company and the underwriter, or (3) the date on which this offering is earlier terminated by us in our sole discretion.

Digital Offering LLC, which we refer to as the underwriter, is the lead underwriter for this offering. The underwriter is selling our Series B Preferred Stock in this offering on a best efforts basis and is not required to sell any specific number or dollar amount of Series B Preferred Stock offered by this offering circular, but will use its best efforts to sell such Series B Preferred Stock. Cambria Capital LLC, or Cambria Capital, has been appointed by us and the underwriter as a soliciting dealer for this offering. Cambria Capital is an SEC registered broker-dealer and member of the Financial Industry Regulatory Authority, or FINRA, and the Securities Investor Protection Corporation, or SIPC. Cambria Capital operates the My IPO platform (available at www.myipo.com) as a separate unincorporated business division. Cambria Capital's clearing firm, who we refer to as the Clearing Firm, is an SEC registered broker-dealer and member of FINRA and SIPC and is authorized to act as a clearing broker-dealer. Cambria Capital and its My IPO division clear through the Clearing Firm as do other broker-dealers

who may participate in this offering. We refer to such other broker-dealers that clear through the Clearing Firm and who may participate in this offering as Other Broker-Dealers.

We may undertake one or more closings on a rolling basis. Until we complete a closing, the proceeds for this offering will be kept in an escrow account maintained at Wilmington Trust, National Association, or, in the case of investors who invest through Cambria Capital, the My IPO platform, or Other Broker-Dealers that clear through the Clearing Firm, proceeds will remain in the investor's own brokerage account with Cambria Capital. At a closing, the proceeds will be distributed to us and the associated Series B Preferred Stock will be issued to the investors. If there are no closings or if funds remain in the escrow account upon termination of this offering without any corresponding closing, the funds so deposited for this offering will be promptly returned to investors, without deduction and generally without interest, or, in the case of investors who invest through Cambria Capital, the My IPO platform, or Other Broker-Dealers, their funds will remain unrestricted in their own investment account. See "Underwriting."

As of the date of this offering circular, we have completed five closings in which we have sold an aggregate of 502,362 shares of Series B Preferred Stock for total gross proceeds of $5,053,620. After deducting the placement fee, we received net proceeds of approximately $4,699,867, before other offering expenses. We also issued an aggregate of 19,300 shares of Common Stock to early investors.

	Price to Public	Underwriting discount and commissions[1]	Proceeds to issuer[2]
Per Share	$ 10.00	$ 0.70	$ 9.30
Total Maximum	$ 10,000,000	$ 700,000	$ 9,300,000

(1) This table depicts broker-dealer commissions of 7% of the gross offering proceeds. Please refer to the section captioned "Underwriting" for additional information regarding total underwriter compensation. In addition to commissions, we have agreed to reimburse the underwriter for its reasonable out-of-pocket expenses of up to $30,000.

(2) Before deducting expenses of the offering, which are estimated to be approximately $115,000. See the section captioned "Underwriting" for details regarding the compensation payable in connection with this offering. This amount represents the proceeds of the offering to us, which will be used as set out in the section captioned "Use of Proceeds."

Our business and an investment in shares of our Series B Preferred Stock involve significant risks. See "Risk Factors" beginning on page 10 of this offering circular to read about factors that you should consider before making an investment decision. You should also consider the risk factors described or referred to in any documents incorporated by reference in this offering circular, before investing in these securities.

Generally, no sale may be made to you in this offering if the aggregate purchase price you pay is more than 10% of the greater of your annual income or your net worth. Different rules apply to accredited investors and non-natural persons. Before making any representation that your investment does not exceed applicable thresholds, we encourage you to review Rule 251(d)(2)(i)(C) of Regulation A. For general information on investing, we encourage you to refer to www.investor.gov.

THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OR GIVE ITS APPROVAL OF ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SOLICITATION MATERIALS. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED ARE EXEMPT FROM REGISTRATION.

This offering circular follows the disclosure format of Part I of Form S-1 pursuant to the general instructions of Part II(a)(1)(ii) of Form 1-A.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This offering circular and the documents incorporated by reference herein contain, in addition to historical information, certain "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, that include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources. These forward-looking statements include, without limitation: statements concerning projections, predictions, expectations, estimates or forecasts for our business, financial and operating results and future economic performance; statements of management's goals and objectives; trends affecting our financial condition, results of operations or future prospects; statements regarding our financing plans or growth strategies; statements concerning litigation or other matters; and other similar expressions concerning matters that are not historical facts. Words such as "may," "will," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes" and "estimates," and similar expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times, or by which, that performance or those results will be achieved. Forward-looking statements are based on information available at the time they are made and/or management's good faith beliefs as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause these differences include, but are not limited to:

- the impact of the coronavirus pandemic on our business;
- changes in the real estate market and general economic conditions;
- the inherent risks associated with owning real estate, including local real estate market conditions, governing laws and regulations affecting manufactured housing communities and illiquidity of real estate investments;
- increased competition in the geographic areas in which we own and operate manufactured housing communities;
- our ability to continue to identify, negotiate and acquire manufactured housing communities and/or vacant land which may be developed into manufactured housing communities on terms favorable to us;
- our ability to maintain rental rates and occupancy levels;
- changes in market rates of interest;
- our ability to repay debt financing obligations;
- our ability to refinance amounts outstanding under our credit facilities at maturity on terms favorable to us;
- our ability to comply with certain debt covenants;
- our ability to integrate acquired properties and operations into existing operations;
- the availability of other debt and equity financing alternatives;
- continued ability to access the debt or equity markets;
- the loss of any member of our management team;
- our ability to maintain internal controls and processes to ensure all transactions are accounted for properly, all relevant disclosures and filings are timely made in accordance with all rules and regulations, and any potential fraud or embezzlement is thwarted or detected;
- the ability of manufactured home buyers to obtain financing;
- the level of repossessions by manufactured home lenders;
- market conditions affecting our investment securities;
- changes in federal or state tax rules or regulations that could have adverse tax consequences; and
- those risks and uncertainties referenced under the caption "Risk Factors" contained in this offering circular.

Potential investors should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, there is no undertaking to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. Potential investors should not make an investment decision based solely on our company's projections, estimates or expectations.

The specific discussions herein about our company include financial projections and future estimates and expectations about our company's business. The projections, estimates and expectations are presented in this offering circular only as a guide about future possibilities and do not represent actual amounts or assured events. All the projections and estimates are based exclusively on our company management's own assessment of its business, the industry in which it works and the economy

at large and other operational factors, including capital resources and liquidity, financial condition, fulfillment of contracts and opportunities. The actual results may differ significantly from the projections.

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Please read this offering circular carefully. It describes our business, our financial condition and results of operations. We have prepared this offering circular so that you will have the information necessary to make an informed investment decision.

You should rely only on the information contained in this offering circular. We have not, and the underwriter has not, authorized anyone to provide you with any information other than that contained in this offering circular. We are offering to sell, and seeking offers to buy, the securities covered hereby only in jurisdictions where offers and sales are permitted. The information in this offering circular is accurate only as of the date of this offering circular, regardless of the time of delivery of this offering circular or any sale of the securities covered hereby. Our business, financial condition, results of operations and prospects may have changed since that date. We are not, and the underwriter is not, making an offer of these securities in any jurisdiction where the offer is not permitted.

For investors outside the United States: We have not, and the underwriter has not, taken any action that would permit this offering or possession or distribution of this offering circular in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this offering circular must inform themselves about, and observe any restrictions relating to, the offering of the securities covered hereby or the distribution of this offering circular outside the United States.

This offering circular includes statistical and other industry and market data that we obtained from industry publications and research, surveys and studies conducted by third parties. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. We believe that the data obtained from these industry publications and third-party research, surveys and studies are reliable. We are ultimately responsible for all disclosure included in this offering circular.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to the offering statement of which this offering circular is a part were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreements, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

WE HAVE NOT AUTHORIZED ANY DEALER, SALESPERSON OR OTHER PERSON TO GIVE ANY INFORMATION OR REPRESENT ANYTHING NOT CONTAINED IN THIS OFFERING CIRCULAR. YOU SHOULD NOT RELY ON ANY UNAUTHORIZED INFORMATION. THIS OFFEIRNG CIRCULAR IS NOT AN OFFER TO SELL OR BUY ANY SECURITIES IN ANY STATE OR OTHER JURISDICTION IN WHICH IT IS

UNLAWFUL. THE INFORMATION IN THIS OFFERING CIRCULAR IS CURRENT AS OF THE DATE ON THE COVER. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR.

SUMMARY

This summary highlights selected information contained elsewhere in this offering circular. This summary is not complete and does not contain all the information that you should consider before deciding whether to invest in our securities. You should carefully read the entire offering circular, including the risks associated with an investment in our company discussed in the "Risk Factors" section of this offering circular, before making an investment decision.

OUR COMPANY

Overview

We are a self-administered, self-managed, vertically integrated owner and operator of manufactured housing communities. We earn income from leasing manufactured home sites to tenants who own their own manufactured home and the rental of company-owned manufactured homes to residents of the communities.

We own and operate 20 manufactured housing communities containing approximately 1,308 developed sites and a total of 417 company-owned manufactured homes, including:

- ***Pecan Grove*** – a 81 lot, all-age community situated on 10.71 acres and located in Charlotte, North Carolina.
- ***Butternut*** – a 59 lot, all-age community situated on 13.13 acres and located in Corryton, Tennessee, a suburb of Knoxville, Tennessee.
- ***Azalea Hills*** – a 41 lot, all-age community situated on 7.46 acres and located in Gastonia, North Carolina, a suburb of Charlotte, North Carolina.
- ***Holly Faye*** – a 37 lot all-age community situated on 8.01 acres and located in Gastonia, North Carolina, a suburb of Charlotte North Carolina.
- ***Lakeview*** – a 97 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 and located in Chapel Hill, North Carolina.
- ***Maple Hills*** – a 73 lot all-age community situated on 21.20 acres and located in Mills River, North Carolina, which is part of the Asheville, North Carolina, Metropolitan Statistical Area.
- ***Hunt Club Forest*** – a 79 lot all-age community situated on 13.02 acres and located in the Columbia, South Carolina metro area.
- ***B&D*** – a 97 lot all-age community situated on 17.75 acres and located in Chester, South Carolina.
- ***Crestview*** – a 113 lot all-age community situated on 19.05 acres and located in East Flat Rock, North Carolina.
- ***Spring Lake*** – a 225 lot all-age community situated on 72.7 acres and located in Warner Robins, Georgia.
- ***ARC*** – a 182 lot all-age community situated on 39.34 acres and located in Lexington, South Carolina.
- ***Countryside*** – a 110 lot all-age community situated on 35 acres and located in Lancaster, North Carolina.
- ***Evergreen*** – a 65 lot all-age community situated on 28.4 acres and located in Dandridge, Tennessee.

The Manufactured Housing Community Industry

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 community. The owner of a manufactured home leases the site on which it is located and the lessee of a manufactured home leases both the home and site on which the home is located.

We believe that manufactured housing is accepted by the public as a viable and economically attractive alternative to common stick-built single-family housing. We believe that the affordability of the modern manufactured home makes it a very

attractive housing alternative. Manufactured housing is one of the only non-subsidized affordable housing options in the U.S. Demand for housing affordability continues to increase, but supply remains static, as there are virtually no new manufactured housing communities being developed. We are committed to becoming an industry leader in providing this affordable housing option and an improved level of service to our residents, while producing an attractive and stable risk adjusted return to our investors.

A manufactured housing 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 housing community leases from the community a site on which a home is located. The manufactured housing 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.

Our Competition

There are numerous private companies, but only three publicly-traded real estate investment trusts, or REITs, that compete in the manufactured housing industry. Many of the private companies and one of the REITs, UMH Properties, Inc., may compete with us for acquisitions of manufactured housing communities. Many of these companies have larger operations and greater financial resources than we do. The number of competitors, however, is increasing as new entrants discover the benefits of the manufactured housing asset class. We believe that due to the fragmented nature of ownership within the manufactured housing sector, the level of competition is less than that in other commercial real estate sectors.

Our Competitive Strengths

We believe that the following competitive strengths enable us to compete effectively:

- ***Deal Sourcing***. Our deal sourcing consists of marketed deals, pocket listings, and off market deals. Marketed deals are properties that are listed with a broker who exposes the property to the largest pool of buyers possible. Pocket listings are properties that are presented by brokers to a limited pool of buyers. Off market deals are ones that are not actively marketed. As a result of our network of relationships in our industry, only two properties in our portfolio were marketed deals, the rest were off-market or pocket listings.

- ***Centralized Operations***. We have centralized many operational tasks, including accounting, marketing, lease administration, and accounts payable. The use of professional staff and technology allows us to scale efficiently and operate properties profitably by reducing tasks otherwise completed at the property level.

- ***Deal Size***. We believe that our small capitalization size with non-institutional deals of less than 150 sites are accretive to our balance sheet. These sized properties typically have less bidders at lower prices than larger properties. We can profitably operate these smaller properties through our centralized operations.

- ***Creating Value***. Our underwriting expertise enables us to identify acquisition prospects to provide attractive risk adjusted returns. Our operational team has the experience, skill and resources to create this value through physical and/or operational property improvements.

Our Growth Strategy

Our growth strategy is to acquire both stable and undervalued and underperforming manufactured housing properties that have current income. We believe that we can enhance value through our professional asset and property management. Our property management services are mainly comprised of tenant contracts and leasing, marketing vacancies, community maintenance, enforcement of community policies, establishment and collection rent, and payment of vendors. Our lot and manufactured home leases are generally for one month and auto renew monthly for an additional month.

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.

We may invest in improved and unimproved real property and may develop unimproved real property. These property investments may be located throughout the United States, but to date we have concentrated in the Southeast portion of the United States. We are focused on acquiring communities with significant upside potential and leveraging our expertise to build long-term capital appreciation.

We are one of four public companies in the manufactured housing sector, but we are the only one not organized as a REIT, thereby giving us flexibility to focus on growth through reinvestment of income and employing higher leverage upon acquisition than the REITs traditionally utilize due to market held norms around 50-60%. This can give us a competitive advantage when bidding for assets. Additionally, due to our small size, non-institutional sized deals of less than 150 sites, which have less bidders and lower prices, are accretive to our balance sheet.

Our Risks and Challenges

Our prospects should be considered in light of the risks, uncertainties, expenses and difficulties frequently encountered by similar companies. Our ability to realize our business objectives and execute our strategies is subject to risks and uncertainties, including, among others, the following:

- The coronavirus pandemic may cause a material adverse effect on our business.
- We may not be able to obtain adequate cash to fund our business.
- General economic conditions and the concentration of our properties in Georgia, North Carolina, South Carolina, and Tennessee may affect our ability to generate sufficient revenue.
- We face risks generally associated with our debt.
- Covenants in our credit agreements could limit our flexibility and adversely affect our financial condition.
- A change in the United States government policy regarding to the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) could impact our financial condition.
- We may not be able to integrate or finance our acquisitions and our acquisitions may not perform as expected.
- New acquisitions may fail to perform as expected and the intended benefits may not be realized, which could have a negative impact on our operations.
- We may be unable to sell properties when appropriate because real estate investments are illiquid.
- We may be unable to compete with our larger competitors, which may in turn adversely affect our profitability.
- Losses in excess of our insurance coverage or uninsured losses could adversely affect our cash flow.
- Costs associated with taxes and regulatory compliance may reduce our revenue.
- Rent control legislation may harm our ability to increase rents.
- We have one stockholder that can single-handedly control our company.
- There is no present market for the Series B Preferred Stock and we have arbitrarily set the price.
- We cannot assure you that we will be able to pay dividends.
- You will not have a vote or influence on the management of our company.

Impact of Coronavirus Pandemic

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China. The virus has since spread to over 150 countries and every state in the United States. On March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020, the United States declared a national emergency.

Most states and cities, including where our properties are located, have reacted by instituting quarantines, restrictions on travel, "stay at home" rules and restrictions on the types of businesses that may continue to operate, as well as guidance in response to the pandemic and the need to contain it.

We are carefully reviewing all rules, regulations, and orders and responding accordingly. We have taken steps to take care of our employees, including providing the ability for employees to work remotely and implementing strategies to support appropriate social distancing techniques for those employees who are not able to work remotely. We have also taken precautions with regard to employee, facility and office hygiene as well as implementing significant travel restrictions. We are also assessing our business continuity plans for all business units in the context of the pandemic. This is a rapidly evolving situation, and we will continue to monitor and mitigate developments affecting our workforce, our tenants, and the public at large to the extent we are able to do so.

The rules and restrictions put in place have had a negative impact on the economy and business activity and may adversely impact the ability of our tenants, many of whom may be restricted in their ability to work, to pay their rent as and when due. In addition, our property managers may be limited in their ability to properly maintain our properties. Enforcing our rights as landlord against tenants who fail to pay rent or otherwise do not comply with the terms of their leases may not be possible as many jurisdictions, including those where are properties are located, have established rules and/or regulations preventing us from evicting tenants for certain periods in response to the pandemic. If we are unable to enforce our rights as landlords, our business would be materially affected.

If the current pace of the pandemic cannot be slowed and the spread of the virus is not contained, our business operations could be further delayed or interrupted. We expect that government and health authorities may announce new or extend existing restrictions, which could require us to make further adjustments to our operations in order to comply with any such restrictions. The duration of any business disruption cannot be reasonably estimated at this time but may materially affect our ability to operate our business and result in additional costs.

The extent to which the pandemic may impact our results will depend on future developments, which are highly uncertain and cannot be predicted as of the date of this offering circular, including new information that may emerge concerning the severity of the pandemic and steps taken to contain the pandemic or treat its impact, among others. Nevertheless, the pandemic and the current financial, economic and capital markets environment present material uncertainty and risk with respect to our performance, financial condition, results of operations and cash flows. See also "Risk Factors" below.

Corporate Information

Our principal executive offices are located at 136 Main Street, Pineville, NC 28134 and our telephone number is (980) 273-1702. We maintain a website at www.mhproperties.com. Information available on our website is not incorporated by reference in and is not deemed a part of this offering circular.

THE OFFERING

Securities being offered:

Up to 1,000,000 shares of Series B Preferred Stock at an offering price of $10.00 per share for a maximum offering amount of $10,000,000. In addition, we are offering bonus shares to early investors in this offering, whereby the first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock.

Terms of Series B Preferred Stock:

- ***Ranking*** - The Series B Preferred Stock ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to our Common Stock and *pari passu* with our Series A Preferred Stock. The terms of the Series B Preferred Stock 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 of our Series B Preferred Stock as to distribution rights and rights upon our liquidation, dissolution or winding up.

- ***Dividend Rate and Payment Dates*** - Dividends on the Series B Preferred Stock being offered will be cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of our Series B Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.067 per share each month, which is equivalent to the annual rate of 8% of the $10.00 liquidation preference per share described below; provided that upon an event of default (generally defined as our failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to $0.083 per month, which is equivalent to the annual rate of 10% of the $10.00 liquidation preference per share described below. Dividends on shares of our Series B Preferred Stock 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 for each share of our Series B Preferred Stock is $10.00. Upon a liquidation, dissolution or winding up of our company, holders of shares of our Series B Preferred Stock 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.

- ***Company Call and Stockholder Put Options*** - Commencing on November 29, 2024 (the fifth anniversary of the initial closing of this offering) and continuing indefinitely thereafter, we shall have a right to call for redemption the outstanding shares of our Series B Preferred Stock at a call price equal to 150% of the original issue price of our Series B Preferred Stock, and correspondingly, each holder of shares of our Series B Preferred Stock shall have a right to put the shares of Series B Preferred Stock held by such holder back to us at a put price equal to 150% of the original issue purchase price of such shares.

- ***Further Issuances*** - The shares of our Series B Preferred Stock have no maturity date, and we will not be required to redeem shares of our Series B Preferred Stock at any time except as otherwise described above under the caption "Company Call and Stockholder Put Options." Accordingly, the shares of our Series B Preferred Stock will remain outstanding indefinitely, unless we decide, at our option, to exercise our call right, the holder of the Series B Preferred Stock exercises his put right.

- ***Voting Rights*** - We may not authorize or issue any class or series of equity securities ranking senior to the Series B Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend our articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the

Series B Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of our outstanding shares of Series B Preferred Stock, voting together as a class. Otherwise, holders of the shares of our Series B Preferred Stock will not have any voting rights.

- ***No Conversion Right*** - The Series B Preferred Stock is not convertible into shares of our Common Stock.

Best efforts offering: The underwriter is selling the shares of Series B Preferred Stock offered in this offering circular on a "best efforts" basis and is not required to sell any specific number or dollar amount of shares of Series B Preferred Stock offered by this offering circular, but will use its best efforts to sell such shares.

Securities issued and outstanding before this offering: 12,322,680 shares of Common Stock, 1,890,000 shares of Series A Preferred Stock, and no shares of Series B Preferred Stock.

Securities issued and outstanding after this offering: 12,362,680 shares of Common Stock, 1,890,000 shares of Series A Preferred Stock and 1,000,000 shares of Series B Preferred Stock if the maximum number of shares being offered are sold.

Minimum subscription price: The minimum initial investment is at least $5,000 and any additional purchases must be investments of at least $100.

Use of proceeds: We estimate our net proceeds from this offering will be approximately $9,185,000 if the maximum number of shares being offered are sold based upon the public offering price of $10.00 per share and after deducting the underwriting discounts and commissions and estimating offering expenses payable by us.

We intend to use the net proceeds from this offering for the acquisition of manufactured housing communities. For a discussion, see "Use of Proceeds."

Termination of the offering: This offering will terminate at the earlier of: (1) the date at which the maximum amount of offered shares has been sold, (2) the date which is 180 days after this offering was originally qualified by the SEC, which was November 1, 2019, subject to an extension of up to 180 days by us and the underwriter, or (3) the date on which this offering is earlier terminated by us in our sole discretion.

Closings of the offering; Subscribing through Cambria Capital, the My IPO platform, or Other Broker-Dealers: We may undertake one or more closings on a rolling basis. Until we complete a closing, the proceeds for this offering will be kept in an escrow account maintained at Wilmington Trust, National Association or will be held in your own brokerage account as described below. At a closing, the proceeds will be distributed to us and the associated shares will be issued to the investors. If there are no closings or if funds remain in the escrow account upon termination of this offering without any corresponding closing, the investments for this offering will be promptly returned to investors, without deduction and generally without interest.

You may not subscribe to this offering prior to the date this offering is qualified by the SEC, which we will refer to as the qualification date. Before the qualification date, you may only make non-binding indications of your interest to purchase securities in the offering. For any subscription agreements received after the qualification date, we have the right to review and accept or reject the subscription in whole or in part, for any reason or for no reason. If rejected, we will return all funds to the rejected investor within ten business days. If accepted, the funds will remain in the escrow account until all conditions to closing have been satisfied or waived, at which point we will have an initial closing of the offering and the funds in escrow will then be transferred into our general account.

Following the initial closing of this offering, we expect to have several subsequent closings of this offering until the maximum offering amount is raised or the offering is terminated. We expect to have closings on a monthly basis and expect that we will accept all funds subscribed for each month subject to our working capital and other needs consistent with the use of proceeds described in this offering circular. Investors should expect to wait approximately one month and no longer than forty-five days before we accept their subscriptions and they receive the securities subscribed for. An investor's subscription is binding and irrevocable and investors will not have the right to withdraw their subscription or receive a return of funds prior to the next closing unless we reject the investor's subscription. You will receive a confirmation of your purchase promptly following the closing in which you participate.

Procedures for Subscribing through Cambria Capital, the My IPO Platform or Other Broker-Dealers

Cambria Capital is an SEC registered broker-dealer and member of FINRA and SIPC. Cambria Capital has been appointed by us and the underwriter, our managing broker-dealer, as a soliciting dealer for this offering. Cambria Capital operates the My IPO platform as a separate unincorporated business division. Cambria Capital's clearing firm, who we refer to as the Clearing Firm, is an SEC registered broker-dealer and member of FINRA and SIPC and is authorized to act as a clearing broker-dealer. Cambria Capital and its My IPO division clear through the Clearing Firm as do other broker-dealers who may participate in this offering. We refer to such other broker-dealers that clear through the Clearing Firm and who may participate in this offering as Other Broker-Dealers.

Prospective investors investing through Cambria Capital, My IPO or Other Broker-Dealers will acquire shares of our Series B Preferred Stock through book-entry order by opening an account with Cambria Capital, My IPO, or an Other Broker-Dealer, or by utilizing an existing Cambria Capital account, My IPO account or account with an Other Broker-Dealer. In each such case, the account will be an account owned by the investor and held at the Clearing Firm, as the clearing firm for the exclusive benefit of such investor. The investor will also be required to complete and submit a subscription agreement. Subscriptions for shares of Series B Preferred Stock acquired through an account at Cambria Capital, My IPO or an Other Broker-Dealer are all processed online

The process for investing through Cambria Capital, My IPO or through Other Broker-Dealers will work in the following manner. The Clearing Firm will enter into a custody agreement with us pursuant to which we will issue uncertificated securities to be held at the Clearing Firm, and the shares of Series B Preferred stock held at the Clearing Firm will be reflected as an omnibus position on our records and the transfer agent's records in the name of the Clearing Firm, for the exclusive benefit of customers. We will open a brokerage account with the Clearing Firm and the Clearing Firm will hold the shares of Series B Preferred Stock to be sold in the offering in book-entry form in our company's Clearing Firm account. When the shares of Series B Preferred stock are sold, the Clearing Firm maintains a record of each investor's ownership interest in those securities. Under an SEC no-action letter provided to the Clearing Firm in January 2015, the Clearing Firm is allowed to treat the issuer as a good control location pursuant to Exchange Act Rule 15c3-3(c)(7) under these circumstances. The customer's funds will not be transferred into a separate account awaiting the initial closing, or any other closing, but will remain in the customer's account at the Clearing Firm pending instructions to release funds to us if all conditions necessary for a closing are met.

In order to subscribe to purchase the shares of Series B Preferred Stock through Cambria Capital, My IPO or through an Other Broker-Dealer, a prospective investor must electronically complete and execute a subscription agreement and provide payment using the procedures indicated below. When submitting the subscription request through Cambria Capital, My IPO or an Other Broker-Dealer, a prospective investor is required to agree to various terms and conditions by checking boxes and to review and

electronically sign any necessary documents. We will not accept any subscription agreements prior to the SEC's qualification of this offering.

After any contingencies of the offering or any particular closing are met, we will notify the Clearing Firm when we wish to conduct a closing. The Clearing Firm executes the closing by transferring each investor's funds from their Cambria Capital, My IPO or Other Broker-Dealer accounts to our Clearing Firm account and transferring the correct number of book-entry shares to each investor's account from our Clearing Firm account. The shares are then reflected in the investor's online account and shown on the investor's Cambria Capital, My IPO or Other Broker-Dealer account statements. Cambria Capital, My IPO and Other Broker-Dealers will also send trade confirmations individually to the investors.

Other Subscription Procedures

Investors not purchasing through Cambria Capital, My IPO or an Other Broker-Dealer that clears through the Clearing Firm must complete and execute a subscription agreement for a specific number of shares and pay for the shares at the time of the subscription. Completed subscription agreements will be sent by your broker-dealer or registered investment advisor, as applicable, to Digital Offering at the address set forth in the subscription agreement. Subscription payments should be delivered directly to the escrow agent. If you send your subscription payment to your broker or registered investment advisor, then your broker or registered investment advisor will immediately forward your subscription payment to the escrow agent. Subscriptions will be effective only upon our acceptance, and we reserve the right to reject any subscription in whole or in part.

Restrictions on investment amount: Generally, no sale may be made to you in this offering if the aggregate purchase price you pay is more than 10% of the greater of your annual income or net worth. Different rules apply to accredited investors and non-natural persons. Before making any representation that your investment does not exceed applicable thresholds, we encourage you to review Rule 251(d)(2)(i)(c) of Regulation A. For general information on investing, we encourage you to refer to www.investor.gov.

Current symbol: OTC Pink Market: MHPC.

Risk factors: Investing in our securities is highly speculative and involves a high degree of risk. You should carefully consider the information set forth in the "Risk Factors" section beginning on page 10 before deciding to invest in our securities.

SUMMARY FINANCIAL DATA

The following tables summarize selected financial data regarding our business and should be read in conjunction with our financial statements and related notes contained elsewhere in this offering circular and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The summary consolidated financial data as of December 31, 2019 and 2018 and for the years then ended for our company are derived from our audited consolidated financial statements included elsewhere in this offering circular.

Our consolidated financial statements are prepared and presented in accordance with generally accepted accounting principles in the United States, or GAAP. The summary financial data information is only a summary and should be read in conjunction with the historical financial statements and related notes contained elsewhere herein. The financial statements contained elsewhere fully represent our financial condition and operations; however, they are not indicative of our future performance.

	Years Ended December 31,	
	2019	**2018**
Statements of Operations Data		
Total revenues	$ 3,021,691	$ 2,000,312
Total community operating expenses	1,149,788	676,381
Corporate payroll and overhead	1,253,383	1,030,527
Depreciation and amortization expense	786,179	534,290
Interest expense	1,312,469	1,001,455
Refinancing costs	552,272	-
Total expenses	5,054,091	3,242,653
Provision for income taxes	6,347	8,286
Net loss	$ (2,038,747)	$ (1,250,627)
Net income attributable to the non-controlling interest	-	45,766
Net loss attributable to the company	$ (2,038,747)	$ (1,296,393)
Total preferred stock dividends	360,937	-
Net loss attributable to common stockholders	$ (2,399,684)	$ (1,296,393)
Weighted average shares - basic and fully diluted	12,624,171	10,100,747
Net loss per share - basic and fully diluted	$ (0.19)	$ (0.13)

	As of December 31,	
	2019	**2018**
Balance Sheet Data		
Cash and cash equivalents	$ 4,146,411	$ 458,271
Net Investment Property	33,416,827	12,022,591
Total assets	38,152,131	12,593,321
Total liabilities	31,982,075	13,546,351
Stockholders' deficit	(2,712,554)	(953,030)
Total liabilities and stockholders' equity (deficit)	$ 38,152,131	$ 12,593,321

RISK FACTORS

An investment in our Series B Preferred Stock involves a high degree of risk. You should carefully read and consider all of the risks described below, together with all of the other information contained or referred to in this offering circular, before making an investment decision with respect to our securities. If any of the following events occur, our financial condition, business and results of operations (including cash flows) may be materially adversely affected. In that event, the value of your Series B Preferred Stock could decline, and you could lose all or part of your investment.

Risks Related to our Business and Industry

The coronavirus pandemic may cause a material adverse effect on our business.

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China. The virus has since spread to over 150 countries and every state in the United States. On March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020, the United States declared a national emergency.

The spread of the virus in many countries continues to adversely impact global economic activity and has contributed to significant volatility and negative pressure in financial markets. The pandemic has had, and could have a significantly greater, material adverse effect on the U.S. economy as a whole, as well as the local economies where our properties are located. The pandemic has resulted, and may continue to result for an extended period, in significant disruption of global financial markets, which may reduce our ability to access capital in the future, which could negatively affect our liquidity.

Most states and cities, including where are our properties are located, have reacted by instituting quarantines, restrictions on travel, "stay at home" rules and restrictions on the types of businesses that may continue to operate, as well as guidance in response to the pandemic and the need to contain it. These rules and restrictions have had a negative impact on the economy and business activity and may adversely impact the ability of our tenants, many of whom may be restricted in their ability to work, to pay their rent as and when due. In addition, our property managers may be limited in their ability to properly maintain our properties. Enforcing our rights as landlord against tenants who fail to pay rent or otherwise do not comply with the terms of their leases may not be possible as many jurisdictions, include those where are properties are located, have established rules and/or regulations preventing us from evicting tenants for certain periods in response to the pandemic. If we are unable to enforce our rights as landlords, our business would be materially affected.

If the current pace of the pandemic cannot be slowed and the spread of the virus is not contained, our business operations could be further delayed or interrupted. We expect that government and health authorities may announce new or extend existing restrictions, which could require us to make further adjustments to our operations in order to comply with any such restrictions. The duration of any business disruption cannot be reasonably estimated at this time but may materially affect our ability to operate our business and result in additional costs.

The extent to which the pandemic may impact our results will depend on future developments, which are highly uncertain and cannot be predicted as of the date of this offering circular, including new information that may emerge concerning the severity of the pandemic and steps taken to contain the pandemic or treat its impact, among others. Nevertheless, the pandemic and the current financial, economic and capital markets environment present material uncertainty and risk with respect to our performance, financial condition, results of operations and cash flows.

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, when market conditions permit, through the issuance of debt and equity securities from time to time. 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.

General economic conditions and the concentration of our properties in Georgia, 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, current 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 Georgia, 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 that 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 housing 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 face risks generally associated with our debt.

We finance a portion of our investments in properties through debt. As of December 31, 2019, our total indebtedness for borrowed money was $31,520,782. 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 re-financings.

Certain of our mortgages will have significant outstanding principal balances on their maturity dates, commonly known as "balloon payments." As of December 31, 2019, our total future minimum principal payments were $28,992,853. There can be no assurance that we will be able to refinance the debt on favorable terms or at all. To the extent 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 that 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 regarding to the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) could impact our financial condition.

Fannie Mae and Freddie Mac are a major source 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 that 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.

We face risks relating to the property management services that we provide.

There are inherent risks in our providing property management services to the manufactured housing communities on the properties that we own. The more significant of these risks include:

- our possible liability for personal injury or property damage suffered by our employees and third parties, including our tenants, that are not fully covered by our insurance;
- our possible inability to keep our manufactured housing communities at or near full occupancy;
- our possible inability to attract and keep responsible tenants;
- our possible inability to expediently remove “bad” tenants from our communities;
- our possible inability to timely and satisfactorily deal with complaints of our tenants;
- our possible inability to locate, hire and retain qualified property management personnel; and
- our possible inability to adequately control expenses with respect to our properties.

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 for closing, including completion of due diligence investigations to our satisfaction, which may not be satisfied;

- even if we are able to 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 on ownership of those properties, we might have to pay substantial sums to settle it, which could adversely affect our cash flow.

New acquisitions may fail to perform as expected and the intended benefits may not be realized, which could have a negative impact on our operations.

We intend to continue to acquire manufactured housing communities. However, newly acquired properties may fail to perform as expected and could pose risks for our ongoing operations including the following:

- integration may prove costly or time-consuming and may divert management's attention from the management of daily operations;
- difficulties or an inability to access capital or increases in financing costs;
- we may incur costs and expenses associated with any undisclosed or potential liabilities;
- unforeseen difficulties may arise in integrating an acquisition into our portfolio;
- expected synergies may not materialize; and
- we may acquire properties in new markets where we face risks associated with lack of market knowledge such as understanding of the local economy, the local governmental and/or local permit procedures.

As a result of the foregoing, we may not accurately estimate or identify all costs necessary to bring an acquired manufactured housing communities up to standards established for our intended market position. As such, we cannot provide assurance that any acquisition that we make will be accretive to us in the near term or at all. Furthermore, if we fail to realize the intended benefits of an acquisition, it may have a negative impact on our operations.

Development and expansion properties may fail to perform as expected and the intended benefits may not be realized, which could have a negative impact on our operations.

We may periodically consider development and expansion activities, which are subject to risks such as construction costs exceeding original estimates and construction and lease-up delays resulting in increased construction costs and lower than expected revenues. Additionally, there can be no assurance that these properties will operate better as a result of development or expansion activities due to various factors, including lower than anticipated occupancy and rental rates causing a property to be unprofitable or less profitable than originally estimated.

We regularly expend capital to maintain, repair and renovate our properties, which could negatively impact our financial condition and results of operations.

We may, or we may be required to, from time to time make significant capital expenditures to maintain or enhance the competitiveness of our manufactured housing communities. There can be no assurances that any such expenditures would result in higher occupancy or higher rental rates.

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.

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 led to increases in the purchase prices 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.

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 whom 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 multi-family residential properties, such as private and federally funded or assisted multi-family 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. However, we may be required 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 that carries 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.

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 will 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 additional properties in markets that are either subject to rent control or in which rent-limiting legislation exists or may be enacted.

Environmental liabilities could affect our profitability.

Under various federal, state and local laws, as well as local 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 such 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 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 twenty manufactured housing communities we currently operate, five 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 Department of 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, we authorize the preparation of Phase I or similar environmental reports (which involves general inspections without soil sampling or ground water analysis) completed by independent environmental consultants. Based on such environmental reports and our ongoing review of its properties, as of the date of this offering circular, we are not aware of any environmental condition with respect to any of our properties that we believe would be reasonably likely to have a material adverse effect on our financial condition 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 with respect to any one property or more than one property.

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 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.

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.

Our management is inexperienced in running a public entity.

With the exception of Michael Z. Anise, our president, chief financial officer and a director, our management does not have prior experience with the operation and management of a public entity. As a result, they will be learning as they proceed and may be forced to rely more heavily on the expertise of outside professionals than they might otherwise, which in turn could lead to higher legal and accounting costs and possible securities law compliance issues.

We have one stockholder that can single-handedly control our company.

Our largest stockholder is Gvest Real Estate Capital LLC, an entity whose sole owner is Raymond M. Gee, our chairman and chief executive officer. At present, Gvest Real Estate Capital LLC owns 70% of our total issued and outstanding Common Stock. Under Nevada law, this ownership position provides Mr. Gee with the almost unrestricted ability to control the business, management and strategic direction of our company. If Mr. Gee chooses to exercise this control, his decisions regarding our company could be detrimental to, or not in the best interests of our company and its other stockholders.

We have identified material weaknesses in our internal control over financial reporting. If we fail to develop or maintain an effective system of internal controls, we may not be able to accurately report our financial results and prevent fraud. As a result, current and potential stockholders could lose confidence in our financial statements, which would harm the trading price of our Common Stock.

Companies that file reports with the SEC, including us, are subject to the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, or SOX 404. SOX 404 requires management to establish and maintain a system of internal control over financial reporting and annual reports on Form 10-K filed under the Exchange Act to contain a report from management assessing the effectiveness of a company's internal control over financial reporting. Separately, under SOX 404, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, public companies that are large accelerated filers or accelerated filers must include in their annual reports on Form 10-K an attestation report of their regular auditors attesting to and reporting on management's assessment of internal control over financial reporting. Non-accelerated filers and smaller reporting companies, like us, are not required to include an attestation report of their auditors in annual reports.

A report of our management is included under Item 9A. "Controls and Procedures" of our annual report on Form 10-K for the year ended December 31, 2019. We are a smaller reporting company and, consequently, are not required to include an attestation report of our auditor in our annual report. However, if and when we become subject to the auditor attestation requirements under SOX 404, we can provide no assurance that we will receive a positive attestation from our independent auditors.

During its evaluation of the effectiveness of internal control over financial reporting as of December 31, 2019, management identified material weaknesses. These material weaknesses were associated with (i) our lack of proper segregation of duties due to the limited number of employees within the accounting department and (ii) our lack of effective closing procedures. We are undertaking remedial measures, which measures will take time to implement and test, to address these material weaknesses. There can be no assurance that such measures will be sufficient to remedy the material weaknesses identified or that additional material weaknesses or other control or significant deficiencies will not be identified in the future. If we continue to experience material weaknesses in our internal controls or fail to maintain or implement required new or improved controls, such circumstances could cause us to fail to meet our periodic reporting obligations or result in material misstatements in our financial statements, or adversely affect the results of periodic management evaluations and, if required, annual auditor attestation reports. Each of the foregoing results could cause investors to lose confidence in our reported financial information and lead to a decline in our stock price.

Risks Related to this Offering and Ownership of Our Series B Preferred Stock

There is no present market for the Series B Preferred Stock and we have arbitrarily set the price.

We have arbitrarily set the price of the Series B Preferred Stock with reference to the general status of the securities market and other relevant factors. The offering price for the Series B Preferred Stock should not be considered an indication of the actual value of such securities and is not based on our net worth or prior earnings. Although our Common Stock is quoted on the OTC Pink Market, our Series B Preferred Stock will not be eligible for quotation on the over-the-counter market. Accordingly, it will be very difficult for you to liquidate your shares of Series B Preferred Stock and we cannot assure you that the such securities could be resold by you at the price you paid for them or at any other price.

Our Common Stock is eligible for quotation on the OTC Pink Market but few quotations have been made and limited trading has occurred in our Common Stock. Due to the lack of an active trading market for our securities, you may have difficulty selling any shares you purchase, which could result in the loss of your investment.

There is presently no demand for our Common Stock and no active public market exists for our Common Stock. Our Common Stock is eligible for quotation on the Pink Market operated by OTC Markets Group. The Pink Market is a regulated quotation service that displays real-time quotes, last sale prices and volume information in over-the-counter securities. The Pink Market is not an issuer listing service, market or exchange. The requirements for quotation on the Pink Market are considerably lower and less regulated than those of an exchange. Because of this, it is possible that fewer brokers or dealers will be interested in making a market in our Common Stock because the market for such securities is more limited, the stocks are more volatile, and the risk to investors is greater, which may impact the liquidity of our Common Stock. Even if an active market begins to develop in our Common Stock, the quotation of our Common Stock on the Pink Market may result in a less liquid market available for existing and potential stockholders to trade Common Stock, could depress the trading price of our Common Stock and could have a long-term adverse impact on our ability to raise capital in the future. If an active market is never developed for our Common Stock, it will be difficult or impossible for you to sell any Common Stock you purchase.

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

Our ability to pay dividends on our Series B Preferred Stock is dependent 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 dividends as required by the terms of our Series B Preferred Stock.

We may issue additional debt and equity securities, which are senior to our Series B Preferred Stock as to distributions and in liquidation, which could materially adversely affect the value of the Series B Preferred Stock.

In the future, we may attempt to increase our capital resources by entering into additional debt or debt-like financing that is secured by all or up to all of our assets, or issuing debt or equity securities, which could include issuances of commercial paper, medium-term notes, senior notes, subordinated notes or shares. In the event of our liquidation, our lenders and holders of our debt securities would receive a distribution of our available assets before distributions to our shareholders. Any preferred securities, if issued by our company, may have a preference with respect to distributions and upon liquidation that is senior to the preference of the Series B Preferred Stock, which could further limit our ability to make distributions to our shareholders. Because our decision to incur debt and issue securities in our future offerings will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings and debt financing.

Further, market conditions could require us to accept less favorable terms for the issuance of our securities in the future. Thus, you will bear the risk of our future offerings reducing the value of your Series B Preferred Stock. In addition, we can change our leverage strategy from time to time without approval of holders of our preferred stock or Common Stock, which could materially adversely affect the value of our preferred stock, including the Series B Preferred Stock.

You will not have a vote or influence on the management of our company.

All decisions with respect to the management of our company will be made exclusively by the officers, directors, managers or employees of our company. You, as an investor in our Series B Preferred Stock, have very limited voting rights and will have no ability to vote on issues of company management and will not have the right or power to take part in the management of the company and will not be represented on the board of directors of our company. Accordingly, no person should purchase our Series B Preferred Stock unless he or she is willing to entrust all aspects of management to our company.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately $9,185,000 if the maximum number of shares of Series B Preferred Stock being offered are sold after deducting the estimated underwriting discount and estimated offering expenses payable by us.

The following table below sets forth the uses of proceeds assuming the sale of 25%, 50%, 75% and 100% of the securities offered for sale in this offering by us. For further discussion, see the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	25% of Offering Sold	50% of Offering Sold	75% of Offering Sold	100% of Offering Sold
Offering Proceeds				
Shares Sold	250,000	500,000	750,000	1,000,000
Gross Proceeds	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 10,000,000
Underwriting Commissions (7%)	175,000	350,000	525,000	700,000
Net Proceeds Before Expenses	**2,325,000**	**4,650,000**	**6,975,000**	**9,300,000**
Offering Expenses				
Underwriter Expenses	30,000	30,000	30,000	30,000
Legal & Accounting	70,000	70,000	70,000	70,000
Publishing/EDGAR	5,000	5,000	5,000	5,000
Transfer Agent	5,000	5,000	5,000	5,000
Blue Sky Compliance	5,000	5,000	5,000	5,000
Total Offering Expenses	**115,000**	**115,000**	**115,000**	**115,000**
Amount of Offering Proceeds Available for Use	**2,210,000**	**4,535,000**	**6,860,000**	**9,185,000**
Uses				
Acquisition of manufactured housing communities and related transactional expenses	2,210,000	4,535,000	6,860,000	9,185,000
Total Expenditures	**2,210,000**	**4,535,000**	**6,860,000**	**9,185,000**
Net Remaining Proceeds	$ 0	$ 0	$ 0	$ 0

As of the date of this offering circular and except as explicitly set forth herein, we cannot specify with certainty all of the particular uses of the net proceeds from this offering. Pending use of the net proceeds from this offering as described above, we may invest the net proceeds in short-term interest-bearing investment grade instruments.

The expected use of net proceeds from this offering represents our intentions based upon our current plans and business conditions, which could change in the future as our plans and business conditions evolve and change. The amounts and timing of our actual expenditures, specifically with respect to working capital, may vary significantly depending on numerous factors. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering.

The above description of the anticipated use of proceeds is not binding on us and is merely description of our current intentions. **We reserve the right to change the above use of proceeds if management believes it is in the best interests of our company.**

DETERMINATION OF OFFERING PRICE

There is no trading market for our Series B Preferred Stock and we do not expect any trading market to develop for the Series B Preferred Stock. The Series B Preferred Stock will be sold at $10.00 per share and it is expected that after November 29, 2024 (the fifth anniversary of the initial closing of this offering) we will either exercise our right to call the Series B Preferred Stock for redemption at a call price equal to 150% of such original issue price of the Series B Preferred Stock, or that holders of the Series B Preferred Stock will exercise their right to put their shares of Series B Preferred Stock to us at 150% of such original issue price of the Series B Preferred Stock. Accordingly, the $10.00 price per share of Series B Preferred Stock is arbitrary and represents the amount of investment made by an investor for purposes of determining the redemption price upon a put or call (i.e., the redemption price will be 150% of the purchase price or $15.00 per share of Series B Preferred Stock).

DIVIDEND POLICY

Dividends on the Series B Preferred Stock being offered will be cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of our Series B Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.067 per share each month, which is equivalent to the annual rate of 8% of the $10.00 liquidation preference per share; provided that upon an event of default (generally defined as our failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to $0.083 per month, which is equivalent to the annual rate of 10% of the $10.00 liquidation preference per share. Dividends on shares of our Series B Preferred Stock will continue to accrue even if any of our agreements prohibit the current payment of dividends or we do not have earnings.

Our anticipated source of funds to pay the cumulative dividends for our Series B Preferred Stock will be from net operating income, retained earnings and the proceeds of the refinancing our other indebtedness. We believe that our net operating income will increase as we deploy the funds raised in this offering in a manner consistent with the use of proceeds described in this offering circular. We expect that our retained earnings will increase as we increase net operating income and we expect to refinance other indebtedness on our properties based upon our increased net operating income and then use the proceeds of such refinancings along with our retained earnings to repay investors.

See also "Risk Factors—Risks Related to this Offering and Ownership of Our Series B Preferred Stock—We cannot assure you that we will be able to pay dividends."

Dividends on our Series A Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of our Series A Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.017 per share each month, which is equivalent to the rate of 8% of the $2.50 liquidation preference per share. Dividends on shares of our Series A Preferred Stock will continue to accrue even if any of our agreements prohibit the current payment of dividends or we do not have earnings.

We have never declared dividends or paid cash dividends on our Common Stock. Our board of directors will make any future decisions regarding dividends. We currently intend to retain and use any future earnings for the development and expansion of our business and do not anticipate paying any cash dividends in the near future. Our board of directors has complete discretion on whether to pay dividends. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

Our Common Stock is eligible for quotation on the OTC Pink Market under the symbol "MHPC." The following table sets forth, for the periods indicated, the high and low closing prices of our Common Stock. These prices reflect inter-dealer prices, without retain mark-up or commission, and may not represent actual transactions.

	Closing Prices	
	High	Low
Fiscal Year Ended December 31, 2018		
1st Quarter	$ 5.40	$ 1.20
2nd Quarter	1.20	0.51
3rd Quarter	1.04	0.30
4th Quarter	1.00	0.30
Fiscal Year Ended December 31, 2019		
1st Quarter	$ 1.00	$ 1.00
2nd Quarter	1.00	1.00
3rd Quarter	4.15	0.85
4th Quarter	4.50	2.70
Fiscal Year Ended December 31, 2020		
1st Quarter	$ 2.71	$ 0.40
2nd Quarter (through April 28, 2020)	1.25	0.59

Holders

As of April 28, 2020, there were approximately 204 registered holders of our Common Stock. This number excludes the shares owned by stockholders holding shares under nominee security position listings.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth certain information about the securities authorized for issuance under our incentive plans as of December 31, 2019.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	565,175	$0.03	165,500
Equity compensation plans not approved by security holders	-	-	-
Total	565,175	$0.03	165,500

In December 2017, our board of directors, with the approval of a majority of stockholders, adopted a Stock Compensation Plan. The Stock Compensation Plan provides for grants stock options and other forms of incentive compensation to officers, employees, directors, advisors or consultants of our company or its subsidiaries. We are authorized to issue up to 1,000,000 shares of Common Stock under this plan.

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

The following management's discussion and analysis of financial condition and results of operations provides information that management believes is relevant to an assessment and understanding of our plans and financial condition. The following selected financial information is derived from our historical financial statements should be read in conjunction with such financial statements and notes thereto set forth elsewhere herein and the "Cautionary Note Regarding Forward-Looking Statements" explanation included herein.

Overview

We are a self-administered, self-managed, vertically integrated owner and operator of manufactured housing communities. We earn income from leasing manufactured home sites to tenants who own their own manufactured home and the rental of company-owned manufactured homes to residents of the communities.

As of December 31, 2019, we owned and operated 18 manufactured housing communities containing approximately 1,133 developed sites and a total of 307 company-owned manufactured homes.

We believe that manufactured housing is accepted by the public as a viable and economically attractive alternative to common stick-built single-family housing. We believe that the affordability of the modern manufactured home makes it a very attractive housing alternative. Manufactured housing is one of the only non-subsidized affordable housing options in the U.S. Demand for housing affordability continues to increase, but supply remains static, as there are virtually no new manufactured housing communities being developed. We are committed to becoming an industry leader in providing this affordable housing option and an improved level of service to our residents, while producing an attractive and stable risk adjusted return to our investors.

Recent Developments

Impact of Coronavirus Pandemic

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China. The virus has since spread to over 150 countries and every state in the United States. On March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020, the United States declared a national emergency.

Most states and cities, including where our properties are located, have reacted by instituting quarantines, restrictions on travel, "stay at home" rules and restrictions on the types of businesses that may continue to operate, as well as guidance in response to the pandemic and the need to contain it.

We are carefully reviewing all rules, regulations, and orders and responding accordingly. We have taken steps to take care of our employees, including providing the ability for employees to work remotely and implementing strategies to support appropriate social distancing techniques for those employees who are not able to work remotely. We have also taken precautions with regard to employee, facility and office hygiene as well as implementing significant travel restrictions. We are also assessing our business continuity plans for all business units in the context of the pandemic. This is a rapidly evolving situation, and we will continue to monitor and mitigate developments affecting our workforce, our tenants, and the public at large to the extent we are able to do so.

The rules and restrictions put in place have had a negative impact on the economy and business activity and may adversely impact the ability of our tenants, many of whom may be restricted in their ability to work, to pay their rent as and when due. In addition, our property managers may be limited in their ability to properly maintain our properties. Enforcing our rights as landlord against tenants who fail to pay rent or otherwise do not comply with the terms of their leases may not be possible as many jurisdictions, including those where are properties are located, have established rules and/or regulations preventing us from evicting tenants for certain periods in response to the pandemic. If we are unable to enforce our rights as landlords, our business would be materially affected.

If the current pace of the pandemic cannot be slowed and the spread of the virus is not contained, our business operations could be further delayed or interrupted. We expect that government and health authorities may announce new or extend existing restrictions, which could require us to make further adjustments to our operations in order to comply with any such restrictions. The duration of any business disruption cannot be reasonably estimated at this time but may materially affect our ability to operate our business and result in additional costs.

The extent to which the pandemic may impact our results will depend on future developments, which are highly uncertain and cannot be predicted as of the date of this offering circular, including new information that may emerge concerning the severity of the pandemic and steps taken to contain the pandemic or treat its impact, among others. Nevertheless, the pandemic and the current financial, economic and capital markets environment present material uncertainty and risk with respect to our performance, financial condition, results of operations and cash flows. See also "Risk Factors" below.

Additional Closings of Regulation A Offering

Subsequent to December 31, 2019, we sold an aggregate of 92,640 shares of Series B Preferred Stock for total gross proceeds of $956,400 in this offering. After deducting a placement fee, we received net proceeds of approximately $889,452. We also issued 3,900 shares of Common Stock to early investors.

Countryside Acquisition

On January 7, 2020, MHP Pursuits LLC, our wholly-owned subsidiary, entered into a purchase and sale agreement with J & A Real Estate LLC, or J&A, for the purchase of a manufactured housing community known as Countryside Estates Mobile Home Park, which is located in Lancaster, North Carolina and totals 110 sites, for a total purchase price of $3.7 million. On March 12, 2020, the closing was completed and our newly formed wholly owned subsidiary Countryside MHP LLC, or Countryside, purchased the property.

In connection with the closing, on March 12, 2020, Countryside issued a promissory note to J&A in the principal amount of $3,000,000. The remainder of the purchase price, or $700,000, was paid in cash. The note bears interest at the rate of 5.5% per annum, or the maximum rate allowed by applicable law, and is due and payable in full on March 20, 2050. Payments for the first twelve (12) months of the term of the note shall be interest-only in the amount of $13,750 per month. Thereafter, principal and interest, in the amount of $17,201 per month, shall be due and payable based upon a thirty (30) year amortization. If any monthly payment is not received by J&A within fifteen (15) days after the applicable due date, Countryside must pay a late charge in an amount equal to the delinquent amount then due multiplied by 4%. Countryside may prepay the note, in whole or in party, at any time without penalty.

The note also contains customary events of default, including: (i) if Countryside shall be in default in the payment of any principal, interest or other amount due under the note and such default shall not be cured within five (5) days after written notice from J&A; (ii) if Countryside shall be in default in the performance of any non-monetary obligation in the note and such default shall not be cured within thirty (30) days after written notice from J&A; or (iii) if Countryside shall default in the due observation or performance of any covenant, condition or agreement contained in the mortgage described below and such default shall not be cured within thirty (30) days after written notice from J&A. Upon the occurrence of an event of default, interest on the aggregate outstanding indebtedness (including accrued interest) of the note shall increase to 5.5% per annum plus the U.S. Prime Rate as measured and reported by the Wall Street Journal and in effect on the date of default, until such aggregate indebtedness is paid in full.

The note is secured by a mortgage, assignment of rents and leases, security agreement and fixture filing with respect to the property. The mortgage contains customary representations, warranties and covenants by Countryside and remedies upon an event of default under the note.

Evergreen Acquisition

On January 1, 2020, MHP Pursuits LLC, our wholly-owned subsidiary, entered into a purchase and sale agreement with Evergreen Marketing LLC for the purchase of a manufactured housing community known as Evergreen Pointe Mobile Home Park, which is located in Dandridge, Tennessee and totals 65 sites, for a total purchase price of $1,438,000. On March 17, 2020, the closing was completed and our newly formed wholly owned subsidiary Evergreen MHP LLC, or Evergreen, purchased the property.

In connection with the closing, on March 17, 2020, Evergreen entered into a loan agreement with Hunt Mortgage Capital, LLC, or the Lender, for a loan in the principal amount of $1,150,000 and Evergreen issued a promissory note to the Lender in the principal amount of $1,150,000. The remainder of the purchase price, or $288,000, was paid in cash.

The note bears interest at a rate of 3.99% per annum and is due and payable on April 1, 2032. The monthly payments under the note are equal to $5,483.65. If any monthly payment is not received by the Lender within ten (10) days after the applicable due date, Evergreen must pay a late charge in an amount equal to the delinquent amount then due multiplied by 5%. Furthermore, if any payment remains past due for thirty (30) days or more, interest on such unpaid amounts shall accrue at

the lesser of 7.99% or the maximum rate allowed by applicable law. Evergreen may prepay the note in full, but not in part, at any time if it pays a prepayment premium calculated in accordance with the loan agreement.

The note is secured by the property and guaranteed by Mr. Raymond M. Gee, our Chief Executive Officer, Gvest Capital Real Estate LLC, an entity controlled by Mr. Gee, and our company (which we collectively refer to as the Guarantors).

The loan agreement was subject to customary closing conditions and contains customary representations and warranties. The loan agreement also contains customary financial and other covenants for a loan of this type. The loan agreement also contains customary events of default, some of which are subject to cure periods as set forth in the loan agreement, including, but not limited to: (i) any failure by Evergreen to pay or deposit when due any amount required by the note, the loan agreement or any other loan document (as defined in the loan agreement); (ii) any failure by Evergreen to maintain the insurance coverage required by any loan document; (iii) if any warranty, representation, certification, or statement of Evergreen or any Guarantor in the loan agreement or any of the other loan documents is false inaccurate, or misleading in any material respect when made; (iv) the fraud, gross negligence, willful misconduct, or material misrepresentation or material omission by or on behalf of Evergreen or any Guarantor or any of their officers, directors, trustees, partners, members, or managers in connection with the application for, or creation of, the loan or any financial statement, rent roll, or other report or information provided to Lender during the term of the loan; (v) the occurrence of any transfer (as defined in the loan agreement) not permitted by the loan documents; (vi) the occurrence of a bankruptcy event (as defined in the loan agreement); (vii) if a Guarantor is a natural person, the death of such individual, unless certain requirements set forth in the loan agreement are met; (viii) the occurrence of a guarantor bankruptcy event (as defined in the loan agreement), unless certain requirements of the loan agreement are met; (ix) any failure by Evergreen or a Guarantor to comply with certain covenants in the loan agreement; or (x) any failure by Evergreen to perform any of its obligations under the loan agreement or any loan document as and when required.

Repayment of Metrolina Note

In February 2020, we repaid $1,000,000 of principal and accrued interest on the Metrolina promissory note referred to below.

Loan Refinancing

On April 1, 2020, we refinanced the loans for Butternut MHP Land LLC described below with the existing lender to increase the loan amount to $1,388,019 and to extend the maturity date to April 10, 2025. In addition, the interest rate was changed to 6% per annum, provided that on April 10, 2023 and thereafter, the interest rate shall be equal to (i) the per annum rate of interest identified as the "Prime Rate" as published in the monthly rates section of the Wall Street Journal plus (ii) 1% per annum, adjusted as the first day of each calendar quarter. The loan, as modified, is secured by the real estate assets of Butternut MHP Land LLC and is guaranteed by our company and Raymond M. Gee, who received a loan guarantee fee of $70,000.

Results of Operations

The following table sets forth key components of our results of operations during the years ended December 31, 2019 and 2018.

	Year Ended December 31,		Increase (Decrease)	
	2019	2018	Amount	Percent
Revenue				
Rental and related income	$ 2,968,472	$ 1,975,312	$ 986,382	50.28%
Management fees, related party	48,319	4,000	44,319	1107.98%
Homes sales	4,900	21,000	(16,100)	(76.67)%
Total revenues	3,021,691	2,000,312	1,014,601	50.65%
Community operating expenses				
Repair and maintenance	234,770	135,131	92,860	73.74%
Real estate taxes	142,187	81,024	61,163	75.49%
Utilities	212,719	149,516	63,023	42.27%
Insurance	83,975	54,079	29,896	55.28%
General and administrative expense	476,137	256,631	219,506	85.53%
Total community operating expenses	1,149,788	676,381	466,629	69.99%
Corporate payroll and overhead	1,253,383	1,030,527	222,856	21.63%
Depreciation and amortization expense	786,179	534,290	251,889	47.14%
Interest expense	1,312,469	1,001,455	311,014	31.06%

Refinancing costs	552,272	-	552,272	100.00%
Total expenses	5,054,091	3,242,653	1,804,660	55.86%
Net loss before provision for income taxes	(2,032,400)	(1,242,341)	(790,059)	63.59%
Provision for income taxes	6,347	8,286	(1,939)	(23.40)%
Net loss	$ (2,038,747)	$ (1,250,627)	$ (788,120)	63.02%
Net income attributable to the noncontrolling interest	-	45,766	(45,766)	(100.00)%
Net loss attributable to the Company	$ (2,038,747)	$ (1,296,393)	$ (742,354)	57.26%

Revenues. For the year ended December 31, 2019, we had total revenues of $3,021,691, as compared to $2,000,312 for the year ended December 31, 2018, an increase of $1,021,379, or 51.06%. The increase was primarily due to $867,180 of rental income from the acquisition of five manufactured housing communities during 2019. The remaining increase was due to an average 7% increase in occupancy and rental rate increases, and $4,900 related to home sales, and we also recorded $48,319 of property management revenues from a related party in 2019.

Community Operating Expenses. For the year ended December 31, 2019, we had total community operating expenses of $1,149,788, as compared to $676,381 for the year ended December 31, 2018, an increase of $473,407. The increase in community operating expenses was primarily due $319,072 of expenses from the acquisition of five manufactured housing communities during 2019. Excluding the acquisitions, our community operating expenses increased resulting from an increase in repair and maintenance costs of $87,960 from prior year.

Corporate Payroll and Overhead Expenses. For the year ended December 31, 2019, we had corporate payroll and overhead expenses of $1,253,383, as compared to $1,030,527 for the year ended December 31, 2018, an increase of $222,856, or 21.63%. This increase was primarily due to stock compensation expense of $349,950 during 2019 compared to $171,500 during 2018.

Depreciation and Amortization Expense. For the year ended December 31, 2019, we had depreciation and amortization expense of $786,179, as compared to $534,290 for the year ended December 31, 2018, an increase of $251,889, or 47.14%. The increase was primarily due to the acquisition of five manufactured housing communities during 2019.

Interest Expense. For the year ended December 31, 2019, we had interest expense of $1,312,469, as compared to $1,001,455 for the year ended December 31, 2018, an increase of $311,014, or 31.06%. The increase was primarily related to the five additional loans related to the five acquisitions of manufactured housing communities during 2019.

Refinancing Costs. During the year ended December 31, 2019, we refinanced a total of $4,920,750 from our current loans payable to $8,241,000 of new notes payable from five of our communities, resulting in an additional loan payable of $3,320,859. We used the additional loans payable proceeds from the refinance to retire our related party note payable of $2,754,550 plus accrued interest. As of December 31, 2019, we wrote off refinancing cost totaling $552,272.

Net Loss. The factors described above resulted in a net loss of $2,038,747 for the year ended December 31, 2019, as compared to $1,296,393 for the year ended December 31, 2018, an increase of $788,120, or 63.02%.

Liquidity and Capital Resources

As of December 31, 2019, we had cash and cash equivalents of $4,146,411. The ability of our company to continue its operations is dependent on management's plans, which include the raising of capital through debt and/or equity markets with some additional funding from other traditional financing sources, including term notes, until such time that funds provided by operations are sufficient to fund working capital requirements.

We will require additional funding to finance the growth of our current and expected future operations as well as to achieve our strategic objectives. We believe that our current available cash along with anticipated revenues may be insufficient to meet our cash needs for the near future. There can be no assurance that financing will be available in amounts or terms acceptable to us, if at all.

Our working capital has been used in operating activities, a related party revolving note and proceeds from our Regulation A offering described below. We plan to meet our short-term liquidity requirements of approximately $1,577,513 for the next twelve months, generally through available cash as well as net cash provided by operating activities and availability under the existing $1.5 million revolving note described below, of which $797,906 was outstanding as of December 31, 2019. We also have availability from lenders under loan agreements for capital expenditure needs on acquisitions. We expect these resources to help us meet operating working capital requirements.

Summary of Cash Flow

The following table provides detailed information about our net cash flow for years ended December 31, 2019 and 2018:

Cash Flow

	Year Ended December 31,	
	2019	**2018**
Net cash provided by (used in) operating activities	$ (950,236)	$ 38,475
Net cash used in investing activities	(22,017,784)	(210,247)
Net cash provided by financing activities	26,656,160	274,108
Net increase in cash and cash equivalents	3,688,140	102,336
Cash and cash equivalents at beginning of period	458,271	355,935
Cash and cash equivalent at end of period	$ 4,146,411	$ 458,271

Net cash used in operating activities was $950,236 for the year ended December 31, 2019, as compared to $38,475 net cash provided by operating activities for the year ended December 31, 2018. For the year ended December 31, 2019, the net loss of $2,038,747, a decrease in other assets in the amount of $457,540 due to lender's escrowed funds held by lender at closing to be released back to us upon the completion of certain capital improvement projects, offset by depreciation and amortization in the amount of $738,789, stock compensation expense in the amount of $349,950, an increase in accounts payable of $156,315, and increase in security deposits $184,886, were the primary drivers of the net cash used in operating activities. For the year ended December 31, 2018, the net loss of $1,250,627, offset by depreciation and amortization in the amount of $534,290, an increase in accrued expenses in the amount of $476,459, and stock compensation expense in the amount of $171,500, were the primary drivers of the net cash provided by operating activities.

Net cash used in investing activities was $22,017,784 for the year ended December 31, 2019, as compared to $210,247 for the year ended December 31, 2018. Net cash used in investing activities for the year ended December 31, 2019 consisted of $22,022,684 of the purchase of property, offset by proceeds from sale of property in the amount of $4,900. Net cash used in investing activities for the year ended December 31, 2018 consisted of the purchase of property in the amount of $231,247, offset by proceeds of sale of property in the amount of $21,000.

Net cash provided by financing activities was $26,656,160 for the year ended December 31, 2019, as compared to $274,108 for the year ended December 31, 2018. For the year ended December 31, 2019, net cash provided by financing activities consisted of proceeds from notes payable in the amount of $25,079,000, proceeds from the issuance of preferred stock in the amount of $8,670,606, proceeds from line of credit in the amount of $2,695,000, and proceeds from issuance of common stock in the amount of $72,875, offset by repayment of notes payable in the amount of $5,172,234, repayment of line of credit in the amount of $3,719,550, capitalized financing costs of $608,541, repayments of related party note of $99,801, and purchase of treasury stock in the amount of $119,337. For the year ended December 31, 2018, net cash provided by financing activities consisted of proceeds from related party note in the amount of $448,750 and proceeds from note payables in the amount of $117,014, offset by repayment of notes payable in the amount of $236,551 and non-controlling distributions in the amount of $55,105.

Regulation A Offering

On November 1, 2019, we launched this offering. As of December 31, 2019, we sold an aggregate of 409,722 shares of Series B Preferred Stock for total gross proceeds of $4,097,220. After deducting a placement fee, we received net proceeds of approximately $3,796,673. We also issued 15,400 shares of Common Stock to early investors in this offering with a fair value of $4,158.

Secured Promissory Notes

We have issued promissory notes payable to lenders related to the acquisition of our manufactured housing communities. These promissory notes range from 4.5% to 7.0% with 20 to 25 years principal amortization. Two of the promissory notes had an initial 6 months period on interest only payments. The promissory notes are secured by the real estate assets and $3,004,119 for three assets were guaranteed by Raymond M. Gee, our chairman, chief executive officer and owner of the principal stockholder of our company.

During the year ended December 31, 2019, we refinanced a total of $4,940,750 from current loans payable to $8,241,000 of new notes payable from five of the communities, resulting in an additional loan payable of $3,320,859. We used the additional

loans payable proceeds from the refinance to retire the related party note payable described below. As of December 31, 2019, we wrote off mortgage costs of $68,195 and capitalized $275,519 of mortgage costs due to the refinancing.

As of December 31, 2019, the outstanding balance on these notes was $28,992,876. The following are terms of these notes.

	Maturity Date	Interest Rate	Balance 12/31/19	Balance 12/31/18
Butternut MHP Land LLC	03/30/20	6.500%	$ 1,114,819	$ 1,134,971
Butternut MHP Land LLC Mezz	04/01/27	7.000%	280,013	287,086
Pecan Grove MHP LLC	11/04/26	4.500%	3,095,274	1,270,577
Azalea MHP LLC	11/10/27	5.000%	835,445	598,571
Holly Faye MHP LLC	10/01/38	4.000%	574,096	462,328
Chatham MHP LLC	12/01/22	5.125%	1,771,506	1,366,753
Lakeview MHP LLC	12/01/22	5.125%	1,857,266	1,222,521
B&D MHP LLC	05/02/29	5.500%	1,854,788	-
Hunt Club MHP LLC	05/01/24	5.750%	1,447,364	-
Crestview MHP LLC	08/01/24	5.500%	4,173,652	-
Springlake MHP LLC	11/14/22	4.500%	4,000,000	-
ARC MHP LLC	01/01/30	5.500%	5,300,000	-
Maple Hills MHP LLC	01/01/23	5.125%	2,688,653	2,743,303
Totals note payables			28,992,876	9,086,100
Discount Direct Lender Fees			(692,454)	(140,758)
Total net of Discount			$ 28,359,247	$ 8,945,352

Metrolina Promissory Note

On May 8, 2017, we issued a promissory note to Metrolina Loan Holdings, LLC, or Metrolina, in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, we paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of our Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in our company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. As of December 31, 2019, the balance on this note was $1,730,000. The note is guaranteed by Mr. Gee.

Revolving Promissory Note

On October 1, 2017, we issued a revolving promissory note to Raymond M. Gee, our chairman and chief executive officer, pursuant to which we may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of December 31, 2019, the outstanding balance on this note was $797,906. During the years ended December 31, 2019 and 2018, we recorded imputed interest related to the note of $87,577 and $44,695, respectively.

Off-Balance Sheet Arrangements

As of December 31, 2019, we had no off-balance sheet arrangements.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of our consolidated financial statements. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting policies are defined as those that involve significant judgment and potentially could result in materially different results under different assumptions and conditions. Management believes the following critical accounting policies are affected by our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition. We follow Topic 606 of the Financial Accounting Standards Board Accounting, or FASB, Accounting Standards Codification, or ASC, for revenue recognition and Accounting Standards Update, or ASU, 2014-09. On January 1, 2018, we adopted ASU 2014-09, which is a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. We consider revenue realized or realizable and earned when all the five following criteria are met: (1) identification of the contract with a customer, (2) identification of the performance obligations in the contract, (3) determination of the transaction price, (4) allocation of the transaction price to the performance obligations in the contract, and (5) recognition of revenue when (or as) we satisfy a performance obligation. Results for reporting periods beginning after January 1, 2018 are presented under ASU 2014-09, while prior period amounts are not adjusted and continue to be reported under the previous accounting standards. There was no impact to revenues as a result of applying ASU 2014-09 for the year ended December 31, 2019, and there have not been any significant changes to our business processes, systems, or internal controls as a result of implementing the standard. We recognize rental income revenues on a monthly basis based on the terms of the lease agreement which are for either the land or a combination of both, the mobile home and land. Home sales revenues are recognized upon the sale of a home with an executed sales agreement. We have deferred revenues from home lease purchase options and records those option fees as deferred revenues and then record them as revenues when (1) the lease purchase option term is completed and title has been transferred, or (2) the leaseholder defaults on the lease terms resulting in a termination of the agreement which allows us to keep any payments as liquidated damages. We record an allowance for bad debts as rental income is probable not to be collected. As of December 31, 2019 and 2018, our allowance for doubtful accounts was $10,117 and $59,657, respectively.

Acquisitions. We account for acquisitions in accordance with ASC 805, "Business Combinations," and allocate the purchase price of the property based upon the fair value of the assets acquired, which generally consist of land, site and land improvements, buildings and improvements and rental homes. We allocate the purchase price of an acquired property generally determined by internal evaluation as well as third-party appraisal of the property obtained in conjunction with the purchase.

Investment Property and Equipment and Depreciation. Property and equipment are carried at cost. Depreciation for sites and building is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 15 to 25 years). Depreciation of improvements to sites and buildings, rental homes and equipment and vehicles is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 3 to 25 years). Land development costs are not depreciated until they are put in use, at which time they are capitalized as sites and land improvements. Interest expense pertaining to land development costs are capitalized. Maintenance and repairs are charged to expense as incurred and improvements are capitalized. The costs and related accumulated depreciation of property sold or otherwise disposed of are removed from the financial statement and any gain or loss is reflected in the current year's results of operations.

Impairment Policy. We apply FASB ASC 360-10, "Property, Plant & Equipment," to measure impairment in real estate investments. Rental properties are individually evaluated for impairment when conditions exist which may indicate that it is probable that the sum of expected future cash flows (on an undiscounted basis without interest) from a rental property is less than the carrying value under its historical net cost basis. These expected future cash flows consider factors such as future operating income, trends and prospects as well as the effects of leasing demand, competition and other factors. Upon determination that a permanent impairment has occurred, rental properties are reduced to their fair value. For properties to be disposed of, an impairment loss is recognized when the fair value of the property, less the estimated cost to sell, is less than the carrying amount of the property measured at the time there is a commitment to sell the property and/or it is actively being marketed for sale. A property to be disposed of is reported at the lower of its carrying amount or its estimated fair value, less its cost to sell. Subsequent to the date that a property is held for disposition, depreciation expense is not recorded.

Stock-Based Compensation. All stock based payments to employees, nonemployee consultants, and to nonemployee directors for their services as directors, including any grants of restricted stock and stock options, are measured at fair value on the grant date and recognized in the statements of operations as compensation or other expense over the relevant service period in accordance with FASB ASC Topic 718. Stock based payments to nonemployees are recognized as an expense over the period of performance. Such payments are measured at fair value at the earlier of the date a performance commitment is reached or the date performance is completed. In addition, for awards that vest immediately and are nonforfeitable the measurement date is the date the award is issued. We recorded stock option expense of $4,774 and $69 during the years ended December 31, 2019 and 2018, respectively.

Fair Value of Financial Instruments. We follow paragraph 825-10-50-10 of the FASB ASC for disclosures about fair value of our financial instruments and paragraph 820-10-35-37 of the FASB ASC to measure the fair value of our financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." ASU 2016-13 requires that entities use a new forward looking "expected loss" model that generally will result in the earlier recognition of allowance for credit losses. The measurement of expected credit losses is based upon historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU No. 2016-13 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2019. We are currently evaluating the potential impact this standard may have on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases." ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. The standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. ASU 2016-02 will be effective for annual reporting periods beginning after December 15, 2018. Early adoption is permitted. We have evaluated the impact this standard had on the consolidated financial statements and determined that it had no impact on the consolidated financial statements.

In June 2018, the FASB issued ASU 2018-07 "Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting." This ASU relates to the accounting for non-employee share-based payments. The amendment in this ASU expands the scope of Topic 718 to include all share-based payment transactions in which a grantor acquired goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The ASU excludes share-based payment awards that relate to (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under Topic 606, Revenue from Contracts from Customers. The share-based payments are to be measured at grant-date fair value of the equity instruments that the entity is obligated to issue when the good or service has been delivered or rendered and all other conditions necessary to earn the right to benefit from the equity instruments have been satisfied. This standard will be effective for public business entities for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, but no earlier than an entity's adoption of Topic 606. We have evaluated the impact this standard had on the consolidated financial statements and determined that it had no impact on the consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying condensed consolidated financial statements.

OUR CORPORATE HISTORY AND STRUCTURE

We originally incorporated in the State of Nevada as Frontier Staffing, Inc. on September 3, 2003. Since our incorporation, we have experienced several name changes and have engaged in several different business endeavors. On October 12, 2017, Mobile Home Rental Holdings LLC, a North Carolina limited liability company, which engaged in acquiring and operating manufactured housing properties, merged with and into our company. In connection with the merger, the name of our company was changed to Manufactured Housing Properties Inc., the former business and management of Mobile Home Rental Holdings became the business and management, respectively, of our company at that time.

In connection with our acquisitions of manufactured housing communities, we have established various limited liability companies to hold the acquired properties. Following is a summary of our subsidiaries, each of which is owned directly by our company.

Name of Subsidiary	State of Formation	Date of Formation	Ownership
Pecan Grove MHP LLC	North Carolina	October 12, 2016	100%
Butternut MHP Land LLC	Delaware	March 1, 2017	100%
Azalea MHP LLC	North Carolina	October 25, 2017	100%
Holly Faye MHP LLC	North Carolina	October 25, 2017	100%
Chatham Pines MHP LLC	North Carolina	October 31, 2017	100%
Maple Hills MHP LLC	North Carolina	October 31, 2017	100%
Lakeview MHP LLC	South Carolina	November 1, 2017	100%
MHP Pursuits LLC	North Carolina	January 31, 2019	100%
Mobile Home Rentals LLC	North Carolina	September 30, 2016	100%
Hunt Club MHP LLC	South Carolina	March 8, 2019	100%
B&D MHP LLC	South Carolina	April 4, 2019	100%
Crestview MHP LLC	North Carolina	June 28, 2019	100%
Springlake MHP LLC	Georgia	October 10, 2019	100%
ARC MHP LLC	South Carolina	November 13, 2019	100%
Countryside MHP LLC	South Carolina	March 12, 2020	100%
Evergreen MHP LLC	Tennessee	March 17, 2020	100%

OUR BUSINESS

Overview

We are a self-administered, self-managed, vertically integrated owner and operator of manufactured housing communities. We earn income from leasing manufactured home sites to tenants who own their own manufactured home and the rental of company-owned manufactured homes to residents of the communities.

We own and operate 20 manufactured housing communities containing approximately 1,308 developed sites and a total of 417 company-owned manufactured homes. The communities are located in Georgia, North Carolina, South Carolina and Tennessee. See "Our Properties" for s description of these housing communities.

The Manufactured Housing Community Industry

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 community. The owner of a manufactured home leases the site on which it is located and the lessee of a manufactured home leases both the home and site on which the home is located.

We believe that manufactured housing is accepted by the public as a viable and economically attractive alternative to common stick-built single-family housing. We believe that the affordability of the modern manufactured home makes it a very attractive housing alternative. Manufactured housing is one of the only non-subsidized affordable housing options in the U.S. Demand for housing affordability continues to increase, but supply remains static, as there are virtually no new manufactured housing communities being developed. We are committed to becoming an industry leader in providing this affordable housing option and an improved level of service to our residents, while producing an attractive and stable risk adjusted return to our investors.

A manufactured housing 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 housing community leases from the community a site on which a home is located. The manufactured housing 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 housing 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 housing communities will be constrained due to significant barriers to entry in the industry, including: (i) various zoning restrictions and negative zoning biases against manufactured housing communities; (ii) 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 housing 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 housing communities similar to residential subdivisions.

- ***Fragmented Ownership of Communities***. Manufactured housing community ownership in the United States is highly fragmented, with a majority of manufactured housing communities owned by individuals. The top five

manufactured housing community owners control approximately 7% of manufactured housing community home sites.

- ***Low Recurring Capital Requirements***. Although manufactured housing 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 housing community owner's ongoing maintenance expenses and capital requirements.

- ***Affordable Homeowner Lifestyle***. Manufactured housing 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.

Competition

There are numerous private companies, but only three publicly-traded REITs that compete in the manufactured housing industry. Many of the private companies and one of the REITs, UMH Properties, Inc., may compete with us for acquisitions of manufactured housing communities. Many of these companies have larger operations and greater financial resources than we do. The number of competitors, however, is increasing as new entrants discover the benefits of the manufactured housing asset class. We believe that due to the fragmented nature of ownership within the manufactured housing sector, the level of competition is less than that in other commercial real estate sectors.

Competitive Strengths

We believe that the following competitive strengths enable us to compete effectively:

- ***Deal Sourcing***. Our deal sourcing consists of marketed deals, pocket listings, and off market deals. Marketed deals are properties that are listed with a broker who exposes the property to the largest pool of buyers possible. Pocket listings are properties that are presented by brokers to a limited pool of buyers. Off market deals are ones that are not actively marketed. As a result of our network of relationships in our industry, only two properties in our portfolio were marketed deals, the rest were off-market or pocket listings.

- ***Centralized Operations***. We have centralized many operational tasks, including accounting, marketing, lease administration, and accounts payable. The use of professional staff and technology allows us to scale efficiently and operate properties profitably by reducing tasks otherwise completed at the property level.

- ***Deal Size***. We believe that our small capitalization size with non-institutional deals of less than 150 sites are accretive to our balance sheet. These sized properties typically have less bidders at lower prices than larger properties. We can profitably operate these smaller properties through our centralized operations.

- ***Creating Value***. Our underwriting expertise enables us to identify acquisition prospects to provide attractive risk adjusted returns. Our operational team has the experience, skill and resources to create this value through physical and/or operational property improvements.

Our Growth Strategy

Our growth strategy is to acquire both stable and undervalued and underperforming manufactured housing properties that have current income. We believe that we can enhance value through our professional asset and property management. Our property management services are mainly comprised of tenant contracts and leasing, marketing vacancies, community maintenance, enforcement of community policies, establishment and collection rent, and payment of vendors. Our lot and manufactured home leases are generally for one month and auto renew monthly for an additional month.

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.

We may invest in improved and unimproved real property and may develop unimproved real property. These property investments may be located throughout the United States, but to date we have concentrated in the Southeast portion of the United States. We are focused on acquiring communities with significant upside potential and leveraging our expertise to build long-term capital appreciation.

We are one of four public companies in the manufactured housing sector, but we are the only one not organized as a REIT, thereby giving us flexibility to focus on growth through reinvestment of income and employing higher leverage upon acquisition than the REITs traditionally utilize due to market held norms around 50-60%. This can give us a competitive advantage when bidding for assets. Additionally, due to our small size, non-institutional sized deals of less than 150 sites, which have less bidders and lower prices, are accretive to our balance sheet.

Regulation

Federal, State and/or Local Regulatory Compliance

We are subject to a variety of federal, state, and/or local statutes, ordinances, rules, and regulations covering the purchase, development and operation of real estate assets. These regulatory requirements include zoning and land use, worksite safety, traffic, and other matters, such as local rules that may impose restrictive zoning and developmental requirements. We are subject to various licensing, registration, and filing requirements in connection with the development and operation of certain real estate assets. Additionally, state and/or local governments retain certain rights with respect to eminent domain which could enable them to restrict or alter the use of our property. These requirements may lead to increases in our overall costs. The need to comply with these requirements may significantly delay development with regard to properties, or lead us to alter our plans regarding certain real estate assets. Some requirements, on a property by property evaluation, may lead to a determination that development of a particular property would not be economically feasible, even if any or all necessary governmental approvals were obtained.

We believe that each community has all material operating permits and approvals.

Environmental Regulatory Compliance

Under various federal, state and/or local laws, ordinances and regulations, a current or previous owner or operator of a property may be required to investigate and/or clean-up hazardous or toxic substances released at that property. That owner or operator also may be held liable to third parties for bodily injury or property damage (investigation and/or clean-up costs) incurred by those parties in connection with the contamination at that site. These laws often impose liability without regard to whether the owner or operator knew of or otherwise caused the release of the hazardous or toxic substances. In addition, persons who arrange for the disposal or treatment of hazardous substances or other regulated materials also may be liable for the costs of removal or remediation of such substances at a disposal or treatment facility, whether or not such facility is owned or operated by such persons.

The costs of remediation or removal of hazardous or toxic substances can be substantial, and the presence of contamination, or the failure to remediate contamination discovered, at a property we own or operate may adversely affect our ability to develop, sell, lease, or borrow upon that property. Current and former tenants at a property we own may have, or may have involved, the use of hazardous materials or generated hazardous wastes, and those situations could result in our incurring liabilities to remediate any resulting contamination if the responsible party is unable or unwilling to do so.

In addition, our properties may be exposed to a risk of contamination originating from other sources. While a property owner generally is not responsible for remediating contamination that has migrated on-site from an off-site source, the contaminant's presence could have adverse effects on our ability to develop, construct on, operate, sell, lease, or borrow upon that property. Certain environmental laws may create a lien on a contaminated site in favor of the government for damages and costs the government may incur to remediate that contamination. Moreover, if contamination is discovered on a property, environmental laws may impose restrictions on the manner in which that property may be used, or how businesses may be operated on that property, thus reducing our ability to maximize our investment in that property. Our properties have been subjected to varying degrees of environmental assessment at various times; however, the identification of new areas of contamination, a change in the extent or known scope of contamination, or changes in environmental regulatory standards and/or cleanup requirements could result in significant costs to us.

Insurance and Property Maintenance and Improvement Policies

Our properties are insured against risks that may cause property damage and business interruption including events such as fire, business interruption, general liability and if applicable, flood. Our insurance policies contain deductible requirements, coverage limits and particular exclusions. It is our policy to maintain adequate insurance coverage on all of our properties; and, in the opinion of our management, all of our properties are adequately insured. We also obtain title insurance insuring fee title to the properties in an aggregate amount which we believe to be adequate.

It is also our policy to properly maintain, modernize, expand and make improvements to its properties when required.

Employees

As of December 31, 2019, we had 17 employees, including officers, all of whom are full-time employees.

OUR PROPERTIES

As of December 31, 2019, we owned the following manufactured housing properties:

- ***Pecan Grove*** – a 81 lot, all-age community situated on 10.71 acres and located in Charlotte, North Carolina. The average occupancy was 100%.

- ***Butternut*** – a 59 lot, all-age community situated on 13.13 acres and located in Corryton, Tennessee, a suburb of Knoxville, Tennessee. The average occupancy was 78%.

- ***Azalea Hills*** – a 41 lot, all-age community situated on 7.46 acres and located in Gastonia, North Carolina, a suburb of Charlotte, North Carolina. The average occupancy was 98%.

- ***Holly Faye*** – a 37 lot all-age community situated on 8.01 acres and located in Gastonia, North Carolina, a suburb of Charlotte North Carolina. The average occupancy was 98%.

- ***Lakeview*** – a 97 lot all-age community situated on 17.26 acres in Spartanburg, South Carolina. The average occupancy was 98%.

- ***Chatham Pines*** – a 49 lot all-age community situated on 23.57 acres and located in Chapel Hill, North Carolina. The average occupancy was 100%.

- ***Maple Hills*** – a 73 lot all-age community situated on 21.20 acres and located in Mills River, North Carolina, which is part of the Asheville, North Carolina, Metropolitan Statistical Area. The average occupancy was 78%.

- ***Hunt Club Forest*** – a 79 lot all-age community situated on 13.02 acres and located in the Columbia, South Carolina metro area. The average occupancy was 100%.

- ***B&D*** – a 97 lot all-age community situated on 17.75 acres and located in Chester, South Carolina. The average occupancy was 77%.

- ***Crestview*** – a 113 lot all-age community situated on 19.05 acres and located in East Flat Rock, North Carolina. The average occupancy was 91%.

- ***Spring Lake*** – a 225 lot all-age community situated on 72.7 acres and located in Warner Robins, Georgia. The average occupancy was 90%.

- ***ARC*** **–** a 182 lot all-age community situated on 39.34 acres and located in Lexington, South Carolina. The average occupancy was 92%.

The average occupancy rates above represent an average of total monthly occupancy rates from January 1, 2019 (or date of acquisition) through December 31, 2019. For the year ended December 31, 2019, our total portfolio weighted average occupancy rate was 95%.

On March 12, 2020, we acquired a manufactured housing community known as Countryside Estates Mobile Home Park, which is located in Lancaster, North Carolina and totals 110 sites.

On March 17, 2020, we acquired a manufactured housing community known as Evergreen Pointe Mobile Home Park, which is located in Dandridge, Tennessee and totals 65 sites.

LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results.

MANAGEMENT

Directors and Executive Officers

The following sets forth information about our directors and executive officers as of the date of this offering circular:

Name	Age	Position
Raymond M. Gee	58	Chairman of the Board and Chief Executive Officer
Michael Z. Anise	43	President, Chief Financial Officer and Director
Andrew Coatley	37	Chief Operating Officer
Adam A. Martin	47	Chief Investment Officer
Terry Robertson	76	Director
James L. Johnson	53	Director
William H. Carter	71	Director

Raymond M. Gee. Mr. Gee has served as chairman of our board of directors and chief executive officer of our company in October 2017 as a result of the merger of Mobile Home Rental Holdings LLC with our company. Mr. Gee has 30 years of experience in commercial real estate, development, and structured finance. He has also served as the chief executive officer of Gvest Capital LLC, which provides management and administrative services to various investment and asset ownership entities, since 2012. Prior to forming Gvest Capital LLC, he was the head of real estate and structured products for Royal & SunAlliance and was in charge of a multi-billion-dollar diversified portfolio. Previously he headed the Latin American real estate practice for Arthur Andersen in Mexico City. Mr. Gee is a graduate of the University of Oklahoma with a BBA in Finance/Real Estate. Mr. Gee was selected to serve on our board of directors due to his management experience in our industry.

Michael Z. Anise. Mr. Anise has served as our chief financial officer and as a member of our board of directors since September 2017 and has served as our president since August 2019. From 2011 to 2017, Mr. Anise was chief financial officer of Crossroads Financial, a commercial finance company. Mr. Anise earned his B.S. degree in Accounting, with a minor in Finance, from Florida Atlantic University. Mr. Anise was selected to serve on our board of directors due to finance experience.

Andrew Coatley. Mr. Coatley has served as our chief operating officer since October 2019. From 2014 to October 2019, he was the executive property director for Bainbridge Companies providing operational leadership. Mr. Coatley earned a B.S. in education from The Defiance of Ohio.

Adam A. Martin. Mr. Martin has served as our chief investment officer since October 2017. From 2009 to September 2017, he was CIO of Gvest Capital LLC, a company that provides management and administrative services to various investment and asset ownership entities. Mr. Martin earned is B.A. degree in Finance and Masters degree in Land Economics and Real Estate from Texas A&M University.

Terry Robertson. Dr. Robertson has served as a member of our board of directors since December 2018. Since 2007, Mr. Robertson has served as consultant at ROBERTSON Appraisal & Consulting, a real estate appraisal and consulting firm that he founded. Prior to that, he worked at Carroll&Carroll Real Estate Appraisers. Dr. Robertson earned his B.B.A. degree in Finance and his Ph.D. from the University of Georgia, and is Professor Emeritus of Price College of Business of the University of Oklahoma. Mr. Robertson is an author of articles and books relating to corporate financial structure, real estate valuation and regional economic development. Dr. Robertson was selected to serve on our board of directors due to finance and real estate investment background.

James L. Johnson. Mr. Johnson has served as a member of our board of directors since March 2018. He is the founder of Carpet South Design Inc., where he has served as its CEO since 2013. He also owns a majority interest in Piedmont Stair Works Design LLC. The operations of both of these companies target the real estate improvements industry. Mr. Johnson earned his B.S. degree in Business Management from the University of Phoenix. Mr. Johnson was selected to serve on our board of directors due to experience in the real estate industry.

William H. Carter. Mr. Carter has served as a member of our board of directors since March 2018. He has served as president of The Carter Land Company for the past 15 years. The Carter Land Company has provided brokerage services with respect to 144 manufactured housing communities in the Southeast. The firm presently manages apartments, single family houses, commercial warehouses, mobile home parks, self-storage facilities and retail buildings. Mr. Carter was selected to serve on our board of directors due to his experience in our industry.

Directors and executive officers are elected until their successors are duly elected and qualified. There are no arrangements or understandings known to us pursuant to which any director or executive officer was or is to be selected as a director (or director nominee) or executive officer.

Family Relationships

There are no family relationships between any of our directors or executive officers.

Involvement in Certain Legal Proceedings

To the best of our knowledge, except as described below, none of our directors or executive officers has, during the past ten years:

- been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
- had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
- been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;
- been found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Corporate Governance

Our current board of directors is comprised of five members: Raymond M. Gee, Michael Z. Anise, Terry Robertson, James L. Johnson and William H. Carter. Our board of directors has determined that Messrs. Robertson, Johnson and Carter are independent directors as that term is defined in the rules of the Nasdaq Stock Market.

Our board of directors currently has two standing committees, an audit committee and a compensation committee, which perform various duties on behalf of and report to the board of directors. Each of the standing committees is comprised of a majority of independent directors. From time to time, the board of directors may establish other committees.

Governance Structure

Currently, our chief executive officer is also our chairman. Our board of directors believes that, at this time, having a combined chief executive officer and chairman is the appropriate leadership structure for our company. In making this determination, the board of directors considered, among other matters, Mr. Gee's experience and tenure, and believed that Mr. Gee is highly qualified to act as both chairman and chief executive officer due to his experience, knowledge, and personality. Among the benefits of a combined chief executive officer/chairman considered by the board of directors is that

such structure promotes clearer leadership and direction for our company and allows for a single, focused chain of command to execute our strategic initiatives and business plans.

The Board's Role in Risk Oversight

Our board of directors plays an active role, as a whole and also at the committee level, in overseeing management of our risks and strategic direction. Our board of directors regularly reviews information regarding our liquidity and operations, as well as the risks associated with each. Our audit committee oversees the process by which our senior management and relevant employees assess and manage our exposure to, and management of, financial risks. Our compensation committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board of directors is regularly informed about such risks.

Audit Committee

Our audit committee currently consists of Messrs. Robertson, Anise and Carter, with Mr. Robertson serving as chairman. Our board of directors has determined that each member of our audit committee is able to read and understand fundamental financial statements and has substantial business experience that results in such member's financial sophistication. Our board of directors further determined that Mr. Robertson possesses the accounting or related financial management experience that qualifies him as financially sophisticated within the meaning of the rules of the Nasdaq Stock Market and that he is an "audit committee financial expert" as defined by the rules and regulations of the SEC.

The primary purposes of our audit committee are to assist our board of directors in fulfilling its responsibility to oversee the accounting and financial reporting processes of our company and audits of our financial statements, including (i) retaining and overseeing our independent accountants; (ii) assisting the board in its oversight of the integrity of our financial statements, the qualifications, independence and performance of our independent auditors and our compliance with legal and regulatory requirements; (iii) reviewing and approving the plan and scope of the internal and external audit; (iv) pre-approving any audit and non-audit services provided by our independent auditors; (v) approving the fees to be paid to our independent auditors; (vi) reviewing with our chief executive officer and chief financial officer and independent auditors the adequacy and effectiveness of our internal controls; (vii) preparing the audit committee report to be filed with the SEC; (viii) reviewing hedging transactions; and (ix) reviewing and assessing annually the audit committee's performance and the adequacy of its charter. The role and responsibilities of our audit committee are more fully set forth in a written charter adopted by our board of directors, which is available on our website at www.mhproperties.com.

Compensation Committee

Our compensation committee currently consists of Messrs. Johnson, Robertson and Gee, with Mr. Johnson serving as chairman. The primary purposes of our compensation committee are to assist our board of directors in fulfilling its responsibility to determine the compensation of our executive officers and directors and to approve and evaluate the compensation policies and programs of our company, including (i) reviewing from time to time and approving our corporate goals and objectives relevant to compensation and our executive compensation structure and compensation range; (ii) evaluating the chief executive officer's performance in light of the goals and objectives and determining and approving the chief executive officer's compensation based on this evaluation; (iii) determining and approving the compensation paid to our chief financial officer and any other executive officers; (iv) determining the compensation of our independent directors; (v) granting rights to indemnification and reimbursement of expenses to any officers, employees or directors; (vi) making recommendations to the board regarding equity-based and incentive compensation plans, policies and programs; and (vii) reviewing and assessing annually the compensation committee's performance and the adequacy of its charter. The role and responsibilities of our compensation committee are more fully set forth in a written charter adopted by our board of directors, which is available on our website at www.mhproperties.com.

The policies underlying our compensation committee's compensation decisions are designed to attract and retain the best-qualified management personnel available. We routinely compensate our executive officers through salaries. At our discretion, we may reward executive officers and employees through bonus programs based on profitability and other objectively measurable performance factors. Additionally, we use stock options and other incentive awards to compensate our executives and other key employees to align the interests of our executive officers with the interests of our stockholders. In establishing executive compensation, our compensation committee will evaluate compensation paid to similar officers employed at other companies of similar size in the same industry and the individual performance of each officer as it impacts our overall performance with particular focus on an individual's contribution to the realization of operating profits and the achievement of strategic business goals. Our compensation committee will further attempt to rationalize a particular

executive's compensation with that of other executive officers of our company in an effort to distribute compensation fairly among the executive officers. Although the components of executive compensation (salary, bonus and incentive grants) will be reviewed separately, compensation decisions will be made based on a review of total compensation.

Code of Ethics

We have adopted a code of ethics that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. Such code of ethics addresses, among other things, honesty and ethical conduct, conflicts of interest, compliance with laws, regulations and policies, including disclosure requirements under the federal securities laws, and reporting of violations of the code.

We are required to disclose any amendment to, or waiver from, a provision of our code of ethics applicable to our principal executive officer, principal financial officer, principal accounting officer, controller, or persons performing similar functions. We intend to use our website as a method of disseminating this disclosure, as permitted by applicable SEC rules. Any such disclosure will be posted to our website within four business days following the date of any such amendment to, or waiver from, a provision of our code of ethics.

EXECUTIVE COMPENSATION

Summary Compensation Table – Years Ended December 31, 2019 and 2018

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by or paid to the named persons for services rendered in all capacities during the noted periods. No other executive officers received total annual salary and bonus compensation in excess of $100,000.

Name and Principal Position	Year	Salary ($)	Option Awards ($)[1]	Stock Awards ($)[1]	Total ($)
Raymond M. Gee, Chief Executive Officer	2019	-	-	2,700	2,700
	2018	-	-		-
Michael Z. Anise, Chief Financial Officer	2019	150,000	5,230	2,700	157,930
	2018	130,000	37	-	130,037
Adam A. Martin, Chief Investment Officer	2019	130,000	-	-	130,000
	2018	150,000	38	-	150,038

(1) The amount is equal to the aggregate grant-date fair value with respect to the awards, computed in accordance with FASB ASC Topic 718.

Outstanding Equity Awards at Fiscal Year End

The following table includes certain information with respect to the value of all unexercised options and unvested shares of restricted stock previously awarded to the executive officers named above at the fiscal year ended December 31, 2019.

	Option Awards				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
Michael Z. Anise	236,000	-	-	$0.01	12/11/2027
Michael Z. Anise	32,333	64,667	-	$0.27	12/26/2029
Adam A. Martin	240,000	-	-	$0.01	12/11/2027

Director Compensation

The table below sets forth our non-executive officer directors' compensation during the fiscal year ended December 31, 2019.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[1]	Total ($)
Terry Robertson	-	2,700	2,700
James L. Johnson	-	2,700	2,700
William H. Carter	-	2,700	2,700

(1) During the fourth quarter of 2019, we awarded 10,000 shares of Common Stock to each of our directors under our Stock Compensation Plan. These shares vested in full on the date of issuance. The amount is equal to the aggregate grant-date fair value with respect to the awards, computed in accordance with FASB ASC Topic 718.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding beneficial ownership of our Common Stock as of April 28, 2020 by (i) each of our officers and directors; (ii) all of our officers and directors as a group; and (iii) each person who is known by us to beneficially own more than 5% of our Common Stock. Unless otherwise specified, the address of each of the persons set forth below is in care of our company, 136 Main Street, Pineville, NC 28134.

Name and Address of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership[1]	Percent of Class[2]
Raymond M. Gee, Chairman and Chief Executive Officer [3]	Common Stock	8,665,000	70.21%
Michael Z. Anise, President, Chief Financial Officer and Director [4]	Common Stock	288,333	2.29%
Andrew Coatley, Chief Operating Officer [5]	Common Stock	20,000	*
Adam A. Martin, Chief Investment Officer [6]	Common Stock	240,000	1.91%
Terry Robertson, Director	Common Stock	20,000	*
James L. Johnson, Director	Common Stock	20,000	*
William H. Carter, Director	Common Stock	20,000	*
All officers and directors as a group (7 persons named above)	Common Stock	9,268,333	75.05%
Michael P. Kelly [7]	Common Stock	2,000,000	16.20%
Joseph Jackson [8]	Common Stock	1,254,506	10.16%

* Less than 1%

(1) Beneficial Ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. The person is also deemed to be a beneficial owner of any security of which that person has a right to acquire beneficial ownership within 60 days. Except as set forth below, each of the beneficial owners listed above has direct ownership of and sole voting power and investment power with respect to the shares of our Common Stock.

(2) A total of 12,341,980 shares of our Common stock are considered to be outstanding pursuant to SEC Rule 13d-3(d)(1) as of April 28, 2020. For each beneficial owner above, any options exercisable within 60 days have been included in the denominator.

(3) Includes 20,000 shares of Common Stock held directly and 8,645,000 shares of Common Stock held by Gvest Real Estate Capital LLC. Raymond M. Gee is the Managing Member of Gvest Real Estate Capital LLC and has voting and investment control over the shares held by it.

(4) Includes 20,000 shares of Common Stock held directly and 268,333 shares of Common Stock which Mr. Anise has the right to acquire within 60 days through the exercise of vested options.

(5) Consists of 20,000 shares of Common Stock which Mr. Coatley has the right to acquire within 60 days through the exercise of vested options.

(6) Consists of 240,000 shares of Common Stock which Mr. Martin has the right to acquire within 60 days through the exercise of vested options.

(7) Represents shares held by The Raymond M Gee Irrevocable Trust. Michael P. Kelly is the Trustee of The Raymond M Gee Irrevocable Trust and has voting and investment control over the shares held by it.

(8) Represents shares held by Metrolina Loan Holdings, LLC. Joseph Jackson is the Managing Member of Metrolina Loan Holdings, LLC and has voting and investment control over the shares held by it. The address of Metrolina Loan Holdings, LLC is 108 Gateway Blvd, Suite 104, Mooresville, NC 28117.

We do not currently have any arrangements which if consummated may result in a change of control of our company.

TRANSACTIONS WITH RELATED PERSONS

Transactions with Related Persons

The following includes a summary of transactions since the beginning of our 2018 fiscal year, or any currently proposed transaction, in which we were or are to be a participant and the amount involved exceeded or exceeds the lesser of $120,000 or one percent of the average of our total assets at year end for the last two completed fiscal years, and in which any related person had or will have a direct or indirect material interest (other than compensation described under "Executive Compensation"). We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that would be paid or received, as applicable, in arm's-length transactions.

- On October 1, 2017, we issued a revolving promissory note to Raymond M. Gee, our chairman and chief executive officer, pursuant to which we may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of December 31, 2019, the amount owed by us to Mr. Gee under this note is $797,906, with $87,577 of imputed interest and $83,206 of payments have been made by us since the date we issued this note to Mr. Gee.

- On May 8, 2017, we issued a promissory note to Metrolina in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, we paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of our Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in our company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. As of December 31, 2019, the balance on this note was $1,730,000. The arty note is guaranteed by Mr. Gee.

- In January 2019, we executed an agreement to acquire the 25% minority interest in Pecan Grove and issued 2,000,000 shares of our Common Stock to Gvest Real Estate Capital LLC, an entity controlled by Mr. Gee, for the minority interest acquisition, which were valued at the historical cost value of $537,562.

- During the years ended December 31, 2019 and 2018, we recorded $48,319 and $4,000, respectively in revenues related to property management consulting services provided to Gvest Real Estate Capital LLC.

- During the year ended December 31, 2019, Mr. Gee received a $50,000 fee for his personal guarantee on a promissory note relating to a loan for one of our acquisitions. The fee was recorded as a loan cost and is amortized over the five year life of the loan.

- On April 1, 2020, Mr. Gee received a $70,000 fee for his personal guarantee on the new promissory note issued by Butternut MHP Land LLC in connection with the refinancing of that loan. The fee was recorded as a loan cost and is amortized over the five year life of the loan.

- During the year ended December 31, 2019 we entered into an office lease agreement with Gvest Real Estate Capital LLC for the lease of our offices. The lease is $4,000 per month and is on a month-to-month term. During 2019, we paid $16,000 of rent expense to Gvest Real Estate Capital LLC.

Parent Company

As of April 28, 2020, Gvest Real Estate Capital LLC holds approximately 70% of our issued and outstanding voting securities.

DESCRIPTION OF SECURITIES

General

The following description summarizes important terms of the classes of our capital stock. This summary does not purport to be complete and is qualified in its entirety by the provisions of our articles of incorporation and our bylaws which have been filed as exhibits to the offering statement of which this offering circular is a part.

Our authorized capital stock consists of 200,000,000 shares of Common Stock, par value $0.01 per share, and 10,000,000 shares of Preferred Stock, par value $0.01 per share.

As of April 28, 2020, there were 12,341,980 shares of Common Stock, 1,890,000 shares of Series A Preferred Stock and 502,362 shares of Series B Preferred Stock issued and outstanding. No other shares of our preferred stock were issued and outstanding as of such date.

Common Stock

Holders of our Common Stock are entitled to one vote for each share on all matters voted upon by our stockholders, including the election of directors, and do not have cumulative voting rights. Subject to the rights of holders of any then outstanding shares of our Preferred Stock, our Common Stockholders are entitled to any dividends that may be declared by our board. Holders of our Common Stock are entitled to share ratably in our net assets upon our dissolution or liquidation after payment or provision for all liabilities and any preferential liquidation rights of our Preferred Stock then outstanding. Holders of our Common Stock have no preemptive rights to purchase shares of our stock. The shares of our Common Stock are not subject to any redemption provisions. The rights, preferences and privileges of holders of our Common Stock will be subject to those of the holders of any shares of our Preferred Stock that we may issue in the future.

Preferred Stock

Our articles of incorporation further authorize the board of directors to issue, from time to time, without stockholder approval, up to 10,000,000 shares of Preferred Stock. Our board may, from time to time, authorize the issuance of one or more classes or series of Preferred Stock without stockholder approval. Subject to the provisions of our articles of incorporation and limitations prescribed by law, our board is authorized to adopt resolutions to issue shares, establish the number of shares, change the number of shares constituting any series, and provide or change the voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions on shares of our Preferred Stock, including dividend rights, terms of redemption, conversion rights and liquidation preferences, in each case without any action or vote by our stockholders.

One of the effects of undesignated Preferred Stock may be to enable our board to discourage an attempt to obtain control of our company by means of a tender offer, proxy contest, merger or otherwise. The issuance of Preferred Stock may adversely affect the rights of our common stockholders by, among other things: restricting dividends on the Common Stock; diluting the voting power of the Common Stock; impairing the liquidation rights of the Common Stock; or delaying or preventing a change in control without further action by the stockholders.

Series A Preferred Stock

On May 8, 2019, we filed a certificate of designation with the Nevada Secretary of State to establish our Series A Preferred Stock. We designated a total of 4,000,000 shares of Preferred Stock as "Series A Cumulative Convertible Preferred Stock." Our Series A Preferred Stock has the following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series A Preferred Stock ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to our Common Stock. The terms of the Series A Preferred Stock 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 of our Series A Preferred Stock as to distribution rights and rights upon our liquidation, dissolution or winding up.

Dividend Rate and Payment Dates. Dividends on our Series A Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of our Series A Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.017 per share each month, which is equivalent to the rate of 8% of the $2.50 liquidation preference per share. Dividends on shares of our Series A Preferred Stock 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 for each share of our Series A Preferred Stock is $2.50. Upon a liquidation, dissolution or winding up of our company, holders of shares of our Series A Preferred Stock 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. Each share of Series A Preferred Stock is convertible, at any time and from time to time, at the option of the holder thereof and without the payment of additional consideration, into that number of shares of Common Stock determined by dividing the liquidation preference of such share by the conversion price then in effect. The conversion price is initially equal $2.50, subject to adjustment as set forth in the certificate of designation. In addition, if at any time the trading price of our Common Stock is greater than the liquidation preference of $2.50, we may deliver a written notice to all holders to cause each holder to convert all or part of such holders Series A Preferred Stock.

Company Call and Stockholder Put Options. Commencing on the fifth anniversary of the initial issuance of shares of our Series A Preferred Stock and continuing indefinitely thereafter, we shall have a right to call for redemption the outstanding shares of our Series A Preferred Stock at a call price equal to $3.75, or 150% of the original issue price of our Series A Preferred Stock, and correspondingly, each holder of shares of our Series A Preferred Stock shall have a right to put the shares of Series A Preferred Stock held by such holder back to us at a put price equal to $3.75, or 150% of the original issue purchase price of such shares.

Further Issuances. We will not be required to redeem shares of our Series A Preferred Stock at any time except as otherwise described above under the caption "Company Call and Stockholder Put Options." Accordingly, the shares of our Series A Preferred Stock will remain outstanding indefinitely, unless we decide, at our option, to exercise our call right, the holder of the Series A Preferred Stock exercises his put right or the holder of shares of Series A Preferred Stock converts such stock into Common Stock in accordance with the terms of the Series A Preferred Stock. The shares of Series A Preferred Stock are not subject to any sinking fund.

Voting Rights. We may not authorize or issue any class or series of equity securities ranking senior to the Series A Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend our articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series A Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of our outstanding shares of Series A Preferred Stock, voting together as a class. Otherwise, holders of the shares of our Series A Preferred Stock do not have any voting rights.

Series B Preferred Stock

On December 2, 2019, we filed a certificate of designation with the Nevada Secretary of State to establish our Series B Preferred Stock. We designated a total of 1,000,000 shares of Preferred Stock as "Series B Cumulative Redeemable Preferred Stock." Our Series B Preferred Stock has the following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series B Preferred Stock ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to our Common Stock and *pari passu* with our Series A Preferred Stock. The terms of the Series B Preferred Stock do not limit our ability to (i) incur indebtedness or (ii) issue additional equity securities that are equal or junior in rank to the shares of our Series B Preferred Stock as to distribution rights and rights upon our liquidation, dissolution or winding up.

Dividend Rate and Payment Dates. Dividends on the Series B Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of our Series B Preferred Stock are entitled to receive cumulative dividends in the amount of $0.067 per share each month, which is equivalent to the annual rate of 8% of the $10.00 liquidation preference per share; provided that upon an event of default (generally defined as our failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to $0.083 per month, which is equivalent to the annual rate of 10% of the $10.00 liquidation preference per share. Dividends on shares of our Series B Preferred Stock 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 for each share of our Series B Preferred Stock is $10.00. Upon a liquidation, dissolution or winding up of our company, holders of shares of our Series B Preferred Stock 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.

Company Call and Stockholder Put Options. Commencing on November 29, 2024 (the fifth anniversary of the initial closing of this offering) and continuing indefinitely thereafter, we shall have a right to call for redemption the outstanding shares of

our Series B Preferred Stock at a call price equal to $15.00, or 150% of the original issue price of our Series B Preferred Stock, and correspondingly, each holder of shares of our Series B Preferred Stock shall have a right to put the shares of Series B Preferred Stock held by such holder back to us at a put price equal to $15.00, or 150% of the original issue purchase price of such shares.

Further Issuances. We will not be required to redeem shares of our Series B Preferred Stock at any time except as otherwise described above under the caption "Company Call and Stockholder Put Options." Accordingly, the shares of our Series B Preferred Stock will remain outstanding indefinitely, unless we decide, at our option, to exercise our call right, the holder of the Series B Preferred Stock exercises his put right. The shares of Series B Preferred Stock will not be subject to any sinking fund.

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

No Conversion Right. The Series B Preferred Stock are not convertible into shares of our Common Stock.

Anti-takeover Effects of Nevada Law

Business Combinations

The "business combination" provisions of Sections 78.411 to 78.444, inclusive, of the Nevada Revised Statutes prohibit a Nevada corporation with at least 200 stockholders from engaging in various "combination" transactions with any interested stockholder for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the transaction is approved by the board of directors prior to the date the interested stockholder obtained such status; or after the expiration of the three-year period, unless:

- the transaction is approved by the board of directors or a majority of the voting power held by disinterested stockholders, or
- if the consideration to be paid by the interested stockholder is at least equal to the highest of: (a) the highest price per share paid by the interested stockholder within the three years immediately preceding the date of the announcement of the combination or in the transaction in which it became an interested stockholder, whichever is higher, (b) the market value per share of common stock on the date of announcement of the combination and the date the interested stockholder acquired the shares, whichever is higher, or (c) for holders of preferred stock, the highest liquidation value of the preferred stock, if it is higher.

A "combination" is defined to include mergers or consolidations or any sale, lease exchange, mortgage, pledge, transfer or other disposition, in one transaction or a series of transactions, with an "interested stockholder" having: (a) an aggregate market value equal to 5% or more of the aggregate market value of the assets of the corporation, (b) an aggregate market value equal to 5% or more of the aggregate market value of all outstanding shares of the corporation, or (c) 10% or more of the earning power or net income of the corporation. In general, an "interested stockholder" is a person who, together with affiliates and associates, owns (or within three years, did own) 10% or more of a corporation's voting stock.

These provisions could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire our company even though such a transaction may offer stockholders the opportunity to sell their stock at a price above the prevailing market price.

Control Share Acquisitions

The "control share" provisions of Sections 78.378 to 78.3793, inclusive, of the Nevada Revised Statutes, which apply only to Nevada corporations with at least 200 stockholders, including at least 100 stockholders of record who are Nevada residents, and which conduct business directly or indirectly in Nevada, prohibit an acquiror, under certain circumstances, from voting its shares of a target corporation's stock after crossing certain ownership threshold percentages, unless the acquiror obtains approval of the target corporation's disinterested stockholders. These provisions specify three thresholds: one-fifth or more but less than one-third, one-third but less than a majority, and a majority or more, of the outstanding voting power. Once an acquiror crosses one of the above thresholds, those shares in an offer or acquisition, and acquired within 90 days thereof,

become “control shares” and such control shares are deprived of the right to vote until disinterested stockholders restore the right. These provisions also provide that if control shares are accorded full voting rights and the acquiring person has acquired a majority or more of all voting power, all other stockholders who do not vote in favor of authorizing voting rights to the control shares are entitled to demand payment for the fair value of their shares in accordance with statutory procedures established for dissenters’ rights.

Anti-takeover Effects of Articles of Incorporation and Bylaws

Our articles of incorporation and bylaws also contain certain provisions that may have anti-takeover effects, making it more difficult for or preventing a third party from acquiring control of our company or changing our board of directors and management.

As noted above, our articles of incorporation authorize our board to issue up to 10,000,000 shares of Preferred Stock without further stockholder approval. The Preferred Stock may be issued in one or more series, the terms of which may be determined at the time of issuance by the board of directors without further action by the stockholders. These terms may include preferences as to dividends and liquidation, conversion rights, redemption rights and sinking fund provisions. The issuance of any Preferred Stock could diminish the rights of holders of Common Stock, and therefore could reduce the value of such Common Stock. In addition, specific rights granted to future holders of Preferred Stock could be used to restrict our ability to merge with, or sell assets to, a third party. The ability of the board to issue Preferred Stock could make it more difficult, delay, discourage, prevent or make it more costly to acquire or effect a change-in-control, which in turn could prevent stockholders from recognizing a gain in the event that a favorable offer is extended and could materially and negatively affect the market price of our Common Stock.

In addition, according to our articles of incorporation and bylaws neither the holders of Common Stock nor the holders of Preferred Stock have cumulative voting rights in the election of directors. The lack of cumulative voting makes it more difficult for other stockholders to replace the board of directors or for a third party to obtain control of our company by replacing the board of directors. The bylaws also contain a limitation as to who may call special meetings as well as require advance notice of stockholder matters to be brought at a meeting. Additionally, our bylaws also provide that no director may be removed by less than a two-thirds vote of the issued and outstanding shares entitled to vote on the removal.

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is First American Stock Transfer, Inc. with an address at 4747 North 7th Street Suite 170, Phoenix AZ 85014. Their phone number is (602) 485-1346.

UNDERWRITING

Engagement Agreement with Digital Offering

We are currently party to an engagement agreement with Digital Offering LLC, who we refer to as the underwriter. The underwriter has agreed to act as our managing broker-dealer for the offering. The underwriter has made no commitment to purchase all or any part of the shares of Series B Preferred Stock being offered but has agreed to use its best efforts to sell such shares in the offering.

The term of the engagement agreement began on April 30, 2019 and will continue until the earlier to occur of: (i) the closing of this offering and (ii) ten (10) business days after either party gives the other written notice of termination.

The engagement agreement provides that the underwriter may ask other FINRA member broker-dealers that are registered with the SEC to participate as soliciting dealers for this offering. We refer to these other broker-dealers as soliciting dealers. Upon appointment of any such soliciting dealer, the underwriter is permitted to re-allow all or part of its fees and expense allowance as described below. Such soliciting dealer is also automatically entitled to receive the benefits of our engagement agreement with the underwriter, including the indemnification rights arising under the engagement agreement upon their execution of a soliciting dealer agreement with the underwriter that confirms that such soliciting dealer is so entitled. We will not be responsible for paying any placement agency fees, commissions or expense reimbursements to any soliciting dealers retained by the underwriter that is in excess of the fees and expense reimbursement provided for under our engagement agreement with the underwriter.

None of the soliciting dealers are purchasing any of the shares of Series B Preferred Stock in this offering and are not required to sell any specific number or dollar amount of Series B Preferred Stock, but will instead arrange for the sale of securities to investors on a "best efforts" basis, meaning that they need only use their best efforts to sell the securities.

Underwriter Compensation

Cash Commission

We will pay the underwriter concurrently with each closing of the offering a cash placement fee equal to 7% of the gross proceeds of such closing.

Underwriter Expenses

We will be responsible for paying or reimbursing the underwriter for all of its reasonable documented out-of-pocket expenses related to the offering including, without limitation, the underwriter's legal expenses, cost of background checks and independent third party due diligence reports on our company, travel expenses, photocopying, and courier services subject to a cap of $30,000.

Retainer Amount

Upon entering into the engagement agreement with the underwriter, we paid the underwriter a $15,000 retainer, which was used by the underwriter for the payment of the legal and other expenses described above. The retainer amount will be set off against and credited toward the expenses described above. Any unused portion of the retainer amount will be returned to us if the offering is terminated for any reason.

Right of First Refusal

We will grant the underwriter a right of first refusal, for a period of 6 months following the completion of this offering, to act as financial advisor or to act as a joint financial advisor on at least equal economic terms on any public or private equity financing of our company.

Company Expenses

We are responsible for all of our own costs and expenses relating to the offering, including, without limitation:

- all filing fees and communication expenses relating to the qualification of the securities to be sold in the offering with the SEC and the filing of the offering materials with the FINRA under FINRA Rule 5110,

- the My IPO investor platform is paperless, should we want paper offering documents, the costs of all mailing and printing of the offering documents, the offering statement, the offering circular and all amendments, supplements and exhibits thereto and as many preliminary and final offering circulars as the underwriter and we may reasonably deem necessary,

- the costs of preparing, electronically delivering certificates representing shares of Series B Preferred Stock sold in the offering,

- the costs and expenses of the transfer agent for the Series B Preferred Stock, and

- the costs and expenses of our accountants and the fees and expenses of our legal counsel and other agents and representatives.

We estimate the expenses of this offering payable by us, not including commissions, will be approximately $115,000, which includes the underwriter expense reimbursement of up to $30,000, but excludes any commissions attributable to the sale of shares of our Series B Preferred Stock in the offering.

Purchase of Securities by Our Officers and Directors

Our officers and directors and affiliates of our officers and directors are permitted to purchase shares in the offering. Any such purchases shall be conducted in compliance with the applicable provisions of Regulation M.

Pricing of the Offering

Prior to the offering, our Common Stock has been eligible for quotation on the OTC Pink Market, however, there has been very little trading of our Common Stock on such market. The public offering price for our Series B Preferred Stock was determined by negotiation between us and the underwriter. The principal factors considered in determining the terms of our Series B Preferred Stock and the public offering price include:

- the information set forth in this offering circular and otherwise available to the underwriter;
- our history and prospects and the history of and prospects for the industry in which we compete;
- our past and present financial performance;
- our prospects for future earnings and the present state of our development;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded Common Stock of generally comparable companies;
- the price and terms upon which we sold shares of our Series A Preferred Stock; and
- other factors deemed relevant by our underwriter and us.

Indemnification and Control

We have agreed to indemnify the underwriter and soliciting dealers against liabilities relating to the offering arising under the Securities Act and the Exchange Act, liabilities arising from breaches of some or all of the representations and warranties contained in our engagement agreement with the underwriter or the Representation Letter (as defined in the engagement agreement) or agreements with soliciting dealers, and to contribute to payments that the soliciting dealers may be required to make for these liabilities.

The underwriter and the soliciting dealers and their respective affiliates are engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriter and the soliciting dealers and their respective affiliates may in the future perform various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

Our Relationship with the Underwriter and Soliciting Dealers

In the ordinary course of their various business activities, the underwriter and soliciting dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of our company. The underwriter and soliciting dealers and their respective affiliates may also make investment recommendations and/or publish or express independent

research views in respect of such securities or instruments, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Offering Period and Expiration Date

This offering commenced on the date that the offering was originally qualified by the SEC (November 1, 2019) and will terminate at the earlier of: (1) the date at which the maximum amount of offered Series B Preferred Stock has been sold, (2) the date which is 180 days after this offering was qualified by the SEC, subject to an extension of up to an additional 180 days at the discretion of our company and the underwriter, or (3) the date on which this offering is earlier terminated by us in our sole discretion. We refer to the duration of this offering as described above as the offering period.

Investment Procedures

Subscription Procedures for Cambria Capital, My IPO and Cambria Capital's Clearing Firm

Cambria Capital is an SEC registered broker-dealer and member of FINRA and SIPC. Cambria Capital has been appointed by us and Digital Offering, our managing broker-dealer, as a soliciting dealer for this offering. Cambria Capital operates the My IPO platform as a separate unincorporated business division. Cambria Capital's clearing firm, who we refer to as the Clearing Firm, is an SEC registered broker-dealer and member of FINRA and SIPC and is authorized to act as a clearing broker-dealer. Cambria Capital and its My IPO division clear through the Clearing Firm as do other broker-dealers who may participate in this offering. We refer to such other broker-dealers that clear through the Clearing Firm and who may participate in this offering as Other Broker-Dealers.

Prospective investors investing through Cambria Capital, My IPO or Other Broker-Dealers will acquire shares of our Series B Preferred Stock through book-entry order by opening an account with Cambria Capital, My IPO, or an Other Broker-Dealer, or by utilizing an existing Cambria Capital account, My IPO account or account with an Other Broker-Dealer. In each such case, the account will be an account owned by the investor and held at the Clearing Firm, as the clearing firm for the exclusive benefit of such investor. The investor will also be required to complete and submit a subscription agreement. Subscriptions for shares of Series B Preferred Stock acquired through an account at Cambria Capital, My IPO or an Other Broker-Dealer are all processed online.

Our transfer agent is First American Stock Transfer Inc. Our transfer agent will record and maintain records of the shares of Series B Preferred Stock issued of record by us, including shares issued of record to the Depositary Trust Corporation, which we refer to as the DTC, or its nominee, Cede & Co., for the benefit of broker-dealers, including the Clearing Firm. The Clearing Firm, as the clearing firm, will maintain the individual shareholder beneficial records for accounts at Cambria Capital, My IPO or Other Broker-Dealers.

The process for investing through Cambria Capital, My IPO or through Other Broker-Dealers will work in the following manner. The Clearing Firm will enter into a custody agreement with us pursuant to which we will issue uncertificated securities to be held at the Clearing Firm, and the shares of Series B Preferred stock held at the Clearing Firm will be reflected as an omnibus position on our records and the transfer agent's records in the name of the Clearing Firm, for the exclusive benefit of customers. We will open a brokerage account with the Clearing Firm and the Clearing Firm will hold the shares of Series B Preferred Stock to be sold in the offering in book-entry form in our company's Clearing Firm account. When the shares of Series B Preferred stock are sold, the Clearing Firm maintains a record of each investor's ownership interest in those securities. Under an SEC no-action letter provided to the Clearing Firm in January 2015, the Clearing Firm is allowed to treat the issuer as a good control location pursuant to Exchange Act Rule 15c3-3(c)(7) under these circumstances. The customer's funds will not be transferred into a separate account awaiting the initial closing, or any other closing, but will remain in the customer's account at the Clearing Firm pending instructions to release funds to us if all conditions necessary for a closing are met. We intend to apply for DTC eligibility of our shares and if our shares gain DTC eligibility then the shares held in the Clearing Firm accounts will be included in the position of DTC or its nominee, Cede & Co., on the records of our transfer agent.

In order to subscribe to purchase the shares of Series B Preferred Stock through Cambria Capital, My IPO or through an Other Broker-Dealer, a prospective investor must electronically complete and execute a subscription agreement and provide payment using the procedures indicated below. When submitting the subscription request through Cambria Capital, My IPO or an Other Broker-Dealer, a prospective investor is required to agree to various terms and conditions by checking boxes and to review and electronically sign any necessary documents. We will not accept any subscription agreements prior to the SEC's qualification of this offering.

The funds that will be used by an investor purchasing through Cambria Capital, My IPO or an Other Broker-Dealer that clears through the Clearing Firm to purchase the securities are deposited by the investor prior to the applicable closing date into a brokerage account at the Clearing Firm, which will be owned by the investor. The funds for the investor's account held at the Clearing Firm can be provided by check, wire, Automated Clearing House, or ACH, push, ACH pull, direct deposit, Automated Customer Account Transfer Service, or ACATS, or non-ACATS transfer. Under an SEC no-action letter provided to the Clearing Firm in July 2015, the funds will remain in the customer's account after they are deposited and until the conditions of the offering are satisfied and the offering closes, the prospective investor's offer is cancelled, or this offering is withdrawn or expired.

After any contingencies of the offering or any particular closing are met, we will notify the Clearing Firm when we wish to conduct a closing. The Clearing Firm executes the closing by transferring each investor's funds from their Cambria Capital, My IPO or Other Broker-Dealer accounts to our Clearing Firm account and transferring the correct number of book-entry shares to each investor's account from our Clearing Firm account. The shares are then reflected in the investor's online account and shown on the investor's Cambria Capital, My IPO or Other Broker-Dealer account statements. Cambria Capital, My IPO and Other Broker-Dealers will also send trade confirmations individually to the investors.

Other Procedures for Subscribing

Investors not purchasing through Cambria Capital, My IPO or an Other Broker-Dealer that clears through the Clearing Firm must complete and execute a subscription agreement for a specific number of shares and pay for the shares at the time of the subscription. Subscription agreements may be submitted in paper form, or electronically, if electronic subscription agreements and signature are made available to you by your broker-dealer or registered investment advisor. Generally, when submitting a subscription agreement electronically, a prospective investor will be required to agree to various terms and conditions by checking boxes and to review and electronically sign any necessary documents. You may pay the purchase price for your shares by check or wire transfer in accordance with the instructions contained in your subscription agreement. All checks should be made payable to "WILMINGTON TRUST, N.A. as Escrow Agent for Manufactured Housing Escrow." Completed subscription agreements will be sent by your broker-dealer or registered investment advisor, as applicable, to Digital Offering at the address set forth in the subscription agreement. Subscription payments should be delivered directly to the escrow agent. If you send your subscription payment to your broker or registered investment advisor, then your broker or registered investment advisor will immediately forward your subscription payment to the escrow agent. Subscriptions will be effective only upon our acceptance, and we reserve the right to reject any subscription in whole or in part.

You may not subscribe to this offering prior to the date this offering is qualified by the SEC, which we will refer to as the qualification date. Before the qualification date, you may only make non-binding indications of your interest to purchase securities in the offering. For any subscription agreements received after the qualification date, we have the right to review and accept or reject the subscription in whole or in part, for any reason or for no reason. If rejected, we will return all funds to the rejected investor within ten business days. If accepted, the funds will remain in the escrow account until all conditions to closing have been satisfied or waived, at which point we will have an initial closing of the offering and the funds in escrow will then be transferred into our general account.

Following the initial closing of this offering, we expect to have several subsequent closings of this offering until the maximum offering amount is raised or the offering is terminated. We expect to have closings on a monthly basis and expect that we will accept all funds subscribed for each month subject to our working capital and other needs consistent with the use of proceeds described in this offering circular. Investors should expect to wait approximately one month and no longer than forty-five days before we accept their subscriptions and they receive the securities subscribed for. An investor's subscription is binding and irrevocable and investors will not have the right to withdraw their subscription or receive a return of funds prior to the next closing unless we reject the investor's subscription. You will receive a confirmation of your purchase promptly following the closing in which you participate.

Right to Reject Subscriptions

After we receive your complete, executed subscription agreement (a form of which is attached to the offering statement as Exhibit 4.1) and the funds required under the subscription agreement have been transferred to the escrow account, we have the right to review and accept or reject your subscription in whole or in part, for any reason or for no reason. We will return all monies from rejected subscriptions immediately to you, without interest or deduction.

Acceptance of Subscriptions

Upon our acceptance of a subscription agreement, we will countersign the subscription agreement and issue the shares subscribed at closing. Once you submit the subscription agreement and it is accepted, you may not revoke or change your subscription or request your subscription funds. All accepted subscription agreements are irrevocable.

Investment Amount Limitations

Generally, no sale may be made to you in this offering if the aggregate purchase price you pay is more than 10% of the greater of your annual income or net worth. Different rules apply to accredited investors and non-natural persons. Before making any representation that your investment does not exceed applicable thresholds, we encourage you to review Rule 251(d)(2)(i)(C) of Regulation A. For general information on investing, we encourage you to refer to www.investor.gov.

As a Tier 2, Regulation A offering, investors must comply with the 10% limitation to investment in the offering. The only investor in this offering exempt from this limitation is an "Accredited Investor" as defined under Rule 501 of Regulation D. If you meet one of the following tests you should qualify as an Accredited Investor:

1. You are a natural person who has had individual income in excess of $200,000 in each of the two most recent years, or joint income with your spouse in excess of $300,000 in each of these years, and have a reasonable expectation of reaching the same income level in the current year;

2. You are a natural person and your individual net worth, or joint net worth with your spouse, exceeds $1,000,000 at the time you purchase our units (please see above on how to calculate your net worth);

3. You are an executive officer or general partner of the issuer or a manager or executive officer of the general partner of the issuer;

4. You are an organization described in Section 501(c)(3) of the Code, a corporation, a Massachusetts or similar business trust or a partnership, not formed for the specific purpose of acquiring the units, with total assets in excess of $5,000,000;

5. You are a bank or a savings and loan association or other institution as defined in the Securities Act, a broker or dealer registered pursuant to Section 15 of the Exchange Act, an insurance company as defined by the Securities Act, an investment company registered under the Investment Company Act or a business development company as defined in that act, any Small Business Investment Company licensed by the Small Business Investment Act of 1958 or a private business development company as defined in the Investment Advisers Act of 1940;

6. You are an entity (including an Individual Retirement Account trust) in which each equity owner is an accredited investor;

7. You are a trust with total assets in excess of $5,000,000, your purchase of units is directed by a person who either alone or with his purchaser representative(s) (as defined in Regulation D promulgated under the Securities Act) has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment, and you were not formed for the specific purpose of investing in the units; or

8. You are a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has assets in excess of $5,000,000.

NOTE: For the purposes of calculating your Net Worth, it is defined as the difference between total assets and total liabilities. This calculation must exclude the value of your primary residence and may exclude any indebtedness secured by your primary residence (up to an amount equal to the value of your primary residence). In the case of fiduciary accounts, net worth and/or income suitability requirements may be satisfied by the beneficiary of the account or by the fiduciary, if the fiduciary directly or indirectly provides funds for the purchase of the units.

Offer Restrictions Outside the United States

Other than in the United States, no action has been taken by us or the underwriter that would permit a public offering of the securities offered by this offering circular in any jurisdiction where action for that purpose is required. The securities offered by this offering circular may not be offered or sold, directly or indirectly, nor may this offering circular or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any

jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this offering circular comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this offering circular. This offering circular does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this offering circular in any jurisdiction in which such an offer or a solicitation is unlawful.

LEGAL MATTERS

The validity of the shares of Series B Preferred Stock covered by this offering circular will be passed upon by Sherman & Howard L.L.C.

EXPERTS

The consolidated financial statements of our company for the years ended December 31, 2019 and 2018 have been audited by Liggett & Webb, P.A., an independent registered public accounting firm, to the extent and for the periods set forth in their reports appearing elsewhere herein and in the offering statement, and are included in reliance on such reports, given the authority of said firm as an expert in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC an offering statement on Form 1-A under the Securities Act with respect to the units offered in this offering. This offering circular does not contain all of the information set forth in the offering statement. For further information with respect to the units offered in this offering and our company, we refer you to the offering statement and to the attached exhibits. With respect to each such document filed as an exhibit to the offering statement, we refer you to the exhibit for a more complete description of the matters involved.

You may inspect our offering statement and the attached exhibits and schedules without charge at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can also request copies of those documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms.

Our SEC filings, including the offering statement and the exhibits filed with the offering statement, are also available from the SEC's website at www.sec.gov, which contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. Additionally, we will make these filings available, free of charge, on our website at www.mhproperties.com as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC. The information on our website, other than these filings, is not, and should not be, considered part of this prospectus and is not incorporated by reference into this document.

FINANCIAL STATEMENTS

MANUFACTURED HOUSING PROPERTIES INC.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of:
Manufactured Housing Properties Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Manufactured Housing Properties Inc. (the "Company") as of December 31, 2019 and 2018, the related consolidated statements of operations, changes in stockholders' equity (deficit) and cash flows for each of the two years ended December 31, 2019 and 2018, and the related notes. In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years ended December 31, 2019 and 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal controls over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ LIGGETT & WEBB, P.A.

LIGGETT & WEBB, P.A.
Certified Public Accountants

We have served as the Company's auditor since 2017.

Boynton Beach, Florida
April 14, 2020

MANUFACTURED HOUSING PROPERTIES INC.
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2019 AND 2018

Assets	**2019**	**2018**
Investment Property		
Land	$ 11,130,259	$ 4,357,950
Site and Land Improvements	17,466,801	6,781,845
Buildings and Improvements	6,214,725	1,441,222
Total Investment Property	34,811,785	12,581,017
Accumulated Depreciation & Amortization	(1,394,958)	(699,184)
Net Investment Property	33,416,827	11,881,833
Cash and Cash Equivalents	4,146,411	458,271
Accounts Receivable, net	31,881	12,987
Other Assets	557,012	99,472
Total Assets	$ 38,152,131	$ 12,452,563
Liabilities		
Accounts Payable	$ 227,406	$ 71,091
Notes Payable, net of $633,629 and $140,758	28,359,247	8,945,352
Notes Payable – Related Party	797,906	890,632
Note Payable – Related Party	1,730,000	2,754,550
Accrued Liabilities	551,481	612,819
Tenant Security Deposits	316,035	131,149
Total Liabilities	31,982,075	13,405,593
Commitments and Contingencies (See note 6)	-	-
Redeemable Preferred Stock – subject to redemption		
Series A Cumulative Convertible Preferred Stock, par value $0.01 per share; 4,000,000 shares authorized; 1,890,000 and zero shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively; redemption value $7,087,500	4,909,000	-
Series B Cumulative Redeemable Preferred Stock, par value $0.01 per share; 1,000,000 shares authorized; 409,722 and zero shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively; redemption value $6,145,830	3,973,610-	-
Stockholders' equity (deficit)		
Common Stock, par value $0.01 per share; 200,000,000 shares authorized; 12,336,080 and 10,350,062 shares are issued and outstanding as of December 31, 2019 and 2018, respectively	123,361	103,500
Additional Paid in Capital	1,004,170	451,567
Accumulated Deficit	(3,840,085)	(1,801,338)
Total Manufactured Housing Properties Inc. Stockholders' Deficit	(2,712,554)	(1,246,271)
Non-controlling Interest	-	293,241
Total Equity (Deficit)	(2,712,554)	(953,030)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 38,152,131	$ 12,452,563

See accompanying notes to consolidated financial statements

MANUFACTURED HOUSING PROPERTIES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Revenue		
Rental and related income	$ 2,968,472	$ 1,975,312
Management fees, related party	48,319	4,000
Home sales	4,900	21,000
Total revenues	3,021,691	2,000,312
Community operating expenses		
Repair and maintenance	234,770	135,131
Real estate taxes	142,187	81,024
Utilities	212,719	149,516
Insurance	83,975	54,079
General and administrative expense	476,137	256,631
Total community operating expenses	1,149,788	676,381
Corporate payroll and overhead	1,253,383	1,030,527
Depreciation and amortization expense	786,179	534,290
Interest expense	1,312,469	1,001,455
Refinancing costs	552,272	-
Total Expenses	5,054,091	3,242,653
Net loss before provision for income taxes	(2,032,400)	(1,242,341)
Provision for income taxes	6,347	8,286
Net loss	$ (2,038,747)	$ (1,250,627)
Net Income attributable to the non-controlling interest	-	45,766
Net Loss attributable to the Company	$ (2,038,747)	$ (1,296,393)
Preferred stock dividends		
Series A preferred	125,700	-
Series A preferred put option cost	184,000	-
Series B preferred	23,233	-
Series B preferred put option cost	28,004	-
Total preferred stock dividends	$ 360,937	$ -
Net Loss attributable to common shareholders	$ (2,399,684)	$ (1,296,393)
Weighted average shares – basic and fully diluted	12,624,171	10,100,747
Weighted average – basic and fully diluted	$ (0.19)	$ (0.13)

See accompanying notes to consolidated financial statements

MANUFACTURED HOUSING PROPERTIES INC.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	PREFERRED STOCK		COMMON STOCK		ADDITIONAL PAID IN CAPITAL	NON CONTROLLING INTEREST	ACCUMULATED DEFICIT	STOCKHOLDERS' DEFICIT
	SHARES	PAR VALUE	SHARES	PAR VALUE				
Balance at January 1, 2018	-	$ -	10,000,062	$ 100,000	$ 238,803	$ 302,580	$ (504,945)	$ 136,438
Stock option expense	-	-	-	-	69	-	-	69
Non controlling Interest distributions	-	-	-	-	-	(55,105)	-	(55,105)
Stock issued for services	-	-	350,000	3,500	168,000	-	-	171,500
Imputed interest			-	-	44,695	-	-	44,695
Net income (loss)			-	-	-	45,766	(1,296,393)	(1,250,627)
Balance at December 31, 2018	-	$ -	10,350,062	$ 103,500	$ 451,567	$ 293,241	$ (1,801,338)	$ (953,030)
Stock option expense	-	-	-	-	4,774	-	-	4,774
Common Stock issuance for acquisition of minority interest	-	-	2,000,000	20,000	517,562	(293,241)	-	244,321
Common stock issuance for related party note	-	-	545,000	5,450	299,750	-	-	305,200
Common stock issuance for cash for related party note	-	-	254,506	2,545	66,172	-	-	68,717
Common stock issuance for service	-	-	25,000	250	6,500	-	-	6,750
Common stock issued to the board	-	-	50,000	500	13,000			13,500
Purchase treasury common stock	-	-	(350,000)	(3,500)	(58,337)	-	-	(61,837)
Common stock repurchased and retired	-	-	(553,888)	(5,538)	(51,962)	-	-	(57,500)
Stock issued for services	-	-	-	-	24,500	-	-	24,500
Series A Preferred dividends	-	-	-	-	(125,700)	-	-	(125,700)
Accretion Series A Preferred			-	-	(28,004)	-	-	(28,004)
Series B Preferred dividends	-	-	-	-	(23,233)	-	-	(23,233)
Accretion Series B Preferred			-	-	(184,000)	-	-	(184,000)
Common Stock issuance to preferred share holders	-	-	15,400	154	4,004	-	-	4,158
Imputed interest	-	-	-	-	87,577	-	-	87,577
Net loss	-	-	-	-	-	-	(2,038,747)	(2,038,747)
Balance at December 31, 2019	-	$ -	12,336,080	$ 123,361	$ 1,004,170	$ -	$ (3,840,085)	$ (2,712,554)

See accompanying notes to consolidated financial statements

MANUFACTURED HOUSING PROPERTIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Cash Flows from Operating Activities:		
Net Loss	$ (2,038,747)	$(1,250,627)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
In-kind contribution of interest	87,577	44,695
Provision for bad debts	10,117	59,657
Stock option expense	4,774	69
Stock compensation expense	349,950	171,500
Write off mortgage cost	68,280	-
Amortization debt discount	47,390	-
Loss on home sales	(11,678)	-
Depreciation and amortization	738,789	534,290
Changes in operating assets and liabilities:		
Accounts receivable	(29,011)	(26,244)
Other assets	(457,540)	(49,501)
Accounts payable	156,315	35,365
Accrued expenses	(61,338)	476,459
Other liabilities and deposits	184,886	42,812
Net Cash Provided by (Used in) Operating Activities	(950,236)	38,475
Cash Flows from Investing Activities:		
Purchases of investment properties	(22,022,684)	(231,247)
Proceeds from sale of properties	4,900	21,000
Net Cash Used in Investing Activities	(22,017,784)	(210,247)
Cash Flows from Financing Activities:		
Proceeds from issuance of common stock	72,875	-
Proceeds from related – party note	7,075	448,750
Repayment of notes payable – related party	(99,801)	-
Proceeds from note payables	25,079,000	117,014
Repayment of notes payable	(5,172,234)	(236,551)
Proceeds from issuance of preferred stock	8,670,606	-
Purchase of treasury stock	(119,337)	-
Capitalized financing cost	(608,541)	-
Repayment of related party note	(3,719,550)	-
Proceeds from related party note	2,695,000	-
Preferred shares dividends	(148,933)	-
Non controlling interest (distributions)	-	(55,105)
Net Cash Provided by Financing Activities	26,656,160	274,108
Net Change in Cash and cash equivalents	3,688,140	102,336
Cash and cash equivalents at Beginning of the Period	458,271	355,935
Cash and cash equivalents at End of the Period	$ 4,146,411	$ 458,271
Cash paid for:		
Income Taxes	$ 6,347	$ 8,286
Interest	$ 1,084,104	$ 751,344
Non-Cash Investing and Financing Activities		
Purchase of minority interest in Pecan Grove	$ 537,562	$ -
Non-cash Preferred stock accretion	$ 212,004	$ -

See accompanying notes to consolidated financial statements

MANUFACTURED HOUSING PROPERTIES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

Organization

Manufactured Housing Properties Inc. (the "Company") is a Nevada corporation whose principal activities are to acquire, own, and operate manufactured housing communities. Mobile Home Rental Holdings ("MHRH") was formed in April 2016 to acquire the assets for Pecan Grove MHP in November 2016 and Butternut MHP in April 2017. To continue the acquisition and aggregation of mobile home parks, MHRH intend to raise capital in the public markets. Therefore, on October 21, 2017, MHRH was acquired by and merged with a public entity Stack-it Storage, Inc. (OTC: STAK). As part of the merger transaction, Stack-it Storage, Inc. changed its name to Manufactured Housing Properties Inc. (OTC: MHPC).

For accounting purposes, this transaction was accounted for as a reverse merger and has been treated as a recapitalization of Stack-it Storage, Inc. with Manufactured Housing Properties Inc. as the accounting acquirer.

Basis of Presentation

The Company prepares its consolidated financial statements present the balance sheets, statements of operations. changes in stockholder's deficit and cash flows of the Company under the accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Principle of Consolidation

The accompanying financial statements are presented on a consolidated basis the accounts of the Company and its wholly owned subsidiaries. All intercompany balances have been eliminated upon consolidation.

The Company's subsidiaries are all formed as limited liability companies. The acquisition and date of consolidation are as follows:

Name of Subsidiary	State of Formation	Date of Consolidation	Ownership
Pecan Grove MHP LLC	North Carolina	October 12, 2016*	100%*
Butternut MHP Land LLC	Delaware	March 1, 2017	100%
Azalea MHP LLC	North Carolina	October 25, 2017	100%
Holly Faye MHP LLC	North Carolina	October 25, 2017	100%
Chatham Pines MHP LLC	North Carolina	October 31, 2017	100%
Maple Hills MHP LLC	North Carolina	October 31, 2017	100%
Lakeview MHP LLC	South Carolina	November 1, 2017	100%
MHP Pursuits LLC	North Carolina	January 31, 2019	100%
Mobile Home Rentals LLC	North Carolina	September 30, 2016	100%
Hunt Club MHP LLC	South Carolina	March 8, 2019	100%
B&D MHP LLC	South Carolina	April 4, 2019	100%
Crestview MHP LLC	North Carolina	June 28, 2019	100%
Springlake MHP LLC	Georgia	October 10, 2019	100%
ARC MHP LLC	South Carolina	November 13, 2019	100%

*The Company originally acquired a 75% interest. In January 2019, the Company acquired the remaining 25% interest from a related party.

All intercompany transactions and balances have been eliminated in consolidation. The Company does not have a majority or minority interest in any other company, either consolidated or unconsolidated.

Revenue Recognition

The Company follows Topic 606 of the Financial Accounting Standards Board Accounting ("FASB") Accounting Standards Codification ("ASC") for revenue recognition and Accounting Standards Update ("ASU") 2014-09. On January 1, 2018, the Company adopted ASU 2014-09, which is a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. The Company considers revenue realized or realizable and earned when all the five following criteria are met: (1) identification of the contract with a customer, (2) identification of the performance obligations in the contract, (3) determination of the transaction price, (4) allocation of the transaction price to the performance obligations in the contract, and (5) recognition of revenue when (or as) the Company satisfies a performance obligation. Results for reporting periods beginning after January 1, 2018 are presented under ASU 2014-09, while prior period amounts are not adjusted and continue to be reported under the previous accounting standards. There was no impact to revenues as a result of applying ASU 2014-09 for the year ended December 31, 2019, and there have not been any significant changes to the Company's business processes, systems, or internal controls as a result of implementing the standard.

Acquisitions

The Company accounts for acquisitions in accordance with ASC 805, "Business Combinations," and allocates the purchase price of the property based upon the fair value of the assets acquired, which generally consist of land, site and land improvements, buildings and improvements and rental homes. The Company allocates the purchase price of an acquired property generally determined by internal evaluation as well as third-party appraisal of the property obtained in conjunction with the purchase.

Investment Property and Equipment and Depreciation

Property and equipment are carried at cost. Depreciation for sites and building is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 15 to 25 years). Depreciation of improvements to sites and buildings, rental homes and equipment and vehicles is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 3 to 25 years). Land development costs are not depreciated until they are put in use, at which time they are capitalized as sites and land improvements. Interest expense pertaining to land development costs are capitalized. Maintenance and repairs are charged to expense as incurred and improvements are capitalized. The costs and related accumulated depreciation of property sold or otherwise disposed of are removed from the financial statement and any gain or loss is reflected in the current year's results of operations.

Impairment Policy

The Company applies FASB ASC 360-10, "Property, Plant & Equipment," to measure impairment in real estate investments. Rental properties are individually evaluated for impairment when conditions exist which may indicate that it is probable that the sum of expected future cash flows (on an undiscounted basis without interest) from a rental property is less than the carrying value under its historical net cost basis. These expected future cash flows consider factors such as future operating income, trends and prospects as well as the effects of leasing demand, competition and other factors. Upon determination that a permanent impairment has occurred, rental properties are reduced to their fair value. For properties to be disposed of, an impairment loss is recognized when the fair value of the property, less the estimated cost to sell, is less than the carrying amount of the property measured at the time there is a commitment to sell the property and/or it is actively being marketed for sale. A property to be disposed of is reported at the lower of its carrying amount or its estimated fair value, less its cost to sell. Subsequent to the date that a property is held for disposition, depreciation expense is not recorded.

Stock-Based Compensation

All stock based payments to employees, nonemployee consultants, and to nonemployee directors for their services as directors, including any grants of restricted stock and stock options, are measured at fair value on the grant date and recognized in the statements of operations as compensation or other expense over the relevant service period in accordance with FASB ASC Topic 718. Stock based payments to nonemployees are recognized as an expense over the period of performance. Such payments are measured at fair value at the earlier of the date a performance commitment is reached or the date performance is completed. In addition, for awards that vest immediately and are nonforfeitable the measurement date is the date the award is issued. The Company recorded stock option expense of $4,774 and $69 during the years ended December 31, 2019 and 2018, respectively.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB ASC for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB ASC to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Net Loss per Share

Basic and diluted loss per share amounts are computed based on net loss divided the weighted average number of common shares outstanding plus the weighted average number of net shares that would be issued upon exercise of stock options pursuant to the treasury stock method. Total dilutive securities outstanding as of December 31, 2019 and 2018 total totaled 2,299,722 and 0 convertible shares, respectively, and options of 659,175 and 541,334, respectively, which were not included in the computation of diluted loss per share because the assumed conversion and exercise would be anti-dilutive for the years ended December 31, 2019 and 2018.

Management Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period . Actual results could differ from those estimates.

Reclassifications

Certain 2018 balances have been reclassified in the 2019 financial statement presentation. The reclassification of loan costs did not have any effects on the financial statements.

Cash and Cash Equivalents

For purposes of these financial statements, cash and cash equivalents include highly liquid debt instruments with maturity of less than three months.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. The Company places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the FDIC insurance limit. Currently our operating accounts are approximately $2,553,454 above the FDIC limit.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." ASU 2016-13 requires that entities use a new forward looking "expected loss" model that generally will result in the earlier recognition of allowance for credit losses. The measurement of expected credit losses is based upon historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU No. 2016-13 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2019. The Company is currently evaluating the potential impact this standard may have on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases." ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. The standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. ASU 2016-02 will be effective for annual reporting periods beginning after December 15, 2018. Early adoption is permitted. The Company has evaluated the impact this standard had on the consolidated financial statements and determined that it had no impact on the consolidated financial statements.

In June 2018, the FASB issued ASU 2018-07 "Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting." This ASU relates to the accounting for non-employee share-based payments. The amendment in this ASU expands the scope of Topic 718 to include all share-based payment transactions in which a grantor acquired goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The ASU excludes share-based payment awards that relate to (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under Topic 606, Revenue from Contracts from Customers. The share-based payments are to be measured at grant-date fair value of the equity instruments that the entity is obligated to issue when the good or service has been delivered or rendered and all other conditions necessary to earn the right to benefit from the equity instruments have been satisfied. This standard will be effective for public business entities for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, but no earlier than an entity's adoption of Topic 606. The Company has evaluated the impact this standard had on the consolidated financial statements and determined that it had no impact on the consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying condensed consolidated financial statements.

NOTE 2 – FIXED ASSETS

The following table summarizes the Company's property and equipment balances are generally used to depreciate the assets on a straight-line basis:

Fixed Assets	2019	2018
Investment Property		
Land	$ 11,130,259	$ 4,357,950
Site and Land Improvements	17,466,801	6,781,845
Buildings and Improvements	6,214,725	1,441,222
Total Investment Property	34,811,785	12,581,017
Accumulated Depreciation & Amortization	(1,394,958)	(699,184)
Net Investment Property	$ 33,358,019	$ 11,881,833

Depreciation and amortization expense for the years ended December 31, 2019 and 2018 were $738,789 and $534,290, respectively. Total additional fixed assets during the years ended December 31, 2019 and 2018 were $22,022,684 and $231,247, respectively.

NOTE 3 – ACQUISITIONS

During the fourth quarter 2016, the Company acquired the assets of its first manufactured housing community containing 81 home sites. During the year ended December 31, 2017, the company acquired the assets of six manufactured housing communities containing approximately 360 home sites. The Company had five additional acquisitions during the year ended December 31, 2019. These were asset acquisitions from third parties and have been accounted for as asset acquisitions. The acquisition date estimated fair value was determined by third party appraisals. The acquisition of the manufactured housing communities acquired assets consisted of the following:

Acquisition Date	Name	Land	Improvements	Building	Total Purchase Price
November 2016	Pecan Grove MHP	$ 1,583,071	$ 432,501	$ 20,463	$ 2,036,035
April 2017	Butternut MHP	85,000	1,130,527	431,618	1,647,145
November 2017	Azalea MHP	149,200	559,936	114,959	824,095
November 2017	Holly Faye MHP	160,000	553,273	3,700	716,973
November 2017	Chatham MHP	940,000	965,900	2,000	1,907,900
November 2017	Lakeview MHP	520,000	1,226,256	53,564	1,799,820
December 2017	Maple Hills MHP	1,165,000	1,943,710	843,885	3,952,595
April 2019	Hunt Club MHP	1,394,275	589,500	3,886	1,987,661
May 2019	B&D MHP	1,750,000	914,061	-	2,664,061
August 2019	Crestview MHP	991,750	2,975,250	1,533,000	5,500,000
November 2019	Springlake MHP	923,213	2,769,637	1,582,650	5,275,500
December 2019	ARC MHP	1,468,750	3,406,250	1,625,000	6,500,000
		$ 11,130,259	$ 17,466,801	$ 6,214,725	$ 34,811,785

Pro-forma Financial Information (unaudited)

The following unaudited pro-forma information presents the combined results of operations for the periods as if the above acquisitions of manufactured housing communities had been completed on January 1, 2018.

	For the Years Ended December 31,	
	2019	2018
Total Revenue	$ 5,039,009	$ 4,965,466
Total Expenses	5,830,724	4,641,410
Depreciation & Amortization	1,476,322	1,701,436
Interest Expense	1,850,999	1,866,883
Preferred Stock Dividends / Accretion	360,937	-
Net Income (Loss)	$ (4,479,973)	$ (3,244,263)
Net Loss Per Share	$ (0.35)	$ (0.32)

NOTE 4 – PROMISSORY NOTES

Secured Promissory Notes

The Company has issued promissory notes payable to lenders related to the acquisition of its manufactured housing communities. These promissory notes range from 4.5% to 7.0% with 20 to 25 years principal amortization. Two of the promissory notes had an initial 6 months period on interest only payments. The promissory notes are secured by the real estate assets and $6,344,894 for three assets were guaranteed by Raymond M. Gee, the Company's chairman, chief executive officer and owner of the principal stockholder of the Company.

During the year ended December 31, 2019, the Company refinanced a total of $4,940,750 from current loans payable to $8,241,000 of new notes payable from five of the communities, resulting in an additional loan payable of $3,320,859. The Company used the additional loans payable proceeds from the refinance to retire the related party note payable described below. As of December 31, 2019, the Company wrote off mortgage costs of $68,280 and capitalized $608,541 of mortgage costs due to the refinancing. As of December 31, 2019, the outstanding balance on these notes was $8,134,996. The following are terms of these notes:

	Maturity Date	Interest Rate	Balance 12/31/19	Balance 12/31/18
Butternut MHP Land LLC (see Note 9)	03/30/20	6.500%	$ 1,114,819	$ 1,134,971
Butternut MHP Land LLC Mezz (see Note 9)	04/01/27	7.000%	280,013	287,086
Pecan Grove MHP LLC	11/04/26	4.500%	3,095,274	1,270,577
Azalea MHP LLC	11/10/27	5.000%	835,445	598,571
Holly Faye MHP LLC	10/01/38	4.000%	574,096	462,328
Chatham MHP LLC	12/01/22	5.125%	1,771,506	1,366,753
Lakeview MHP LLC	12/01/22	5.125%	1,857,266	1,222,521
B&D MHP LLC	05/02/29	5.500%	1,854,788	-
Hunt Club MHP LLC	05/01/24	5.750%	1,447,364	-
Crestview MHP LLC	08/01/24	5.500%	4,173,652	-
Springlake MHP LLC	11/14/22	4.500%	4,000,000	-
ARC MHP LLC	01/01/30	5.500%	5,300,000	-
Maple Hills MHP LLC	01/01/23	5.125%	2,688,653	2,743,303
Totals note payables			28,992,876	9,086,100
Discount Direct Lender Fees			(692,454)	(140,758)
Total net of Discount			$ 28,359,247	$ 8,945,352

Related Party Promissory Note

On May 8, 2017, the Company issued a promissory note to Metrolina Loan Holdings, LLC ("Metrolina") in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, the Company paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of the Company's Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in the Company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. As of December 31, 2019, the balance on this note was $1,730,000. The related party note is guaranteed by Mr. Gee.

Revolving Promissory Note

On October 1, 2017, the Company issued a revolving promissory note to Raymond M. Gee, the Company's chairman and chief executive officer, pursuant to which the Company may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of December 31, 2019, the outstanding balance on this note was $797,906. During the years ended December 31, 2019 and 2018, the Company recorded imputed interest related to the note of $87,577 and $44,695, respectively.

Maturities of Long-Term Obligations for Five Years and Beyond

The minimum annual principal payments of notes payable at December 31, 2019 were:

2020	$	480,907
2021		2,254,163
2022		5,329,658
2023		2,996,492
2024 and Thereafter		20,459,561
Total minimum principal payments	$	31,520,781

NOTE 5 – COMMITMENTS AND CONTINGENCIES

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise that may harm its business. The Company is currently not aware of any such legal proceedings or claims that they believe will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

NOTE 6 – STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue up to 10,000,000 shares of preferred stock, $0.01 par value.

Series A Preferred Stock

On May 8, 2019, the Company filed a certificate of designation with the Nevada Secretary of State pursuant to which the Company designated 4,000,000 shares of its preferred stock as Series A Cumulative Convertible Preferred Stock (the "Series A Preferred Stock"). The Series A Preferred Stock has the following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series A Preferred Stock ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to the Common Stock.

Dividend Rate and Payment Dates. Dividends on the Series A Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of Series A Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.017 per share each month, which is equivalent to the rate of 8% of the $2.50 liquidation preference per share. Dividends on shares of Series A Preferred Stock will continue to accrue even if any of the Company's agreements prohibit the current payment of dividends or the Company does not have earnings. During the year ended December 31, 2019, the Company paid dividends of $125,700.

Liquidation Preference. The liquidation preference for each share of Series A Preferred Stock is $2.50. Upon a liquidation, dissolution or winding up of the Company, holders of shares of Series A Preferred Stock 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. Each share of Series A Preferred Stock is convertible, at any time and from time to time, at the option of the holder thereof and without the payment of additional consideration, into that number of shares of Common Stock determined by dividing the liquidation preference of such share by the conversion price then in effect. The conversion price is initially equal $2.50, subject to adjustment as set forth in the certificate of designation. In addition, if at any time the trading price of the Common Stock is greater than the liquidation preference of $2.50, the Company may deliver a written notice to all holders to cause each holder to convert all or part of such holders' Series A Preferred Stock.

Company Call and Stockholder Put Options. Commencing on the fifth anniversary of the initial issuance of shares of Series A Preferred Stock and continuing indefinitely thereafter, the Company will have a right to call for redemption the outstanding shares of Series A Preferred Stock at a call price equal to $3.75, or 150% of the original issue price of the Series A Preferred Stock, and correspondingly, each holder of shares of Series A Preferred Stock shall have a right to put the shares of Series A Preferred Stock held by such holder back to us at a put price equal to $3.75, or 150% of the original issue purchase price of such shares. During the year ended December 31, 2019, the Company recorded a put option cost of $184,000.

Voting Rights. The Company may not authorize or issue any class or series of equity securities ranking senior to the Series A Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend the Company's articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series A Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of the outstanding shares of Series A Preferred Stock, voting together as a class. Otherwise, holders of the shares of Series A Preferred Stock do not have any voting rights.

As of December 31, 2019, that Company has issued 1,890,000 shares of Series A Preferred Stock for a total of $4,725,000 in cash. As of December 31, 2019, the Series A Preferred stock balance was made up of Series A Preferred Stock totaling $4,725,000 and Accretion of put options totaling $184,000.

Series B Preferred Stock

On December 2, 2019, the Company filed a certificate of designation with the Nevada Secretary of State pursuant to which the Company designated 1,000,000 shares of its preferred stock as Series B Cumulative Redeemable Preferred Stock (the "Series B Preferred Stock"). The Series B Preferred Stock has the following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series B Preferred Stock rank, as to dividend rights and rights upon liquidation, dissolution, or winding up, senior to the Common Stock and *pari passu* with the Series A Preferred Stock.

Dividend Rate and Payment Dates. Dividends on the Series B Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of Series B Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.067 per share each month, which is equivalent to the annual rate of 8% of the $10.00 liquidation preference per share; provided that upon an event of default (generally defined as the Company's failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to $0.083 per month, which is equivalent to the annual rate of 10% of the $10.00 liquidation preference per share. During the year ended December 31, 2019, the Company paid dividends of $23,233.

Liquidation Preference. The liquidation preference for each share of Series B Preferred Stock is $10.00. Upon a liquidation, dissolution or winding up of the Company, holders of shares of Series B Preferred Stock 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.

Company Call and Stockholder Put Options. Commencing on the fifth anniversary of the initial issuance of shares of Series B Preferred Stock and continuing indefinitely thereafter, the Company will have a right to call for redemption the outstanding shares of Series B Preferred Stock at a call price equal to $15.00, or 150% of the original issue price of the Series B Preferred Stock, and correspondingly, each holder of shares of Series B Preferred Stock shall have a right to put the shares of Series B Preferred Stock held by such holder back to the Company at a put price equal to $15.00, or 150% of the original issue purchase price of such shares. During the year ended December 31, 2019, the Company recorded a put option cost of $28,004.

Voting Rights. The Company may not authorize or issue any class or series of equity securities ranking senior to the Series B Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend the Company's articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series B Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of outstanding shares of Series B Preferred Stock, voting together as a class. Otherwise, holders of the shares of Series B Preferred Stock do not have any voting rights.

No Conversion Right. The Series B Preferred Stock is not convertible into shares of Common Stock.

On November 1, 2019, the Company launched an offering under Regulation A of Section 3(6) of the Securities Act of 1933, as, amended, for Tier 2 offerings, pursuant to which the Company is offering up to 1,000,000 shares of Series B Preferred Stock at an offering price of $10.00 per share, for a maximum offering amount of $10,000,000. In addition, the Company is offering bonus shares to early investors in this offering, whereby the first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock. As of December 31, 2019 there were 15,400 shares of Common Stock issued with a fair value of $4,158.

As of December 31, 2019, the Company sold an aggregate of 409,722 shares of Series B Preferred Stock for total gross proceeds of $4,097,220. After deducting a placement fee and other expenses, the Company received net proceeds of $3,945,606.

Common Stock

The Company is authorized to issue up to 200,000,000 shares of Common Stock, par value $0.01 per share. As of December 31, 2019, there were 12,336,080 shares of Common Stock issued and outstanding.

The Company repurchased and retired 553,888 shares of Common Stock for $57,500 during the fourth quarter of fiscal year 2019.

(A) Stock issued for Service

In November 2018, the Company issued 350,000 shares of Common Stock for services to an investment bank for advisory services with a fair value of $171,500, and $24,500 of that fair value was expensed during the three months ended March 31, 2019. During year ended December 31, 2019, the Company purchased these shares back into treasury for a total of $61,837 due to the termination of the advisory service agreement with the investment bank.

In February 2019, the Company issued an additional 545,000 shares of Common Stock for services to Metrolina with a fair value of $305,200.

In November 2019, the Company issued 50,000 shares of Common Stock to board members with a value of $13,500.

In October 2019, the Company issued 25,000 shares of Common Stock for consulting services with a value of $6,750.

(B) Stock issued for Cash

In June 2019, the Company issued an additional 254,506 shares of Common Stock for cash of $68,717 to Metrolina upon its exercise of its option to purchase additional stock to maintain up to 10% ownership of the Company's Common Stock outstanding.

In December 2019, the Company issued 15,400 shares of Common Stock to early investors in the Regulation A offering, valued at $4,158.

(C) Stock issued for Acquisition

In January 2019, the Company issued 2,000,000 shares of Common Stock to Gvest Real Estate Capital LLC to acquire the 25% minority interest in Pecan Grove, which were valued at the historical cost value of $537,562.

(D) Stock Split

In March 2018, the Company completed a 1-for-6 reverse split of its outstanding shares of Common Stock resulting in the reduction of the total outstanding Common Stock from 60,000,000 shares to 10,000,062 shares. The consolidated financial statements have been retroactively adjusted to reflect the stock split.

(E) Equity Incentive Plan

In December 2017, the Board of Directors, with the approval of a majority of the stockholders of the Company, adopted the Manufactured Housing Properties Inc. Stock Compensation Plan (the "Plan") which is administered by the Compensation Committee.

The Company has issued options to directors and officers under the Plan. One third of the options vest immediately, and two thirds vest in equal annual installments over a two-year period. All of the options are exercisable at a purchase price of $0.01 per share.

The Company recorded stock option expense of $4,774 and $69 during the years ended December 31, 2019 and 2018, respectively.

The following table summarizes the stock options outstanding as of December 31, 2019 and 2018:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining contractual term (in years)
Outstanding at December 31, 2017	698,000	0.01	10.0
Granted	-	-	-
Exercised	-	-	-
Forfeited / cancelled / expired	(156,666)	-	-
Outstanding at December 31, 2018	541,334	$ 0.01	9.0
Granted	136,500	0.27	10.0
Exercised	-	-	-
Forfeited / cancelled / expired	(21,659)	-	-
Outstanding at December 31, 2019	656,175	$ 0.21	8.7

The aggregate intrinsic value in the table above represents the total intrinsic value (the difference between the Company's closing stock price at fiscal year-end and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holder had all options holders exercised their options on December 31, 2019. As of December 31, 2019, there were 565,175 "in-the-money" options with an aggregate intrinsic value of $1,549,106.

The following table summarizes information concerning options outstanding as of December 31, 2019:

Strike Price Range ($)	Outstanding stock options	Weighted average remaining contractual term (in years)	Weighted average outstanding strike price	Vested stock options	Weighted average vested strike price
$ 0.01	519,675	8.0	$ 0.01	519,675	$ 0.01
0.27	136,500	10.0	0.27	45,500	0.27

The following table summarizes information concerning options outstanding as of December 31, 2018:

Strike Price Range ($)	Outstanding stock options	Weighted average remaining contractual term (in years)	Weighted average outstanding strike price	Vested stock options	Weighted average vested strike price
$ 0.01	541,334	9.0	$ 0.01	377,000	$ 0.01

The table below presents the weighted average expected life in years of options granted under the Plan as described above. The risk-free rate of the stock options is based on the U.S. Treasury yield curve in effect at the time of grant, which corresponds with the expected term of the option granted.

The fair value of stock options was estimated using the Black Scholes option pricing model with the following assumptions for grants made during the periods indicated.

Stock option assumptions	December 31, 2019	December 31, 2018
Risk-free interest rate	0.26%	1.95%
Expected dividend yield	0.00%	0.00%
Expected volatility	15.17%	16.71%
Expected life of options (in years)	10	10

NOTE 7 - RELATED PARTY TRANSACTIONS

On October 1, 2017, the Company issued a revolving promissory note to Raymond M. Gee, the Company's chairman and chief executive officer, pursuant to which the Company may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of December 31, 2019, the outstanding balance on this note was $797,906. During the years ended December 31, 2019 and 2018, the Company recorded imputed interest related to the note of $87,577 and $44,695, respectively.

On May 8, 2017, the Company issued a promissory note to Metrolina in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, the Company paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of the Company's Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in the Company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. As of December 31, 2019, the balance on this note was $1,730,000. The related party note is guaranteed by Mr. Gee.

In January 2019, the Company issued 2,000,000 shares of Common Stock to Gvest Real Estate Capital LLC, an entity controlled by Mr. Gee, to acquire the 25% minority interest in Pecan Grove, which were valued at the historical cost value of $537,562.

During the year ended December 31, 2019, the Company entered into an office lease agreement with Gvest Real Estate Capital LLC for the lease of its offices. The lease is $4,000 per month and is on a month-to-month term. Total rent expense for the year ended December 31, 2019 was $16,000.

During the years ended December 31, 2019 and 2018, the Company recorded $48,319 and $4,000, respectively in revenues related to property management consulting services provided to Gvest Real Estate Capital LLC.

During the year ended December 31, 2019, Mr. Gee received a $50,000 fee for his personal guarantee on a promissory note relating to a loan for one of our acquisitions. The fee was recorded as a loan cost and is amortized over the five year life of the loan.

NOTE 8 – INCOME TAXES

On December 22, 2017, President Trump signed into law the Tax Cuts and Jobs Act (the "TCJA") that significantly reforms the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). The TCJA, among other things, contains significant changes to corporate taxation, including a reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%, effective as of January 1, 2018; a limitation of the tax deduction for interest expense; a limitation of the deduction for net operating losses to 80% of current year taxable income and elimination of net operating loss carrybacks, in each case, for losses arising in taxable years beginning after December 31, 2017 (though any such tax losses may be carried forward indefinitely); modifying or repealing many business deductions and credits, including reducing the business tax credit for certain clinical testing expenses incurred in the testing of certain drugs for rare diseases or conditions generally referred to as "orphan drugs"; and repeal of the federal Alternative Minimum Tax.

At December 31, 2019 and 2018, the Company had deferred tax assets principally arising from the net operating loss carry forwards for income tax purposes multiplied by the Federal statutory tax rate of 21%. As management of the Company cannot determine that it is more likely than not that we will realize the benefit of the deferred tax assets, a valuation allowance equal to the deferred tax asset has been established at December 31, 2019 and 2018.

As of December 31, 2019 and 2018, the Company had net operating loss carryforwards of approximately $3,057,500 and $1,492,600, respectively. The change in the valuation allowance for the years ended December 31, 2019 and 2018 were $403,987 and $275,525, respectively.

The significant components of the deferred tax asset at December 31, 2019 and 2018 was as follows:

	For the Years Ended	
	December 31, 2019	December 31, 2018
Statutory rate applied to income (loss) before income taxes	$ (520,747)	$ (322,845)
Increase in income taxes results from:		
Non-deductible expense	123,107	55,606
Change in tax rate estimates	-	-
Change in valuation allowance	403,987	275,525
Income tax expense (benefit)	$ 6,347	$ 8,286

The difference between income tax expense computed by applying the federal statutory corporate tax rate and provision for actual income tax is as follows:

	For the Year Ended	
	December 31, 2019	December 31, 2018
Income tax benefit at U.S. statutory rate of 34%	-21.00%	-21.00%
Income tax benefit - State	-3.33%	-2.04%
Non-deductible expense	5.97%	4.29%
Change in valuation allowance	19.58%	21.25%
Income tax expense (benefit)	1.22%	2.50%

Deferred income taxes result from temporary differences in the recognition of income and expenses for the financial reporting purposes and for tax purposes. The effects of temporary differences that gave rise to deferred tax assets are as follows:

	For the Year Ended	
Deferred tax assets:	December 31, 2019	December 31, 2018
Amortization expense	$ 11,544	$ 7,288
Operating loss carryforwards	780,978	381,247
Gross deferred tax assets	792,522	388,535
Valuation allowance	(792,522)	(388,535)
Net deferred income tax asset	$ -	$ -

NOTE 9 – SUBSEQUENT EVENTS

Additional Closings of Regulation A Offering

Subsequent to December 31, 2019, the Company sold an aggregate of 92,640 shares of Series B Preferred Stock for total gross proceeds of $956,400 under the Regulation A offering described above. After deducting a placement fee and other expenses, the Company received net proceeds of approximately $889,452. The Company also issued 3,900 shares of Common Stock to early investors.

Countryside Acquisition

On January 7, 2020, MHP Pursuits LLC, a wholly-owned subsidiary of the Company, entered into a purchase and sale agreement with J & A Real Estate LLC ("J&A") for the purchase of a manufactured housing community known as Countryside Estates Mobile Home Park, which is located in Lancaster, North Carolina and totals 110 sites, for a total purchase price of $3.7 million. On March 12, 2020, the closing was completed and the Company's newly formed wholly owned subsidiary Countryside MHP LLC ("Countryside") purchased the property.

In connection with the closing, on March 12, 2020, Countryside issued a promissory note to J&A in the principal amount of $3,000,000. The remainder of the purchase price, or $700,000, was paid in cash. The note bears interest at the rate of 5.5% per annum, or the maximum rate allowed by applicable law, and is due and payable in full on March 20, 2050. Payments for the first twelve (12) months of the term of the note shall be interest-only in the amount of $13,750 per month. Thereafter, principal and interest, in the amount of $17,201 per month, shall be due and payable based upon a thirty (30) year amortization. If any monthly payment is not received by J&A within fifteen (15) days after the applicable due date, Countryside must pay a late charge in an amount equal to the delinquent amount then due multiplied by 4%. Countryside may prepay the note, in whole or in party, at any time without penalty.

The note also contains customary events of default, including: (i) if Countryside shall be in default in the payment of any principal, interest or other amount due under the note and such default shall not be cured within five (5) days after written notice from J&A; (ii) if Countryside shall be in default in the performance of any non-monetary obligation in the note and such default shall not be cured within thirty (30) days after written notice from J&A; or (iii) if Countryside shall default in the due observation or performance of any covenant, condition or agreement contained in the mortgage described below and such default shall not be cured within thirty (30) days after written notice from J&A. Upon the occurrence of an event of default, interest on the aggregate outstanding indebtedness (including accrued interest) of the note shall increase to 5.5% per annum plus the U.S. Prime Rate as measured and reported by the Wall Street Journal and in effect on the date of default, until such aggregate indebtedness is paid in full.

The note is secured by a mortgage, assignment of rents and leases, security agreement and fixture filing with respect to the property. The mortgage contains customary representations, warranties and covenants by Countryside and remedies upon an event of default under the note.

Evergreen Acquisition

On January 1, 2020, MHP Pursuits LLC, a wholly-owned subsidiary of the Company, entered into a purchase and sale agreement with Evergreen Marketing LLC for the purchase of a manufactured housing community known as Evergreen Pointe Mobile Home Park, which is located in Dandridge, Tennessee and totals 65 sites, for a total purchase price of $1,438,000. On March 17, 2020, the closing was completed and the Company's newly formed wholly owned subsidiary Evergreen MHP LLC ("Evergreen") purchased the property.

In connection with the closing, on March 17, 2020, Evergreen entered into a loan agreement with Hunt Mortgage Capital, LLC (the "Lender"), for a loan in the principal amount of $1,150,000 and Evergreen issued a promissory note to the Lender in the principal amount of $1,150,000. The remainder of the purchase price, or $288,000, was paid in cash.

The note bears interest at a rate of 3.99% per annum and is due and payable on April 1, 2032. The monthly payments under the note are equal to $5,483.65. If any monthly payment is not received by the Lender within ten (10) days after the applicable due date, Evergreen must pay a late charge in an amount equal to the delinquent amount then due multiplied by 5%. Furthermore, if any payment remains past due for thirty (30) days or more, interest on such unpaid amounts shall accrue at the lesser of 7.99% or the maximum rate allowed by applicable law. Evergreen may prepay the note in full, but not in part, at any time if it pays a prepayment premium calculated in accordance with the loan agreement.

The note is secured by the property and guaranteed by Mr. Raymond M. Gee, the Company's Chief Executive Officer, Gvest Capital Real Estate LLC, an entity controlled by Mr. Gee, and the Company (the "Guarantors").

The loan agreement was subject to customary closing conditions and contains customary representations and warranties. The loan agreement also contains customary financial and other covenants for a loan of this type. The loan agreement also contains customary events of default, some of which are subject to cure periods as set forth in the loan agreement, including, but not limited to: (i) any failure by Evergreen to pay or deposit when due any amount required by the note, the loan agreement or any other loan document (as defined in the loan agreement); (ii) any failure by Evergreen to maintain the insurance coverage required by any loan document; (iii) if any warranty, representation, certification, or statement of Evergreen or any Guarantor in the loan agreement or any of the other loan documents is false inaccurate, or misleading in any material respect when made; (iv) the fraud, gross negligence, willful misconduct, or material misrepresentation or material omission by or on behalf of Evergreen or any Guarantor or any of their officers, directors, trustees, partners, members, or managers in connection with the application for, or creation of, the loan or any financial statement, rent roll, or other report or information provided to Lender during the term of the loan; (v) the occurrence of any transfer (as defined in the loan agreement) not permitted by the loan documents; (vi) the occurrence of a bankruptcy event (as defined in the loan agreement); (vii) if a Guarantor is a natural person, the death of such individual, unless certain requirements set forth in the loan agreement are met; (viii) the occurrence of a guarantor bankruptcy event (as defined in the loan agreement), unless certain requirements of the loan agreement are met; (ix) any failure by Evergreen or a Guarantor to comply with certain covenants in the loan agreement; or (x) any failure by Evergreen to perform any of its obligations under the loan agreement or any loan document as and when required.

Repayment of Metrolina Note

In February 2020, the Company repaid $1,000,000 of principal and accrued interest on the Metrolina related party promissory note.

Loan Refinancing

On April 1, 2020, the Company refinanced the loans for Butternut MHP Land LLC (see Note 4) with the existing lender to increase the loan amount to $1,388,019 and to extend the maturity date to April 10, 2025. In addition, the interest rate was changed to 6% per annum, provided that on April 10, 2023 and thereafter, the interest rate shall be equal to (i) the per annum rate of interest identified as the "Prime Rate" as published in the monthly rates section of the Wall Street Journal plus (ii) 1% per annum, adjusted as the first day of each calendar quarter. The loan, as modified, is secured by the real estate assets of Butternut MHP Land LLC and is guaranteed by the Company and Raymond M. Gee, who received a loan guarantee fee of $70,000.

Filed Pursuant to Rule 253(g)(2)
File No. 024-10997

Supplement No. 1 to Offering Circular dated May 27, 2020

Manufactured Housing Properties Inc.
136 Main Street
Pineville, NC 28134
(980) 273-1702; www.mhproperties.com

This Offering Circular Supplement No. 1 (the "**Supplement**") relates to the Offering Circular of Manufactured Housing Properties Inc. (the "**Company**"), dated May 27, 2020 (the "**Offering Circular**"), relating to the Company's public offering under Regulation A of Section 3(6) of the Securities Act of 1933, as amended, for Tier 2 offerings, pursuant to which the Company is offering up to 1,000,000 shares of Series B Cumulative Redeemable Preferred Stock (the "**Series B Preferred Stock**") at an offering price of $10.00 per share, for a maximum offering amount of $10,000,000. In addition, the Company is offering bonus shares to early investors in this offering. The first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock. This Supplement should be read in conjunction with the Offering Circular and is qualified by reference to the Offering Circular, except to the extent that the information contained herein supplements or supersedes the information contained in the Offering Circular, and may not be delivered without the Offering Circular.

On November 29, 2019, the Company completed an initial closing of the offering, pursuant to which the Company sold an aggregate of 335,512 shares of Series B Preferred Stock to 103 investors for total gross proceeds of $3,355,120. After deducting the placement fee, the Company received net proceeds of approximately $3,120,262. The Company also issued 10,300 shares of Common Stock to these early investors.

On December 31, 2019, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 74,210 shares of Series B Preferred Stock to 54 investors for total gross proceeds of $742,100. After deducting the placement fee, the Company received net proceeds of approximately $690,153. The Company also issued 5,100 shares of Common Stock to additional investors.

On January 29, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 52,500 shares of Series B Preferred Stock to 21 investors for total gross proceeds of $525,000. After deducting the placement fee, the Company received net proceeds of approximately $488,250. The Company also issued 2,100 shares of Common Stock to additional early investors.

On January 31, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 11,000 shares of Series B Preferred Stock to 4 investors for total gross proceeds of $110,000. After deducting the placement fee, the Company received net proceeds of approximately $102,300. The Company also issued 400 shares of Common Stock to additional early investors.

On February 28, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 19,595 shares of Series B Preferred Stock to 21 investors for total gross proceeds of $195,950. After deducting the placement fee, the Company received net proceeds of approximately $182,234. The Company also issued 2,100 shares of Common Stock to additional early investors.

On March 30, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 32,140 shares of Series B Preferred Stock to 14 investors for total gross proceeds of $321,400. After deducting the placement fee, the Company received net proceeds of approximately $298,902. The Company also issued 1,400 shares of Common Stock to additional early investors.

This Supplement includes the attached Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 15, 2020. The exhibits to such Form 10-Q are not included with this Supplement and are not incorporated by reference herein.

INVESTING IN OUR SECURITIES INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CAREFULLY READ AND CONSIDER THE "RISK FACTORS" BEGINNING ON PAGE 10 OF THE OFFERING CIRCULAR.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Offering Circular is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Supplement No. 1 to Offering Circular is May 28, 2020

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10−Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2020

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-51229

MANUFACTURED HOUSING PROPERTIES INC.

(Exact name of registrant as specified in its charter)

Nevada	**51-0482104**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
136 Main Street, Pineville, North Carolina	**28134**
(Address of principal executive offices)	(Zip Code)

(980) 273-1702

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☒

Accelerated filer ☐
Smaller reporting company ☒
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for comply with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 14, 2019, there were 12,342,080 common shares of the registrant issued and outstanding.

Manufactured Housing Properties Inc.

Quarterly Report on Form 10-Q
Period Ended March 31, 2020

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ITEM 1. FINANCIAL STATEMENTS.

MANUFACTURED HOUSING PROPERTIES INC.
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MANUFACTURED HOUSING PROPERTIES INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2020 AND DECEMBER 31, 2019

	March 31, 2020	December 31, 2019
Assets	**(unaudited)**	**(as Revised)**
Investment Property		
Land	$ 12,094,338	$ 10,885,938
Site and Land Improvements	20,286,401	17,466,801
Buildings and Improvements	7,396,472	6,214,725
Total Investment Property	39,777,211	34,567,464
Accumulated Depreciation & Amortization	(1,750,330)	(1,394,958)
Net Investment Property	38,026,881	33,172,506
Cash and Cash Equivalents, including restricted cash of $335,905	2,748,681	4,146,411
Accounts Receivable, net	40,029	31,881
Other Assets	523,105	557,012
Total Assets	$ 41,338,696	$ 37,907,810
Liabilities		
Accounts Payable	$ 271,727	$ 227,406
Notes Payable, net of $821,772 and $633,629 debt discount	32,194,746	28,359,247
Note Payable – Related Party	689,546	797,906
Note Payable – Line of Credit Related Party	816,500	1,730,000
Accrued Liabilities	572,353	551,481
Tenant Security Deposits	335,905	316,035
Total Liabilities	34,880,777	31,982,075
Commitments and Contingencies (See note 4)	-	-
Redeemable Preferred Stock – subject to redemption		
Series A Cumulative Redeemable Convertible Preferred Stock, par value $0.01 per share; 4,000,000 shares authorized; 1,890,000 shares issued and outstanding as of March 31, 2020 and December 31, 2019; redemption value $7,087,500	5,027,125	4,909,000
Series B Cumulative Redeemable Preferred Stock, par value $0.01 per share; 1,000,000 shares authorized; 524,957 and 409,722 shares issued and outstanding as of March 31, 2020 and December 31, 2019, respectively; redemption value $7,874,355	5,172,664	3,973,610
Stockholders' deficit		
Common Stock, par value $0.01 per share; 200,000,000 shares authorized; 12,342,080 and 12.336,080 shares are issued and outstanding as of March 31, 2020 and December 31, 2019, respectively	123,421	123,361
Additional Paid in Capital	328,959	759,849
Accumulated Deficit	(4,194,250)	(3,840,085)
Total Stockholders Deficit	(3,741,870)	(2,956,875)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 41,338,696	$ 37,907,810

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

MANUFACTURED HOUSING PROPERTIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(UNAUDITED)

	March 31, 2020	March 31, 2019
Revenue		
Rental and related income	$ 1,302,412	$ 524,374
Management fees, related party	3,725	12,000
Total revenues	1,306,137	536,374
Community operating expenses		
Repair and maintenance	66,570	43,290
Real estate taxes	59,190	23,561
Utilities	141,461	31,593
Insurance	41,901	6,271
General and administrative expense	205,570	95,106
Total community operating expenses	514,692	199,821
Corporate payroll and overhead	317,443	135,963
Depreciation and amortization expense	389,993	134,926
Interest expense	438,174	232,706
Refinancing costs	-	552,272
Total Expenses	1,660,302	1,255,688
Net loss before provision for income taxes	(354,165)	(719,314)
Provision for income taxes	-	-
Net Loss attributable to the Company	$ (354,165)	$ (719,314)
Preferred stock dividends		
Series A preferred dividends	94,500	4,667
Series A preferred put option value accretion	118,125	-
Series B preferred dividends	92,996	-
Series B preferred put option value accretion	127,368	-
Total preferred stock dividends	$ 432,989	$ 4,667
Net Loss attributable to common shareholders	$ (787,154)	$ (723,981)
Weighted average shares – basic and fully diluted	12,339,291	12,527,673
Weighted average – basic and fully diluted	$ (0.06)	$ (0.06)

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

MANUFACTURED HOUSING PROPERTIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(UNAUDITED)

	COMMON STOCK		ADDITIONAL PAID IN CAPITAL	NON CONTROLLING INTEREST	ACCUMULATED DEFICIT	STOCKHOLDERS' EQUITY (DEFICIT)
	SHARES	PAR VALUE				
Balance at January 1, 2019	10,350,062	$ 103,500	$ 451,567	$ 293,241	$ (1,801,338)	$ (953,030)
Stock option expense	-	-	8	-	-	8
Common Stock issuance for acquisition of minority interest (as revised)	2,000,000	20,000	273,241	(293,241)	-	-
Common Stock issuance for related party line of credit	545,000	5,450	299,750	-	-	305,200
Common Stock issuance for service	-	-	24,500	-	-	24,500
Preferred shares Series A dividends	-	-	(4,667)	-	-	(4,667)
Imputed interest	-	-	14,004	-	-	14,004
Net Loss	-	-	-	-	(719,314)	(719,314)
Balance at March 31, 2019 (as revised)	12,895,062	$ 128,950	$ 1,058,403	$ -	$ (2,520,652)	$ (1,333,299)
Balance at January 1, 2020 (as revised)	12,336,080	$ 123,361	$ 759,849	$ -	$ (3,840,085)	$ (2,956,875)
Stock option expense	-	-	539	-	-	539
Common Stock issuance to preferred share holders	6,000	60	1,560	-	-	1,620
Preferred shares Series A dividends	-	-	(94,500)	-	-	(94,500)
Preferred shares Series A put option value accretion	-	-	(118,125)	-	-	(118,125)
Preferred shares Series B dividends	-	-	(92,996)	-	-	(92,996)
Preferred shares Series B put option value accretion	-	-	(127,368)	-	-	(127,368)
Net Loss	-	-	-	-	(354,165)	(354,165)
Balance at March 31, 2020	12,342,080	$ 123,421	$ 328,959	$ -	$ (4,194,250)	$ (3,741,870)

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

MANUFACTURED HOUSING PROPERTIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(UNAUDITED)

	March 31, 2020	March 31, 2019
Cash Flows from Operating Activities:		
Net Loss	$ (354,165)	$ (719,314)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
In-kind contribution of interest	-	14,004
Provision for bad debts	3,802	4,076
Stock option expense	539	8
Stock compensation expense	-	329,700
Write off mortgage cost	-	68,195
Depreciation and amortization	389,993	134,927
Changes in operating assets and liabilities:		
Accounts receivable	(8,148)	(331)
Other assets	33,907	(154,177)
Accounts payable	44,321	(22,734)
Accrued expenses	(31,306)	(235,684)
Other liabilities and deposits	19,870	1,391
Net Cash Provided by (Used in) Operating Activities	98,813	(579,939)
Cash Flows from Investing Activities:		
Capital Improvements	(71,747)	-
Purchases of investment properties	(988,000)	(33,514)
Net Cash Used in Investing Activities	(1,059,747)	(33,514)
Cash Flows from Financing Activities:		
Proceeds from related – party note	-	7,076
Repayment of note payable – line of credit related party	(913,500)	(2,754,550)
Proceeds from note payables	-	8,241,000
Repayment of notes payable	(126,358)	(4,942,319)
Proceeds from issuance of preferred stock	1,152,350	600,000
Fees in connection of preferred stock issuance	(80,664)	(110,039)
Repayment of note payable - related party	(108,360)	-
Payment of mortgage costs recorded as debt discount	(172,768)	-
Preferred shares dividends	(187,496	(4,667
Net Cash Provided by (Used in) Financing Activities	(436,796)	1,036,501
Net Change in cash, cash equivalents and restricted cash	(1,397,730)	423,048
Cash, cash equivalents and restricted cash at beginning of the period	4,146,411	458,271
Cash, cash equivalents and restricted cash at end of the period	$ 2,748,681	$ 881,319
Cash, cash equivalents and restricted cash consist of the following:		
End of period		
Cash and cash equivalents	$ 2,412,776	$ 748,779
Restricted cash	335,905	132,540
Cash, cash equivalents and restricted cash consist of the following:		
Beginning of period		
Cash and cash equivalents	$ 3,830,376	$ 327,122
Restricted cash	316,035	131,149
	$ 4,146,411	$ 458,271
Cash paid for:		
Income Taxes	$ -	$ -
Interest	405,409	218,702
Non-Cash Investing and Financing Activities		
Purchase of Minority Interest in Pecan Grove	$ -	$ 537,562
Notes related to acquisitions	$ 4,150,000	-
Non-cash Preferred stock accretion	$ 245,493	$ -

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

Organization

Manufactured Housing Properties Inc. (the "Company") is a Nevada corporation whose principal activities are to acquire, own, and operate manufactured housing communities.

Basis of Presentation

The Company prepares its consolidated financial statements under the accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America ("GAAP").

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with GAAP for interim financial information and with the instructions to Form 10-Q of Regulation S-X. They do not include all information and footnotes required by GAAP for complete financial statements. The December 31, 2019 consolidated balance sheet data were derived from audited financial statements but do not include all disclosures required by GAAP. However, except as disclosed herein, there has been no material change in the information disclosed in the notes to the consolidated financial statements for the year ended December 31, 2019 included in the Company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission on April 14, 2020. The interim unaudited condensed consolidated financial statements should be read in conjunction with those consolidated financial statements included in the Form 10-K. In the opinion of management, all adjustments considered necessary for a fair statement of the financial statements, consisting solely of normal recurring adjustments, have been made. Operating results for the three months ended March 31, 2020 are not necessarily indicative of the results that may be expected for the year ending December 31, 2020.

The Company's formation of all subsidiaries and date of consolidation are as follows:

Name of Subsidiary	State of Formation	Date of Formation	Ownership
Pecan Grove MHP LLC	North Carolina	October 12, 2016	100%*
Butternut MHP Land LLC	Delaware	March 1, 2017	100%
Azalea MHP LLC	North Carolina	October 25, 2017	100%
Holly Faye MHP LLC	North Carolina	October 25, 2017	100%
Chatham Pines MHP LLC	North Carolina	October 31, 2017	100%
Maple Hills MHP LLC	North Carolina	October 31, 2017	100%
Lakeview MHP LLC	South Carolina	November 1, 2017	100%
MHP Pursuits LLC	North Carolina	January 31, 2019	100%
Mobile Home Rentals LLC	North Carolina	September 30, 2016	100%
Hunt Club MHP LLC	South Carolina	March 8, 2019	100%
B&D MHP LLC	South Carolina	April 4, 2019	100%
Crestview MHP LLC	North Carolina	June 28, 2019	100%
Springlake MHP LLC	Georgia	October 10, 2019	100%
ARC MHP LLC	South Carolina	November 13, 2019	100%
Countryside MHP LLC	South Carolina	March 12, 2020	100%
Evergreen MHP LLC	Tennessee	March 17, 2020	100%

*The Company originally acquired a 75% interest. In January 2019, the Company acquired the remaining 25% interest from a related party.

All intercompany transactions and balances have been eliminated in consolidation. The Company does not have a majority or minority interest in any other company, either consolidated or unconsolidated.

Revenue Recognition

The Company's revenues primarily consist of rental revenues and fee and other income. The Company has the following revenue sources and revenue recognition policies:

- Rental revenues include revenues from the leasing land lot or a combination of both, the mobile home and land at our properties to tenants.
    - Revenues from the leasing of land lot or a combination of both, the mobile home and land at the Company's properties to tenants include (i) lease components, including land lot or a combination of both, the mobile home and land, and (ii) reimbursement of utilities and account for the components as a single lease component in accordance with Accounting Standards Codification ("ASC") 842.
    - Revenues derived from fixed lease payments are recognized on a straight-line basis over the non-cancelable period of the lease. The Company commences rental revenue recognition when the underlying asset is available for use by the lessee. Revenue derived from the reimbursement of utilities are generally recognized in the same period as the related expenses are incurred. The Company's leases are month-to-month.
- Fee and other income include late fees, violation fees and other revenue arising from contractual agreements with third parties. This revenue is recognized as the services are transferred in accordance with ASC 606.
- Mobile home sale revenues are recognized in accordance with Topic 606 of the Financial Accounting Standards Board ("FASB") ASC for revenue recognition. On January 1, 2018, the Company adopted Accounting Standards Update ("ASU") 2014-09, which is a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. The Company considers revenue realized or realizable and earned when all the five following criteria are met: (1) identification of the contract with a customer, (2) identification of the performance obligations in the contract, (3) determination of the transaction price, (4) allocation of the transaction price to the performance obligations in the contract, and (5) recognition of revenue when (or as) we satisfy a performance obligation.

Under ASC 842, the Company must assess on an individual lease basis whether it is probable that the Company will collect the future lease payments. The Company considers the tenant's payment history and current credit status when assessing collectability. When collectability is not deemed probable, the Company will write-off the tenant's receivables, including straight-line rent receivable, and limit lease income to cash received.

Accounts Receivable

Accounts receivable consist primarily of amounts currently due from residents. Accounts receivables are reported in the balance sheet at outstanding principal adjusted for any charge-offs and the allowance for losses. The Company records an allowance for bad debt when receivables are over 90 days old.

Acquisitions

The Company accounts for acquisitions as asset acquisitions in accordance with ASC 805, "Business Combinations," and allocates the purchase price of the property based upon the fair value of the assets acquired, which generally consist of land, site and land improvements, buildings and improvements and rental homes. The Company allocates the purchase price of an acquired property generally determined by internal evaluation as well as third-party appraisal of the property obtained in conjunction with the purchase.

Net Income (Loss) Per Share

Basic net income (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding plus the weighted average number of net shares that would be issued upon exercise of stock options pursuant to the treasury stock method. Total dilutive securities outstanding as of March 31, 2020 and 2019 totaled 656,175 and 541,334 stock options, respectively, 1,890,000 and 280,000 convertible Preferred Series A shares, respectively, which are convertible into common shares at $2.50 per share for a total of 756,000 and 112,000, respectively, which are not included in dilutive loss per share as the effect would be anti-dilutive.

Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Investment Property and Depreciation

Investment property which consists of property and equipment are carried at cost. Depreciation for Sites and Building is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 15 to 25 years). Depreciation of Improvements to Sites and Buildings, Rental Homes and Equipment and Vehicles is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 3 to 25 years). Land Development Costs are not depreciated until they are put in use, at which time they are capitalized as Sites and Land Improvements. Interest Expense pertaining to Land Development Costs are capitalized. Maintenance and Repairs are charged to expense as incurred and improvements are capitalized. The costs and related accumulated depreciation of property sold or otherwise disposed of are removed from the financial statement and any gain or loss is reflected in the current period's results of operations.

Impairment Policy

The Company applies FASB ASC 360-10, "Property, Plant & Equipment," to measure impairment in real estate investments. Rental properties are individually evaluated for impairment when conditions exist which may indicate that it is probable that the sum of expected future cash flows (on an undiscounted basis without interest) from a rental property is less than the carrying value under its historical net cost basis. These expected future cash flows consider factors such as future operating income, trends and prospects as well as the effects of leasing demand, competition and other factors. Upon determination that a permanent impairment has occurred, rental properties are reduced to their fair value. For properties to be disposed of, an impairment loss is recognized when the fair value of the property, less the estimated cost to sell, is less than the carrying amount of the property measured at the time there is a commitment to sell the property and/or it is actively being marketed for sale. A property to be disposed of is reported at the lower of its carrying amount or its estimated fair value, less its cost to sell. Subsequent to the date that a property is held for disposition, depreciation expense is not recorded. There was no impairment during the three months ended March 31, 2020 and 2019.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

The Company maintains cash balances at banks and deposits at times may exceed federally insured limits. Management believes that the financial institutions that hold the Company's cash are financially secure and, accordingly, minimal credit risk exists. At March 31, 2020 and December 31, 2019, the Company had approximately $1,155,724 and $2,553,454 above the FDIC-insured limit, respectively, including restricted cash including restricted cash held for tenants security deposits of $335,905 and $316,035, respectively.

Stock Based Compensation

All stock based payments to employees, nonemployee consultants, and to nonemployee directors for their services as directors, including any grants of restricted stock and stock options, are measured at fair value on the grant date and recognized in the statements of operations as compensation or other expense over the relevant service period in accordance with FASB ASC Topic 718. Stock based payments to nonemployees are recognized as an expense over the period of performance. Such payments are measured at fair value at the earlier of the date a performance commitment is reached or the date performance is completed. In addition, for awards that vest immediately and are nonforfeitable the measurement date is the date the award is issued. The Company recorded stock option expense of $539 and $8 during the three months ended March 31, 2020 and 2019, respectively.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB ASC for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB ASC to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Reclassifications

Certain amounts in the prior period presentation have been reclassified to conform with the current presentation.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, the Company determines deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that the Company believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If the Company determines that it would be able to realize its deferred tax assets in the future in excess of their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

The Company recognizes interest and penalties, if any, with income tax expense in the accompanying consolidated statement of operations. As of March 31, 2020, and December 31, 2019, there were no such accrued interest or penalties.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." ASU 2016-13 requires that entities use a new forward looking "expected loss" model that generally will result in the earlier recognition of allowance for credit losses. The measurement of expected credit losses is based upon historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU No. 2016-13 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2022. The Company is currently evaluating the potential impact this standard may have on the consolidated financial statements.

In March 2019, the FASB issued ASU No. 2019-01, "Leases (Topic 842): Codification Improvements." ASU 2019-01 aligns the guidance for fair value of the underlying asset by lessors with existing guidance in Topic 842. The ASU requires that the fair value of the underlying asset at lease commencement is its cost reflecting in volume or trade discounts that may apply. However, if there has been a significant lapse of time between the date the asset was acquired and the lease commencement date, the definition of fair value as outlined in Topic 820 should be applied. In addition, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases standard. The update is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company is still evaluating the impact of this ASU on the Company's consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying condensed consolidated financial statements.

Impact of Coronavirus Pandemic

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China. The virus has since spread to over 150 countries and every state in the United States. On March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020, the United States declared a national emergency.

Most states and cities, including where the Company's properties are located, have reacted by instituting quarantines, restrictions on travel, "stay at home" rules and restrictions on the types of businesses that may continue to operate, as well as guidance in response to the pandemic and the need to contain it.

The Company is carefully reviewing all rules, regulations, and orders and responding accordingly. The Company has taken steps to take care of its employees, including providing the ability for employees to work remotely and implementing strategies to support appropriate social distancing techniques for those employees who are not able to work remotely. The Company has also taken precautions with regard to employee, facility and office hygiene as well as implementing significant travel restrictions. The Company is also assessing its business continuity plans for all business units in the context of the pandemic. This is a rapidly evolving situation, and the Company will continue to monitor and mitigate developments affecting its workforce, its tenants, and the public at large to the extent the Company is able to do so.

The rules and restrictions put in place have had a negative impact on the economy and business activity and may adversely impact the ability of the Company's tenants, many of whom may be restricted in their ability to work, to pay their rent as and when due. In addition, the Company's property managers may be limited in their ability to properly maintain the Company's properties. Enforcing the Company's rights as landlord against tenants who fail to pay rent or otherwise do not comply with the terms of their leases may not be possible as many jurisdictions, including those where are properties are located, have established rules and/or regulations preventing us from evicting tenants for certain periods in response to the pandemic. If the Company is unable to enforce its rights as landlords, our business would be materially affected.

If the current pace of the pandemic cannot be slowed and the spread of the virus is not contained, the Company's business operations could be further delayed or interrupted. The Company expects that government and health authorities may announce new or extend existing restrictions, which could require the Company to make further adjustments to its operations in order to comply with any such restrictions. The duration of any business disruption cannot be reasonably estimated at this time but may materially affect the Company's ability to operate its business and result in additional costs.

The extent to which the pandemic may impact the Company's results will depend on future developments, which are highly uncertain and cannot be predicted as of the date hereof, including new information that may emerge concerning the severity of the pandemic and steps taken to contain the pandemic or treat its impact, among others. Nevertheless, the pandemic and the current financial, economic and capital markets environment present material uncertainty and risk with respect to the Company's performance, financial condition, results of operations and cash flows.

NOTE 2 – Revision of Prior Year Immaterial Misstatement

During the quarter ended March 31, 2020, the Company identified a certain error in recording our minority interest buyout for Pecan Grove during the first quarter of 2019. This error resulted in decreasing our land Investment Property and Equity by $244,321 and had no impact on our income statements.

The Company assessed the materiality of this error considering both qualitative and quantitative factors and determined that for both the quarter and fiscal year ended December 31, 2019, the error was immaterial. The Company has decided to correct this error as revisions to our previously issued financial statements and will adjust the Form 10-K when filed in succeeding periods of this fiscal year.

The table below present the impact of the revision in the Company's condensed consolidated financial statements.

	December 31, 2019		
	As previously reported	Adjustment	As Revised
Balance Sheet / Statement of Changes in Stockholders' Equity			
Investment Property			
Land	$ 11,130,259	$ (244,321)	$ 10,885,938
Total Investment Property	34,811,785	(244,321)	34,567,464
Net Investment Property	33,416,827	(244,321)	33,172,506
Total Assets	38,152,131	(244,321)	37,907,810
Additional Paid in Capital	1,004,170	(244,321)	759,849
Total Stockholders' Deficit	(2,712,554)	(244,321)	(2,956,875)
Total Liabilities and Stockholders' Deficit	$ 38,152,131	$ (244,321)	$ 37,907,810

The unaudited condensed consolidated income statement and statement of cash flows are not presented because there is no impact to these statements.

NOTE 3 – INVESTMENT PROPERTY

Investment Property consists of the following as of:

	March 31, 2020	**December 31, 2019 (As Revised)**
Investment Property		
Land	$ 12,094,338	$ 10,885,938
Site and Land Improvements	20,286,401	17,466,801
Buildings and Improvements	7,396,472	6,214,725
Total Investment Property	39,777,211	34,567,464
Less: accumulated depreciation and amortization	(1,750,330)	(1,394,958)
Net Investment Property	$ 38,026,881	$ 33,172,506

Depreciation and amortization expense totaled $389,993 and $134,926 for the three months ended March 31, 2020, and 2019, respectively.

During the three months ended March 31, 2019, the Company acquired the 25% minority interest in Pecan Grove MHP LLC. The Company also acquired two manufactured housing communities and accounted for them as asset acquisitions during the three months ended March 31, 2020 totaling $5,310,767 (See note 8).

NOTE 4 – PROMISSORY NOTES

Secured Promissory Notes

The Company has issued promissory notes payable to lenders related to the acquisition of its manufactured housing communities. These promissory notes range from 3.3% to 7.0% with 5 to 30 years principal amortization. Two of the promissory notes had an initial 6 months period on interest only payments. The promissory notes are secured by the real estate assets and $7,471,738 for four assets were guaranteed by Raymond M. Gee, the Company's chairman, chief executive officer and owner of the principal stockholder of the Company.

During the three months ended March 31, 2019, the Company refinanced a total of $4,940,750 from current loans payable to $8,241,000 of new notes payable from five of the communities, resulting in an additional loan payable of $3,320,859. The Company used the additional loans payable proceeds from the refinance to retire the related party note payable described below. During the three months ended March 31, 2019, the Company wrote off mortgage costs of $68,195 and capitalized $110,039 of mortgage costs due to the refinancing.

As of March 31, 2020, the Company recorded $222,768 of mortgage cost related to the two acquisitions.

The following are terms of these notes:

	Maturity Date	Interest Rate	Balance 03/31/20	Balance 12/31/19
Butternut MHP Land LLC	03/30/20	6.500%	$ 1,111,166	$ 1,114,819
Butternut MHP Land LLC Mezz	04/01/27	7.000%	278,834	280,013
Pecan Grove MHP LLC	02/22/29	5.250%	3,086,021	3,095,274
Azalea MHP LLC	03/01/29	5.400%	824,965	835,445
Holly Faye MHP LLC	03/01/29	5.400%	579,825	574,096
Chatham MHP LLC	04/01/24	5.875%	1,760,497	1,771,506
Lake View MHP LLC	03/01/29	5.400%	1,851,006	1,857,266
B&D MHP LLC	04/25/29	5.500%	1,845,717	1,854,788
Hunt Club MHP LLC	05/01/24	5.750%	1,438,294	1,447,364
Crestview MHP LLC	07/31/24	5.500%	4,146,819	4,173,652
Maple MHP LLC	01/01/23	5.125%	2,668,253	2,688,653
Springlake MHP LLC	11/14/22	3.310%	4,000,000	4,000,000
ARC MHP LLC	01/01/30	5.500%	5,275,121	5,300,000
Countryside MHP LLC	03/20/50	5.500%	3,000,000	-
Evergreen MHP LLC	04/01/32	3.990%	1,150,000	-
Totals note payables			33,016,518	28,992,876
Discount Direct Lender Fees			(821,772)	(633,629)
Total net of Discount			$ 32,194,746	$ 28,359,247

Related Party Promissory Note

On May 8, 2017, the Company issued a promissory note to Metrolina Loan Holdings, LLC ("Metrolina") in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, the Company paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of the Company's Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. As of March 31, 2010, there was $2,183,500 available for redeployment. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in the Company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. This note matures in May of 2023. As of March 31, 2020, and December 31, 2019, the balance on this note was $816,500 and $1,730,000, respectively. During the three months ended March 31, 2020 and 2019, the Company recorded interest expense related to the note totaling $36,028 and $86,238, respectively. The related party note is guaranteed by Mr. Gee, the Company's Chief Executive Officer.

Revolving Promissory Note

On October 1, 2017, the Company issued a revolving promissory note to Raymond M. Gee, the Company's chairman and chief executive officer, pursuant to which the Company may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of March 31, 2020, and December 31, 2019, the outstanding balance on this note was $689,546 and $797,906, respectively. During the three months ended March 31, 2020, and 2019, the Company recorded imputed interest related to the note of $0 and $14,004, respectively.

Maturities of Long-Term Obligations for Five Years and Beyond

The minimum annual principal payments of notes payable at March 31, 2020 by fiscal year were:

2020 (remainder of year)	$ 358,920
2021	572,362
2022	4,606,975
2023	3,065,286
2024	7,192,359
Thereafter	17,220,616
Total minimum principal payments	$ 33,016,518

NOTE 5 – COMMITMENTS AND CONTINGENCIES

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise that may harm its business. The Company is currently not aware of any such legal proceedings or claims that they believe will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

NOTE 6 – STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue up to 10,000,000 shares of preferred stock, $0.01 par value.

Series A Preferred Stock

On May 8, 2019, the Company filed a certificate of designation with the Nevada Secretary of State pursuant to which the Company designated 4,000,000 shares of its preferred stock as Series A Cumulative Convertible Preferred Stock (the "Series A Preferred Stock"). The Series A Preferred Stock has the following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series A Preferred Stock ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, senior to the Common Stock.

Dividend Rate and Payment Dates. Dividends on the Series A Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of Series A Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.017 per share each month, which is equivalent to the rate of 8% of the $2.50 liquidation preference per share. Dividends on shares of Series A Preferred Stock will continue to accrue even if any of the Company's agreements prohibit the current payment of dividends or the Company does not have earnings. During the three months ended March 31, 2020, and 2019, the Company paid dividends of $94,500 and $4,667, respectively.

Liquidation Preference. The liquidation preference for each share of Series A Preferred Stock is $2.50. Upon a liquidation, dissolution or winding up of the Company, holders of shares of Series A Preferred Stock 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. Each share of Series A Preferred Stock is convertible, at any time and from time to time, at the option of the holder thereof and without the payment of additional consideration, into that number of shares of Common Stock determined by dividing the liquidation preference of such share by the conversion price then in effect. The conversion price is initially equal $2.50, subject to adjustment as set forth in the certificate of designation. In addition, if at any time the trading price of the Common Stock is greater than the liquidation preference of $2.50, the Company may deliver a written notice to all holders to cause each holder to convert all or part of such holders' Series A Preferred Stock.

Company Call and Stockholder Put Options. Commencing on the fifth anniversary of the initial issuance of shares of Series A Preferred Stock and continuing indefinitely thereafter, the Company will have a right to call for redemption the outstanding shares of Series A Preferred Stock at a call price equal to $3.75, or 150% of the original issue price of the Series A Preferred Stock, and correspondingly, each holder of shares of Series A Preferred Stock shall have a right to put the shares of Series A Preferred Stock held by such holder back to us at a put price equal to $3.75, or 150% of the original issue purchase price of such shares. During the three months ended March 31, 2020 and 2019, the Company recorded a put option value accretion of $118,125 and $0, respectively.

Voting Rights. The Company may not authorize or issue any class or series of equity securities ranking senior to the Series A Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend the Company's articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series A Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of the outstanding shares of Series A Preferred Stock, voting together as a class. Otherwise, holders of the shares of Series A Preferred Stock do not have any voting rights.

As of March 31, 2020, there were 1,890,000 shares of Series A Preferred Stock issued and outstanding. As of March 31, 2020, the Series A Preferred Stock balance was made up of Series A Preferred Stock totaling $4,725,000 and accretion of put options totaling $302,125. As of December 31, 2019, the Series A Preferred Stock balance was made up of Series A Preferred Stock totaling $4,725,000 and accretion of put options totaling $184,000.

Series B Preferred Stock

On December 2, 2019, the Company filed a certificate of designation with the Nevada Secretary of State pursuant to which the Company designated 1,000,000 shares of its preferred stock as Series B Cumulative Redeemable Preferred Stock (the "Series B Preferred Stock"). The Series B Preferred Stock has the following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series B Preferred Stock rank, as to dividend rights and rights upon liquidation, dissolution, or winding up, senior to the Common Stock and *pari passu* with the Series A Preferred Stock.

Dividend Rate and Payment Dates. Dividends on the Series B Preferred Stock are cumulative and payable monthly in arrears to all holders of record on the applicable record date. Holders of Series B Preferred Stock will be entitled to receive cumulative dividends in the amount of $0.067 per share each month, which is equivalent to the annual rate of 8% of the $10.00 liquidation preference per share; provided that upon an event of default (generally defined as the Company's failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to $0.083 per month, which is equivalent to the annual rate of 10% of the $10.00 liquidation preference per share. During the three months ended March 31, 2020 and 2019, the Company paid dividends of $92,996 and $0, respectively.

Liquidation Preference. The liquidation preference for each share of Series B Preferred Stock is $10.00. Upon a liquidation, dissolution or winding up of the Company, holders of shares of Series B Preferred Stock 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.

Company Call and Stockholder Put Options. Commencing on the fifth anniversary of the initial issuance of shares of Series B Preferred Stock and continuing indefinitely thereafter, the Company will have a right to call for redemption the outstanding shares of Series B Preferred Stock at a call price equal to $15.00, or 150% of the original issue price of the Series B Preferred Stock, and correspondingly, each holder of shares of Series B Preferred Stock shall have a right to put the shares of Series B Preferred Stock held by such holder back to the Company at a put price equal to $15.00, or 150% of the original issue purchase price of such shares. During the three months ended March 31, 2020 and 2019, the Company recorded a put option value accretion of $127,368 and $0, respectively.

Voting Rights. The Company may not authorize or issue any class or series of equity securities ranking senior to the Series B Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend the Company's articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series B Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of outstanding shares of Series B Preferred Stock, voting together as a class. Otherwise, holders of the shares of Series B Preferred Stock do not have any voting rights.

No Conversion Right. The Series B Preferred Stock is not convertible into shares of Common Stock.

On November 1, 2019, the Company launched an offering under Regulation A of Section 3(6) of the Securities Act of 1933, as, amended, for Tier 2 offerings, pursuant to which the Company is offering up to 1,000,000 shares of Series B Preferred Stock at an offering price of $10.00 per share, for a maximum offering amount of $10,000,000. In addition, the Company is offering bonus shares to early investors in this offering, whereby the first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock.

During the three months ended March 31, 2020, the Company sold an aggregate of 115,235 shares of Series B Preferred Stock for total gross proceeds of $1,152,350. After deducting a placement fee and other expenses, the Company received net proceeds of $1,071,686. During the three months ended March 31, 2020 and 2019, the Company recorded a put option value accretion of $127,368.

As of March 31, 2020, there were 524,957 shares of Series B Preferred Stock issued and outstanding.

Common Stock

The Company is authorized to issue up to 200,000,000 shares of common stock, par value $0.01 per share. As of March 31, 2020, there were 12,342,080 shares of common stock issued and outstanding.

Stock Issued for Service

In February 2019, the Company issued an additional 545,000 shares of Common Stock for services to Metrolina with a fair value of $305,200.

Stock Issued for Cash

During the three months ended March 31, 2020 and 2019, the Company issued 6,000 and 0 shares of Common Stock, respectively, to early investors in the Regulation A offering, valued at $1,620 and $0, respectively.

Stock issued for Acquisition

In January 2019, the Company issued 2,000,000 shares of Common Stock to Gvest Real Estate Capital LLC, which is controlled and owned by Mr. Gee, the Company's Chief Executive Officer, to acquire the 25% minority interest in Pecan Grove, which were valued at the historical cost value of $537,562.

Equity Incentive Plan

In December 2017, the Board of Directors, with the approval of a majority of the stockholders of the Company, adopted the Manufactured Housing Properties Inc. Stock Compensation Plan (the "Plan") which is administered by the Compensation Committee. As of March 31, 2020, there were 656,175 shares granted and 343,825 shares remaining available under the Plan.

The Company has issued options to directors and officers under the Plan. One third of the options vest immediately, and two thirds vest in equal annual installments over a two-year period. The Company issued 519,675 shares in December 2017 and 136,500 shares in December 2019.

The Company recorded stock option expense of $539 and $8 during the three months ended March 31, 2020 and 2019, respectively.

The following table summarizes the stock options outstanding as of March 31, 2020:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining contractual term (in years)
Outstanding at December 31, 2019	656,175	$ 0.03	8.7
Granted	-	-	-
Exercised	-	-	-
Forfeited / cancelled / expired	-	-	-
Outstanding at March 31, 2020	656,175	$ 0.03	8.4

The aggregate intrinsic value in the table above represents the total intrinsic value (the difference between the Company's closing stock price at fiscal year-end and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holder had all options holders exercised their options on March 31, 2020. As of March 31, 2020, there were 519,675 "in-the-money" options with an aggregate intrinsic value of $135,116.

The following table summarizes information concerning options outstanding as of March 31, 2020.

Strike Price Range ($)	Outstanding stock options	Weighted average remaining contractual term (in years)	Weighted average outstanding strike price	Vested stock options	Weighted average vested strike price
$ 0.01	519,675	8.0	$ 0.01	519,675	$ 0.01
$ 0.27	136,500	10.0	$ 0.27	45,500	$ 0.27

The table below presents the weighted average expected life in years of options granted under the Plan as described above. The risk-free rate of the stock options is based on the U.S. Treasury yield curve in effect at the time of grant, which corresponds with the expected term of the option granted.

The fair value of stock options was estimated using the Black Scholes option pricing model with the following assumptions for grants made during the periods indicated.

Stock option assumptions	March 31, 2020	December 31, 2019
Risk-free interest rate	-	0.26%
Expected dividend yield	-	0.00%
Expected volatility	-	15.17%
Expected life of options (in years)	-	10.0

NOTE 7 – RELATED PARTY TRANSACTIONS

On October 1, 2017, the Company issued a revolving promissory note to Raymond M. Gee, the Company's chairman and chief executive officer, pursuant to which the Company may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of March 31, 2020, and December 31, 2019, the outstanding balance on this note was $689,546 and $797,906, respectively. During the three months ended March 31, 2020, and 2019, the Company recorded imputed interest related to the note of $0 and $14,004, respectively.

On May 8, 2017, the Company issued a promissory note to Metrolina in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, the Company paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of the Company's Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in the Company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. This note matures in May of 2023. As of March 31, 2020, and December 31, 2019, the balance on this note was $816,500 and $1,730,000, respectively. During the three months ended March 31, 2020 and 2019, the Company recorded interest expense related to the note totaling $36,028 and $86,238, respectively. The related party note is guaranteed by Mr. Gee, the Company's Chief Executive Officer.

In January 2019, the Company issued 2,000,000 shares of Common Stock to Gvest Real Estate Capital LLC, an entity controlled by Mr. Gee, the Company's Chief Executive Officer, to acquire the 25% minority interest in Pecan Grove, which were valued at the historical cost value of $537,562.

In August, 2019, the Company entered into an office lease agreement with Gvest Real Estate Capital LLC for the lease of its offices. The lease is $4,000 per month and is on a month-to-month term. Total rent expense for the three months ended March 31, 2020 and 2019 was $12,000 and $0, respectively.

During the three months ended March 31, 2020 and 2019, the Company recorded $3,725 and $12,000, respectively, in revenues related to property management consulting services provided to Gvest Real Estate Capital LLC.

During the three months ended March 31, 2020, Mr. Gee, the Company's Chief Executive Officer, received a $50,000 fee for his personal guarantee on a promissory note relating to a loan for one of the Company's acquisitions.

NOTE 8 – ACQUISITIONS

The Company completed two acquisitions during the three months ended March 31, 2020. These were asset acquisitions from third parties and have been accounted for as asset acquisitions. The acquisition date estimated fair value was determined by third party appraisals.

Acquisition Date	Name	Land	Improvements	Building	Acquisition Cost	Total Purchase Price
March 2020	Countryside MHP	$ 777,000	$ 1,813,000	$ 1,110,000	$ 21,642	$ 3,721,642
March 2020	Evergreen MHP	431,400	1,006,600	-	151,126	1,589,126
		$ 1,208,400	$ 2,819,600	$ 1,110,000	$ 172,768	$ 5,310,768

Pro-forma Financial Information

The following unaudited pro-forma information presents the combined results of operations for the three months ended March 31, 20120 and 2019 as if the above acquisitions of manufactured housing communities had been completed on January 1, 2020 and 2019.

	3/31/2020 Consolidated	Acquisitions	Adjustment	3/31/2020 Pro Forma
Total revenue	$ 1,306,137	$ 167,618	$	$ 1,473,755
Total expenses	1,660,302	60,297		1,720,599
Depreciation and amortization expense	-	-	49,445	49,445
Interest expense	-	-	40,719	40,719
Net income (loss)	$ (354,165)	$ 107,321		(337,008)
Preferred stock dividends and put option value accretion	432,989	-		432,989
Net loss attributable to common shareholders	$ (787,154)	$ 107,321		$ (769,997)
Weighted average - basic and fully diluted				$ (0.06)

	3/31/2019 Consolidated	Acquisitions	Adjustment	3/31/2019 Pro Forma
Total revenue	$ 536,374	$ 667,503	$	$ 1,203,877
Total expenses	1,255,688	329,873		1,585,561
Depreciation and amortization expense	-	-	341,232	341,232
Interest expense	-	-	332,506	332,506
Net income (loss)	$ (719,314)	$ 337,630		(1,055,422)
Preferred stock dividends and put option value accretion	4,667	-		4,667
Net loss attributable to common shareholders	$ (723,981)	$ 337,630		$ (1,060,089)
Weighted average - basic and fully diluted				$ (0.09)

NOTE 9 – SUBSEQUENT EVENTS

Loan Refinancing

On April 1, 2020, the Company refinanced the loans for Butternut MHP Land LLC (see Note 3) with the existing lender to increase the loan amount to $1,388,019 and to extend the maturity date to April 10, 2025. In addition, the interest rate was changed to 6% per annum, provided that on April 10, 2023 and thereafter, the interest rate shall be equal to (i) the per annum rate of interest identified as the "Prime Rate" as published in the monthly rates section of the Wall Street Journal plus (ii) 1% per annum, adjusted as the first day of each calendar quarter. The loan, as modified, is secured by the real estate assets of Butternut MHP Land LLC and is guaranteed by the Company and Raymond M. Gee, who received a loan guarantee fee of $70,000.

PPP Loan

On May 1, 2020, the Company received $139,300 from the Federal Payroll Protection Program loan.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Use of Terms

Except as otherwise indicated by the context and for the purposes of this report only, references in this report to "we," "our" and the "Company" refer to Manufactured Housing Properties Inc., a Nevada corporation, and its consolidated subsidiaries.

Special Note Regarding Forward Looking Statements

In addition to historical information, this report contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources. These forward-looking statements include, without limitation: statements concerning projections, predictions, expectations, estimates or forecasts for our business, financial and operating results and future economic performance; statements of management's goals and objectives; trends affecting our financial condition, results of operations or future prospects; statements regarding our financing plans or growth strategies; statements concerning litigation or other matters; and other similar expressions concerning matters that are not historical facts. Words such as "may," "will," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes" and "estimates," and similar expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times, or by which, that performance or those results will be achieved. Forward-looking statements are based on information available at the time they are made and/or management's good faith beliefs as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements.

Potential investors should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, there is no undertaking to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. Potential investors should not make an investment decision based solely on our projections, estimates or expectations.

Overview

We are a self-administered, self-managed, vertically integrated owner and operator of manufactured housing communities. 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 community. The owner of a manufactured home leases the site on which it is located and the lessee of a manufactured home leases both the home and site on which the home is located. We earn income from leasing manufactured home sites to tenants who own their own manufactured home and the rental of company-owned manufactured homes to residents of the communities.

We originally incorporated in the State of Nevada as Frontier Staffing, Inc. on September 3, 2003. Since our incorporation, we have experienced several name changes and have been engaged in several different business endeavors. On October 12, 2017, Mobile Home Rental Holdings LLC, a North Carolina limited liability company, which engaged in acquiring and operating manufactured housing properties, 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 business and management of Mobile Home Rental Holdings LLC became the business and management, respectively of the Company.

As of March 31, 2020, we own and operate ten manufactured housing communities containing approximately 726 developed sites, and a total of 261 company-owned manufactured homes, including:

- ***Pecan Grove*** – a 81 lot, all-age community situated on 10.71 acres and located in Charlotte, North Carolina.
- ***Butternut*** – a 59 lot, all-age community situated on 13.13 acres and located in Corryton, Tennessee, a suburb of Knoxville, Tennessee.

- ***Azalea Hills*** – a 41 lot, all-age community situated on 7.46 acres and located in Gastonia, North Carolina, a suburb of Charlotte, North Carolina.

- ***Holly Faye*** – a 37 lot all-age community situated on 8.01 acres and located in Gastonia, North Carolina, a suburb of Charlotte North Carolina.

- ***Lakeview*** – a 97 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 and located in Chapel Hill, North Carolina.

- ***Maple Hills*** – a 73 lot all-age community situated on 21.20 acres and located in Mills River, North Carolina, which is part of the Asheville, North Carolina, Metropolitan Statistical Area.

- ***Hunt Club Forest*** – a 79 lot all-age community situated on 13.02 acres and located in the Columbia, South Carolina metro area.

- ***B&D*** – a 97 lot all-age community situated on 17.75 acres and located in Chester, South Carolina.

- **Crestview** – a 113 lot all-age community situated on 17.1 acres and located in the Ashville, NC MSA, North Carolina, Metropolitan Statistical Area.

- ***Spring Lake*** – a 225 lot all-age community situated on 72.7 acres and located in Warner Robins, Georgia.

- ***ARC –*** a 182 lot all-age community situated on 39.34 acres and located in Lexington, South Carolina.

- ***Countryside*** – a 110 lot all-age community situated on 35 acres and located in Lancaster, North Carolina.

- ***Evergreen*** – a 65 lot all-age community situated on 28.4 acres and located in Dandridge, Tennessee.

We believe that manufactured housing is accepted by the public as a viable and economically attractive alternative to common stick-built single-family housing. We believe that the affordability of the modern manufactured home makes it a very attractive housing alternative. Manufactured housing is one of the only non-subsidized affordable housing options in the U.S. Demand for housing affordability continues to increase, but supply remains static, as there are virtually no new manufactured housing communities being developed. We are committed to becoming an industry leader in providing this affordable housing option and an improved level of service to our residents, while producing an attractive and stable risk adjusted return to our investors.

Recent Developments

Impact of Coronavirus Pandemic

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China. The virus has since spread to over 150 countries and every state in the United States. On March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020, the United States declared a national emergency.

Most states and cities, including where our properties are located, have reacted by instituting quarantines, restrictions on travel, "stay at home" rules and restrictions on the types of businesses that may continue to operate, as well as guidance in response to the pandemic and the need to contain it.

We are carefully reviewing all rules, regulations, and orders and responding accordingly. We have taken steps to take care of our employees, including providing the ability for employees to work remotely and implementing strategies to support appropriate social distancing techniques for those employees who are not able to work remotely. We have also taken precautions with regard to employee, facility and office hygiene as well as implementing significant travel restrictions. We are also assessing our business continuity plans for all business units in the context of the pandemic. This is a rapidly evolving situation, and we will continue to monitor and mitigate developments affecting our workforce, our tenants, and the public at large to the extent we are able to do so.

The rules and restrictions put in place have had a negative impact on the economy and business activity and may adversely impact the ability of our tenants, many of whom may be restricted in their ability to work, to pay their rent as and when due. In addition, our property managers may be limited in their ability to properly maintain our properties. Enforcing our

rights as landlord against tenants who fail to pay rent or otherwise do not comply with the terms of their leases may not be possible as many jurisdictions, including those where are properties are located, have established rules and/or regulations preventing us from evicting tenants for certain periods in response to the pandemic. If we are unable to enforce our rights as landlords, our business would be materially affected.

If the current pace of the pandemic cannot be slowed and the spread of the virus is not contained, our business operations could be further delayed or interrupted. We expect that government and health authorities may announce new or extend existing restrictions, which could require us to make further adjustments to our operations in order to comply with any such restrictions. The duration of any business disruption cannot be reasonably estimated at this time but may materially affect our ability to operate our business and result in additional costs.

The extent to which the pandemic may impact our results will depend on future developments, which are highly uncertain and cannot be predicted as of the date of this Form 10-Q, including new information that may emerge concerning the severity of the pandemic and steps taken to contain the pandemic or treat its impact, among others. Nevertheless, the pandemic and the current financial, economic and capital markets environment present material uncertainty and risk with respect to our performance, financial condition, results of operations and cash flows.

Loan Refinancing

On April 1, 2020, the Company refinanced the loans for Butternut MHP Land LLC described below with the existing lender to increase the loan amount to $1,388,019 and to extend the maturity date to April 10, 2025. In addition, the interest rate was changed to 6% per annum, provided that on April 10, 2023 and thereafter, the interest rate shall be equal to (i) the per annum rate of interest identified as the "Prime Rate" as published in the monthly rates section of the Wall Street Journal plus (ii) 1% per annum, adjusted as the first day of each calendar quarter. The loan, as modified, is secured by the real estate assets of Butternut MHP Land LLC and is guaranteed by the Company and Raymond M. Gee, who received a loan guarantee fee of $70,000.

PPP Loan

On May 1, 2020, the Company received $139,300 from the Federal Payroll Protection Program loan.

Results of Operations

Comparison of Three Months Ended March 31, 2020 and 2019

The following table sets forth key components of our results of operations during the three months ended March 31, 2020 and 2019, both in dollars and as a percentage of our revenues.

	Three months Ended March 31, 2020		Three months Ended March 31, 2019	
	Amount	Percent of Revenues	Amount	Percent of Revenues
Revenue				
Rental and related income	$ 1,302,412	99.71%	$ 524,374	97.76%
Management fees, related party	3,725	0.29%	12,000	2.24%
Total revenues	1,306,137	100.00%	536,374	100.00%
Community operating expenses				
Repair and maintenance	66,570	5.10%	43,290	8.07%
Real estate taxes	59,190	4.53%	23,561	4.39%
Utilities	141,461	10.83%	31,593	5.89%
Insurance	41,901	3.21%	6,271	1.17%
General and administrative expense	205,570	15.74%	95,106	17.73%
Total community operating expenses	514,692	39.41%	199,821	37.25%
Corporate payroll and overhead	317,443	24.30%	135,963	25.35%
Depreciation and amortization expense	389,993	29.86%	134,926	25.16%
Interest expense	438,174	33.55%	232,706	43.39%
Refinancing costs	-	-	552,272	102.96%
Total expenses	1,660,302	127.11%	1,255,688	234.11%
Net loss	$ (354,165)	(27.11%)	$ (719,314)	(134.11%)

Preferred stock dividends and put option value accretion	(432,989)	(33.15%)	(4,667)	(0.87%)
Net loss attributable to common stockholders	$ (787,154)	(60.26%)	$ (723,981)	(134.98%)

Revenues. For the three months ended March 31, 2020, we had total revenues of $1,306,137, as compared to $536,374 for the three months ended March 31, 2019, an increase of $769,763, or 143.5%. The increase in revenues between the periods was primarily due to $706,839 of rental income from the acquisition of six manufactured housing communities during the quarters subsequent to March 31, 2019. Excluding the six acquisitions, our revenues increased by $62,924 due to rent increases and increase in occupancy.

Community Operating Expenses. For the three months ended March 31, 2020, we had total community operating expenses of $514,692, as compared to $199,821 for the three months ended March 31, 2019, an increase of $314,871, or 157.6%. The increase in community operating expenses was primarily due to expenses related to the acquisition of six manufactured housing communities subsequent to March 31, 2019 totaling $276,151. Excluding the six acquisitions, our community operating expenses increased slightly due to additional repair and maintenance costs.

Corporate Payroll and Overhead Expenses. For the three months ended March 31, 2020, we had corporate payroll and overhead expenses of $317,443, as compared to $135,963 for the three months ended March 31, 2019, an increase of $181,480. Such increase was primarily due to additional audit fees due to our acquisition audits, and additional corporate personnel to support our growth.

Depreciation and Amortization Expense. For the three months ended March 31, 2020, we had depreciation and amortization expense of $389,993, as compared to $134,926 for the three months ended March 31, 2019, an increase of $255,067, or 189.0%. The increase was primarily due to the acquisition of six manufactured housing communities subsequent to March 31, 2019.

Interest Expense. For the three months ended March 31, 2020, we had interest expense of $438,174, as compared to $232,706 for the three months ended March 31, 2019, an increase of $205,468. The increase was primarily comprised of $220,658 related to new debt associated with our acquisition of six manufactured housing communities subsequent to March 31, 2019. This was partially offset from the decrease of interest resulting from the refinancing of five of our manufactured housing communities during the first quarter of 2019.

Net Loss. The factors described above resulted in a net loss of $354,165 for the three months ended March 31, 2020, as compared to $719,314 for the three months ended March 31, 2019, a decrease of $365,149, or 50.76%.

Liquidity and Capital Resources

As of March 31, 2020, we had cash and cash equivalents of $2,748,681. In addition to cash generated through operations, we use a variety of sources to fund our cash needs, including acquisitions. We intend to continue to increase our real estate investments. Our business plan includes acquiring communities that yield in excess of our cost of funds and then investing in physical improvements, including adding rental homes onto otherwise vacant sites. Our ability to continue acquiring communities are dependent on our ability to raise capital. There is no guarantee that any of these additional opportunities will materialize or that we will be able to take advantage of such opportunities. The growth of our real estate portfolio depends on the availability of suitable properties which meet our investment criteria and appropriate financing.

We will require additional funding to finance the growth of our current and expected future operations as well as to achieve its strategic objectives. We believe that our current available cash along with anticipated revenues will be sufficient to meet our cash needs for the near future. There can be no assurance that financing will be available in amounts or terms acceptable to us, if at all.

Summary of Cash Flow

The following table provides detailed information about our net cash flow for the period indicated:

Cash Flow

	Three months Ended March 31,	
	2020	**2019**
Net cash provided by (used in) operating activities	$ 98,813	$ (579,939)
Net cash used in investing activities	(1,059,747)	(33,514)
Net cash provided by (used in) financing activities	(436,796)	1,036,501

Net increase (decrease) in cash and cash equivalents	(1,397,730)	423,048
Cash and cash equivalents at beginning of period	4,146,411	458,271
Cash and cash equivalent at end of period	$ 2,748,681	$ 881,319

Net cash provided by operating activities was $98,813 for the three months ended March 31, 2020, as compared to $579,939 net cash used in operating activities for the three months ended March 31, 2019. For the three months ended March 31, 2020, the net loss of $354,165, offset by depreciation and amortization in the amount of $389,993, an increase in accounts payable in the amount of $44,321, an increase in other assets in the amount of $33,907 due to lender's escrowed funds that was released back to us upon the completion of certain capital improvement projects, and a decrease in accrued expenses in the amount of $31,306, were the primary drivers of the net cash provided by operating activities. For the three months ended March 31, 2019, the net loss of $719,314, a decrease in accrued expenses in the amount of $235,684, and a decrease in other assets in the amount of $154,177, offset by stock based compensation expense in the amount of $329,700, depreciation and amortization in the amount of $134,927, and write off mortgage cost in the amount of $68,195, were the primary drivers of the net cash used in operating activities.

Net cash used in investing activities was $1,059,747 for the three months ended March 31, 2020, as compared to $33,514 for the three months ended March 31, 2019. Net cash used in investing activities for the three months ended March 31, 2020 consisted of the purchase of two manufactured housing communities in the amount of $5,310,768, out of which $4,150,000 was financed with notes payable, and capital improvements in the amount of $71,747 , while net cash used in investing activities for the three months ended March 31, 2019 consisted of capital improvements.

Net cash used in financing activities was $436,796 for the three months ended March 31, 2020, as compared to $1,036,501 net cash provided by financing activities for the three months ended March 31, 2019. For the three months ended March 31, 2020, net cash used in financing activities consisted of repayment of related party notes payable of $913,500, fees in connection with preferred stock issuance of $80,664, preferred share dividends of $187,496, repayment of notes payable $126,358, payment of mortgage costs recorded as debt discount of $172,768, and repayment of related party note of $108,360, offset by proceeds from issuance of preferred stock of $1,152,350, while net cash provided by financing activities for the three months ended March 31, 2019 consisted of proceeds from notes payable of $8,241,000, proceeds from issuance of preferred stock of $600,000 and proceeds from related party note of $7,076, offset by repayment of notes payable of $4,942,319, repayments of related party notes payable of $2,754,550, fees in connection with preferred stock issuance of $110,039 and preferred share dividends of $4,667.

Regulation A Offering

On November 1, 2019, we launched an offering under Regulation A of Section 3(6) of the Securities Act for Tier 2 offerings, pursuant to which we are offering up to 1,000,000 shares of Series B Preferred Stock at an offering price of $10.00 per share, for a maximum offering amount of $10,000,000. In addition, we are offering bonus shares to early investors in this offering, whereby the first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock.

As of March 31, 2020, we sold an aggregate of 524,957 shares of Series B Preferred Stock for total gross proceeds of $5,249,570. After deducting a placement fee and other expenses, we received net proceeds of approximately $4,882,100. We also issued a total of 21,400 shares of Common Stock to early investors in this offering with a fair value of $5,778.

Secured Promissory Notes

The Company has issued promissory notes payable to lenders related to the acquisition of its manufactured housing communities. These promissory notes range from 3.3% to 7.0% with 5 to 30 years principal amortization. Two of the promissory notes had an initial 6 months period on interest only payments. The promissory notes are secured by the real estate assets and $7,471,738 for four assets were guaranteed by Raymond M. Gee, the Company's chairman, chief executive officer and owner of the principal stockholder of the Company.

During the three months ended March 31, 2019, the Company refinanced a total of $4,940,750 from current loans payable to $8,241,000 of new notes payable from five of the communities, resulting in an additional loan payable of $3,320,859. The Company used the additional loans payable proceeds from the refinance to retire the related party note payable described below. During the three months ended March 31, 2019, the Company wrote off mortgage costs of $68,195 and capitalized $110,039 of mortgage costs due to the refinancing.

As of March 31, 2020, the Company recorded $222,768 of mortgage cost related to the two acquisitions.

The following are terms of these notes:

	Maturity Date	Interest Rate	Balance 03/31/20	Balance 12/31/19
Butternut MHP Land LLC	03/30/20	6.500%	$ 1,111,166	$ 1,114,819
Butternut MHP Land LLC Mezz	04/01/27	7.000%	278,834	280,013
Pecan Grove MHP LLC	02/22/29	5.250%	3,086,021	3,095,274
Azalea MHP LLC	03/01/29	5.400%	824,965	835,445
Holly Faye MHP LLC	03/01/29	5.400%	579,825	574,096
Chatham MHP LLC	04/01/24	5.875%	1,760,497	1,771,506
Lake View MHP LLC	03/01/29	5.400%	1,851,006	1,857,266
B&D MHP LLC	04/25/29	5.500%	1,845,717	1,854,788
Hunt Club MHP LLC	05/01/24	5.750%	1,438,294	1,447,364
Crestview MHP LLC	07/31/24	5.500%	4,146,819	4,173,652
Maple MHP LLC	01/01/23	5.125%	2,668,253	2,688,653
Springlake MHP LLC	11/14/22	3.310%	4,000,000	4,000,000
ARC MHP LLC	01/01/30	5.500%	5,275,121	5,300,000
Countryside MHP LLC	03/20/50	5.500%	3,000,000	-
Evergreen MHP LLC	04/01/32	3.990%	1,150,000	-
Totals note payables			33,016,518	28,992,876
Discount Direct Lender Fees			(821,772)	(633,629)
Total net of Discount			$ 32,194,746	$ 28,359,247

Metrolina Promissory Note

On May 8, 2017, the Company issued a promissory note to Metrolina Loan Holdings, LLC ("Metrolina") in the principal amount of $3,000,000. The note is interest only payment based on 8%, and 10% deferred until maturity to be paid with principal balance. The note originally awarded Metrolina 455,000 shares of Common Stock as consideration, which resulted in making Metrolina a related party due to its significant ownership. During the year ended December 31, 2019, the Company paid off the entire balance on the note of $2,754,550 plus interest and amended the agreement to allow for the redeployment of the $3,000,000 available, eliminated the conversion option whereby Metrolina could convert the ratio of total outstanding debt at time of exercise of the option into an amount of newly issued shares of the Company's Common Stock determined by dividing the outstanding indebtedness by $3,000,000 multiplied by 10% with a cap of 864,500 shares. The amendment resulted in issuing an additional 545,000 shares with a fair value of $305,200 for a total of 1,000,000 shares awarded to Metrolina. The note gives Metrolina the right and option to purchase its pro rata share of debt or equity securities issued to maintain up to 10% equity interest in the Company at the most recent price of any equity transaction for seven years from the amendment dated February 26, 2019. This note matures in May of 2023. As of March 31, 2020, and December 31, 2019, the balance on this note was $816,500 and $1,730,000, respectively. During the three months ended March 31, 2020 and 2019, the Company recorded interest expense related to the note totaling $36,028 and $86,238, respectively. The related party note is guaranteed by Mr. Gee.

Revolving Promissory Note

On October 1, 2017, the Company issued a revolving promissory note to Raymond M. Gee, our chairman and chief executive officer, pursuant to which the Company may borrow up to $1,500,000 from Mr. Gee on a revolving basis for working capital purposes. This note has a five-year term with no annual interest and principal payment is deferred until the maturity date. As of March 31, 2020, and December 31, 2019, the outstanding balance on this note was $689,546 and $797,906, respectively. During the three months ended March 31, 2020, and 2019, the Company recorded imputed interest related to the note of $0 and $14,004, respectively.

Off-Balance Sheet Arrangements

As of March 31, 2020, we had no off-balance sheet arrangements.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with United States generally accepted accounting principles ("GAAP"). The preparation of these consolidated financial statements requires management to make estimates and judgments that affect

the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of our consolidated financial statements. Actual results may differ from these estimates under different assumptions or conditions.

Significant accounting policies are defined as those that involve significant judgment and potentially could result in materially different results under different assumptions and conditions. Management believes the following critical accounting policies are affected by our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition. Our revenues primarily consist of rental revenues and fee and other income. We have the following revenue sources and revenue recognition policies:

- Rental revenues include revenues from the leasing land lot or a combination of both, the mobile home and land at our properties to tenants.
    - Revenues from the leasing of land lot or a combination of both, the mobile home and land at our properties to tenants include (i) lease components, including land lot or a combination of both, the mobile home and land, and (ii) reimbursement of utilities and account for the components as a single lease component in accordance with Accounting Standards Codification ("ASC") 842.
    - Revenues derived from fixed lease payments are recognized on a straight-line basis over the non-cancelable period of the lease. We commence rental revenue recognition when the underlying asset is available for use by the lessee. Revenue derived from the reimbursement of utilities are generally recognized in the same period as the related expenses are incurred. Our leases are month-to-month.
- Fee and other income include late fees, violation fees and other revenue arising from contractual agreements with third parties. This revenue is recognized as the services are transferred in accordance with ASC 606.
- Mobile home sale revenues are recognized in accordance with Topic 606 of the Financial Accounting Standards Board ("FASB") ASC for revenue recognition. On January 1, 2018, we adopted Accounting Standards Update ("ASU") 2014-09, which is a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. We consider revenue realized or realizable and earned when all the five following criteria are met: (1) identification of the contract with a customer, (2) identification of the performance obligations in the contract, (3) determination of the transaction price, (4) allocation of the transaction price to the performance obligations in the contract, and (5) recognition of revenue when (or as) we satisfy a performance obligation.

Under ASC 842, we must assess on an individual lease basis whether it is probable that we will collect the future lease payments. We consider the tenant's payment history and current credit status when assessing collectability. When collectability is not deemed probable, we write-off the tenant's receivables, including straight-line rent receivable, and limit lease income to cash received.

Investment Property and Equipment and Depreciation. Property and equipment are carried at cost. Depreciation for Sites and Building is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 15 to 25 years). Depreciation of Improvements to Sites and Buildings, Rental Homes and Equipment and Vehicles is computed principally on the straight-line method over the estimated useful lives of the assets (ranging from 3 to 25 years). Land Development Costs are not depreciated until they are put in use, at which time they are capitalized as Sites and Land Improvements. Interest Expense pertaining to Land Development Costs are capitalized. Maintenance and Repairs are charged to expense as incurred and improvements are capitalized. The costs and related accumulated depreciation of property sold or otherwise disposed of are removed from the financial statement and any gain or loss is reflected in the current year's results of operations.

Impairment Policy. The Company applies FASB ASC 360-10, "Property, Plant & Equipment," to measure impairment in real estate investments. Rental properties are individually evaluated for impairment when conditions exist which may indicate that it is probable that the sum of expected future cash flows (on an undiscounted basis without interest) from a rental property is less than the carrying value under its historical net cost basis. These expected future cash flows consider factors such as future operating income, trends and prospects as well as the effects of leasing demand, competition and other factors. Upon determination that a permanent impairment has occurred, rental properties are reduced to their fair value. For properties to be disposed of, an impairment loss is recognized when the fair value of the property, less the estimated cost to sell, is less than

the carrying amount of the property measured at the time there is a commitment to sell the property and/or it is actively being marketed for sale. A property to be disposed of is reported at the lower of its carrying amount or its estimated fair value, less its cost to sell. Subsequent to the date that a property is held for disposition, depreciation expense is not recorded. There was no impairment during the three months ended March 31, 2020 and 2019.

Stock-Based Compensation. All stock based payments to employees, nonemployee consultants, and to nonemployee directors for their services as directors, including any grants of restricted stock and stock options, are measured at fair value on the grant date and recognized in the statements of operations as compensation or other expense over the relevant service period in accordance with FASB ASC Topic 718. Stock based payments to nonemployees are recognized as an expense over the period of performance. Such payments are measured at fair value at the earlier of the date a performance commitment is reached or the date performance is completed. In addition, for awards that vest immediately and are nonforfeitable the measurement date is the date the award is issued. The Company recorded stock option expense of $539 and $8 during the three months ended March 31, 2020 and 2019, respectively.

Fair Value of Financial Instruments. The Company follows paragraph 825-10-50-10 of the FASB ASC for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB ASC to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Reclassifications. Certain amounts in the prior period presentation have been reclassified to conform with the current presentation.

Income Taxes. We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, we determine deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. We recognize deferred tax assets to the extent that we believe that these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. We record uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) we determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. We recognize and interest and penalties, if any, with income tax expense in the accompanying consolidated statement of operations. As of March 31, 2020, and December 31, 2019, there were no such accrued interest or penalties.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." ASU 2016-13 requires that entities use a new forward looking "expected loss" model that generally will result in the earlier recognition of allowance for credit losses. The measurement of expected credit losses is based upon historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU No. 2016-13 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2019. The Company adopted this standard on January 1, 2020. The adopted of this standard had no impact on the unaudited condensed consolidated financial statements.

In March 2019, the FASB issued ASU No. 2019-01, "Leases (Topic 842): Codification Improvements." ASU 2019-01 aligns the guidance for fair value of the underlying asset by lessors with existing guidance in Topic 842. The ASU requires that the fair value of the underlying asset at lease commencement is its cost reflecting in volume or trade discounts that may apply. However, if there has been a significant lapse of time between the date the asset was acquired and the lease commencement date, the definition of fair value as outlined in Topic 820 should be applied. In addition, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases

standard. The update is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company is still evaluating the impact of this ASU on the Company's consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying condensed consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by Rule 13a-15(e) of the Exchange Act, our management has carried out an evaluation, with the participation and under the supervision of our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as of March 31, 2020. Based upon, and as of the date of this evaluation, our chief executive officer and chief financial officer determined that, because of the material weaknesses described in Item 9A "Controls and Procedures" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and further referenced below, which we are still in the process of remediating as of March 31, 2020, our disclosure controls and procedures were not effective.

Changes in Internal Control Over Financial Reporting

We regularly review our system of internal control over financial reporting and make changes to our processes and systems to improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, consolidating activities, and migrating processes.

During its evaluation of the effectiveness of our internal control over financial reporting as of March 31, 2020, our management identified the following material weaknesses:

- We lack proper segregation of duties due to the limited number of employees within the accounting department.
- We lack effective closing procedures.

To mitigate the current limited resources and limited employees, we rely heavily on direct management oversight of transactions, along with the use of legal and accounting professionals. As we grow, we expect to increase our number of employees, which will enable us to implement adequate segregation of duties within the internal control framework.

Our management has identified the steps necessary to address the material weaknesses, and implemented the following remedial procedures:

- We have implemented dual signatures and approvals on all payments.
- We have added and plan to continue to add additional employees to assist in the financial closing procedures.
- As necessary, we will continue to engage consultants or outside accounting firms in order to ensure proper accounting for our consolidated financial statements.

We intend to complete the remediation of the material weaknesses discussed above as soon as practicable but we can give no assurance that we will be able to do so. Designing and implementing an effective disclosure controls and procedures is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory

environments and to devote significant resources to maintain a financial reporting system that adequately satisfies our reporting obligations. The remedial measures that we have taken and intend to take may not fully address the material weaknesses that we have identified, and material weaknesses in our disclosure controls and procedures may be identified in the future. Should we discover such conditions, we intend to remediate them as soon as practicable. We are committed to taking appropriate steps for remediation, as needed.

Other than in connection with the implementation of the remedial measures described above, there were no changes in our internal controls over financial reporting during the first quarter of fiscal 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we may become involved in various lawsuits and legal proceedings, which arise, in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these, or other matters, may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results.

ITEM 1A. RISK FACTORS.

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

We have not sold any equity securities during the three months ended March 31, 2020 that were not previously disclosed in a current report on Form 8-K that was filed during the quarter.

During the three months ended March 31, 2020, we did not repurchase any shares of our common stock.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

We have no information to disclose that was required to be in a report on Form 8-K during the first quarter of fiscal year 2020 but was not reported. There have been no material changes to the procedures by which security holders may recommend nominees to our board of directors.

ITEM 6. EXHIBITS.

Exhibit No.	Description of Exhibit
3.1	Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form 10 filed on April 19, 2018)
3.2	Certificate of Designation of Series A Cumulative Convertible Preferred Stock (incorporated by reference to Exhibit 2.2 to the Offering Statement on Form 1-A filed on May 9, 2019)
3.3	Certificate of Designation of Series B Cumulative Redeemable Preferred Stock (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed on December 5, 2019)
3.4	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Registration Statement on Form 10 filed on April 19, 2018)

10.1	Purchase and Sale Agreement, dated January 7, 2020, between MHP Pursuits LLC and Gilmer and Sons Mobile Homes Sales and Rentals, Inc. (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on January 13, 2020)
10.2	Purchase and Sale Agreement, dated January 7, 2020, between MHP Pursuits LLC and J&A Real Estate, LLC (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on January 13, 2020)
10.3	Purchase and Sale Agreement, dated January 1, 2020, between MHP Pursuits LLC and Evergreen Marketing LLC (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on March 27, 2020)
10.4	Promissory Note issued by Countryside MHP LLC to J & A Real Estate LLC on March 12, 2020 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on March 27, 2020)
10.5	Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing, dated March 12, 2020, between Countryside MHP LLC and J & A Real Estate LLC (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on March 27, 2020)
10.6	Loan Agreement, dated March 17, 2020, between Evergreen MHP LLC and Hunt Mortgage Capital, LLC (incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed on March 27, 2020)
10.7	Promissory Note issued by Evergreen MHP LLC to Hunt Mortgage Capital, LLC on March 17, 2020 (incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K filed on March 27, 2020)
31.1*	Certifications of Principal Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certifications of Principal Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certifications of Principal Executive Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certifications of Principal Financial Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

*Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 15, 2020

MANUFACTURED HOUSING PROPERTIES INC.

/s/ Raymond M. Gee
Name: Raymond M. Gee
Title: Chief Executive Officer
(Principal Executive Officer)

/s/ Michael Z. Anise
Name: Michael Z. Anise
Title: President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Filed Pursuant to Rule 253(g)(2)
File No. 024-10997

Supplement No. 2 to Offering Circular dated May 27, 2020

Manufactured Housing Properties Inc.
136 Main Street
Pineville, NC 28134
(980) 273-1702; www.mhproperties.com

This Offering Circular Supplement No. 2 (the "**Supplement**") relates to the Offering Circular of Manufactured Housing Properties Inc. (the "**Company**"), dated May 27, 2020 (the "**Offering Circular**"), relating to the Company's public offering under Regulation A of Section 3(6) of the Securities Act of 1933, as amended, for Tier 2 offerings, pursuant to which the Company is offering up to 1,000,000 shares of Series B Cumulative Redeemable Preferred Stock (the "**Series B Preferred Stock**") at an offering price of $10.00 per share, for a maximum offering amount of $10,000,000. In addition, the Company is offering bonus shares to early investors in this offering. The first 400 investors will receive, in addition to Series B Preferred Stock, 100 shares of Common Stock, regardless of the amount invested, for a total of 40,000 shares of Common Stock. This Supplement should be read in conjunction with the Offering Circular and Offering Circular Supplement No. 1 filed with the Securities and Exchange Commission (the "**SEC**") on May 28, 2020 (the "**Prior Supplement**") and is qualified by reference to the Offering Circular and the Prior Supplement except to the extent that the information contained herein supplements or supersedes the information contained in the Offering Circular and the Prior Supplement, and may not be delivered without the Offering Circular and the Prior Supplement.

On November 29, 2019, the Company completed an initial closing of the offering, pursuant to which the Company sold an aggregate of 335,512 shares of Series B Preferred Stock to 103 investors for total gross proceeds of $3,355,120. After deducting the placement fee, the Company received net proceeds of approximately $3,120,262. The Company also issued 10,300 shares of Common Stock to these early investors.

On December 31, 2019, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 74,210 shares of Series B Preferred Stock to 54 investors for total gross proceeds of $742,100. After deducting the placement fee, the Company received net proceeds of approximately $690,153. The Company also issued 5,100 shares of Common Stock to additional investors.

On January 29, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 52,500 shares of Series B Preferred Stock to 21 investors for total gross proceeds of $525,000. After deducting the placement fee, the Company received net proceeds of approximately $488,250. The Company also issued 2,100 shares of Common Stock to additional early investors.

On January 31, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 11,000 shares of Series B Preferred Stock to 4 investors for total gross proceeds of $110,000. After deducting the placement fee, the Company received net proceeds of approximately $102,300. The Company also issued 400 shares of Common Stock to additional early investors.

On February 28, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 19,595 shares of Series B Preferred Stock to 21 investors for total gross proceeds of $195,950. After deducting the placement fee, the Company received net proceeds of approximately $182,234. The Company also issued 2,100 shares of Common Stock to additional early investors.

On March 30, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 32,140 shares of Series B Preferred Stock to 14 investors for total gross proceeds of $321,400. After deducting the placement fee, the Company received net proceeds of approximately $298,902. The Company also issued 1,400 shares of Common Stock to additional early investors.

On June 2, 2020, the Company completed an additional closing of the offering, pursuant to which the Company sold an aggregate of 16,160 shares of Series B Preferred Stock to 8 investors for total gross proceeds of $161,600. After deducting the placement fee, the Company received net proceeds of approximately $150,288. The Company also issued 800 shares of Common Stock to additional early investors.

This Supplement includes the attached Current Report on Form 8-K filed with the Securities and Exchange Commission on June 2, 2020. The exhibits to such Form 8-K are not included with this Supplement and are not incorporated by reference herein.

INVESTING IN OUR SECURITIES INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CAREFULLY READ AND CONSIDER THE "RISK FACTORS" BEGINNING ON PAGE 10 OF THE OFFERING CIRCULAR.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Offering Circular is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Supplement No. 2 to Offering Circular is June 5, 2020

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

(Amendment No. 1)

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 2, 2020 (March 12, 2020)

Manufactured Housing Properties Inc.

(Exact name of registrant as specified in its charter)

Nevada	**000-51229**	**51-0482104**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

136 Main Street, Pineville, North Carolina	**28134**
(Address of principal executive offices)	(Zip Code)

(980) 273-1702
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging Growth Company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Securities registered pursuant to Section 12(b) of the Act: None

EXPLANATORY NOTE

As previously disclosed MHP Pursuits LLC, a wholly-owned subsidiary of Manufactured Housing Properties Inc., a Nevada corporation (the "Company"), entered into a purchase and sale agreement (the "Purchase Agreement") with J & A Real Estate, LLC ("J&A") on January 7, 2020 for the purchase of a manufactured housing community known as Countryside Estates Mobile Home Park (the "Property"), which is located in Lancaster, South Carolina and totals 110 sites, for a total purchase price of $3.7 million. As previously reported, closing of the Purchase Agreement was completed on March 12, 2020 and the Company's newly formed wholly owned subsidiary Countryside MHP LLC purchased the Property.

This Current Report on Form 8-K/A amends the original Form 8-K that the Company filed on March 27, 2020 to include J&A's statement of revenues and certain expenses for the year ended December 31, 2019 and the unaudited pro forma combined financial information related to the acquisition required by Items 9.01(a) and 9.01(b) of Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The statement of revenues and certain expenses for J&A for the year ended December 31, 2019 and the accompanying notes thereto is filed as Exhibit 99.1 attached hereto and is incorporated by reference herein.

(b) Pro forma financial information

The unaudited pro forma combined financial statements giving effect to the acquisition is filed as Exhibit 99.2 attached hereto and is incorporated herein by reference.

(d) Exhibits

Exhibit No.	Description of Exhibit
10.1	Purchase and Sale Agreement, dated January 7, 2020, between MHP Pursuits LLC and J & A Real Estate, LLC (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on January 13, 2020)
10.2	Promissory Note issued by Countryside MHP LLC to J & A Real Estate, LLC on March 12, 2020 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on March 27, 2020)
10.3	Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing, dated March 12, 2020, between Countryside MHP LLC and J & A Real Estate, LLC (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on March 27, 2020)
99.1	Statement of Revenues and Certain Expenses
99.2	Unaudited Pro Forma Combined Financial Statements

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this current report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 2, 2020

MANUFACTURED HOUSING PROPERTIES INC.

By: /s/ Raymond M. Gee
Raymond M. Gee
Chief Executive Officer

Exhibit 99.1

J & A REAL ESTATE, LLC

STATEMENT OF REVENUES AND CERTAIN EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of:
J & A Real Estates, LLC

We have audited the accompanying statement of revenue and certain expenses of J & A Real Estate, LLC (the "Company") for the year ended December 31, 2019 and the related notes to the statement of revenue and certain expenses.

Management's responsibility for Statement of Revenue and Certain Expenses

Management is responsible for the preparation and fair presentation of the statement of revenue and certain expenses in conformity with U.S. generally accepted accounting principles. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of revenue and certain expenses that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the statement of revenue and certain expenses based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of revenue and certain expenses is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of revenue and certain expenses. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement of revenue and certain expenses, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statement of revenue and certain expenses in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of revenue and certain expenses.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the statement of revenue and certain expenses referred to above presents fairly, in all material respects, the statement of revenue and certain expenses described on Note 1 of the Company's statement of revenue and certain expenses for the year ended December 31, 2019 in conformity with generally accepted accounting principles.

Emphasis of Matter

We draw attention to Note 1 to the statement of revenue and certain expenses, which describes that the accompanying statement of revenue and certain expenses was prepared for the purposes of complying with the rules and regulations of the Securities and Exchange Commission and is not intended to be a complete presentation of the Company's revenue and expenses. Our opinion is not modified with respect to this matter.

/s/ Liggett & Webb, P.A.

LIGGETT & WEBB, P.A.
Certified Public Accountants

Boynton Beach, Florida
June 2, 2020

J & A REAL ESTATE, LLC
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	For the Year Ended December 31, 2019
REVENUE:	
Rental and Related Income	485,445
Total Revenues	485,445
CERTAIN EXPENSES:	
Repairs and Maintenance	40,19
Insurance	1,973
Utilities	4,116
Real Estate Taxes	29,018
Salaries and Wages	57,622
Bad Debt	18,317
Total Certain Expenses	151,245
REVENUE IN EXCESS OF CERTAIN EXPENSES	$ 334,200

See accompanying notes to statement of revenue and certain expenses

J & A REAL ESTATE, LLC
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

(A) Organization and Basis of Presentation

J & A REAL ESTATE, LLC (the "Company") was formed as a limited liability company under the laws of the State of South Carolina.

The accompanying statement of revenues and certain expenses has been prepared for the purpose of complying with Rule 3-14 of Regulation S-X promulgated under the Securities Act of 1933, as amended, and accordingly, is not representative of the actual results of operations of the properties for the periods presented, due to the exclusion of the following revenues and expenses which may not be comparable to the proposed future operations:

- Depreciation and amortization
- Interest income and expense

Except as noted above, management is not aware of any material factors relating to the properties that would cause the reported financial information not to be indicative of future operating results. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary for the fair presentation of this statement of revenues and certain expenses have been included.

(B) Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

(C) Business Segments

The Company operates in one segment and therefore segment information is not presented.

(D) Operating Expenses

Operating expenses represent the direct expenses of operating the properties and consist primarily of real estate taxes, payroll, repairs and maintenance, utilities, insurance and other operating expenses that are expected to continue in the proposed future operations of the properties.

(E) Revenue Recognition

The Company follows Topic 606 of the Financial Accounting Standards Board (the "FASB") Accounting Standards Codification for revenue recognition and Accounting Standards Update ("ASU") 2014-09. On January 1, 2019, the Company adopted ASU 2014-09, which is a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. The Company considers revenue realized or realizable and earned when all the five following criteria are met: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. Results for reporting periods beginning after January 1, 2019 are presented under ASU 2014-09, while prior period amounts are not adjusted and continue to be reported under the previous accounting standards. There was no impact to revenues as a result of applying ASU 2014-09 for the year ended December 31, 2019, and there have not been any significant changes to the Company's business processes, systems, or internal controls as a result of implementing the standard. The Company recognizes rental income revenues on a monthly basis based on the terms of the lease agreement which are for either the land or a combination of both, the mobile home and land. Home sales revenues are recognized upon the sale of a home with an executed sales agreement. The Company has deferred revenues from home lease purchase options and records those option fees as deferred revenues and then records them as revenues when (1) the lease purchase option term is completed and title has been transferred, or (2) the leaseholder

defaults on the lease terms resulting in a termination of the agreement which allows us to keep any payments as liquidated damages.

(F) Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." ASU 2016-13 requires that entities use a new forward looking "expected loss" model that generally will result in the earlier recognition of allowance for credit losses. The measurement of expected credit losses is based upon historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU No. 2016-13 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2020. The Company is currently evaluating the potential impact this standard may have on the financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases." ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. The standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. ASU 2016-02 will be effective for annual reporting periods beginning after December 15, 2020. Early adoption is permitted. The Company has evaluated the potential impact this standard may have on the financial statements and determined that it has no impact on the financial statements.

In June 2018, the FASB issued ASU 2018-07 "Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting." This ASU relates to the accounting for non-employee share-based payments. The amendment in this Update expands the scope of Topic 718 to include all share-based payment transactions in which a grantor acquired goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The ASU excludes share-based payment awards that relate to (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under Topic 606, "Revenue from Contracts from Customers." The share-based payments are to be measured at grant-date fair value of the equity instruments that the entity is obligated to issue when the good or service has been delivered or rendered and all other conditions necessary to earn the right to benefit from the equity instruments have been satisfied. This standard will be effective for public business entities for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, but no earlier than an entity's adoption of Topic 606. The Company is currently reviewing the provisions of this ASU to determine if there will be any impact on its results of operations, cash flows or financial condition.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

NOTE 2 – COMMITMENTS AND CONTINGENCIES

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise that may harm its business. The Company is currently not aware of any such legal proceedings or claims that it believes will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

NOTE 3 – CONCENTRATION OF RISK

The Company's manufactured housing community is located in South Carolina. These concentrations of assets are subject to the risks of real property ownership and local and national economic growth trends.

NOTE 4 – SUBSEQUENT EVENTS

On January 7, 2020, the Company entered into a purchase and sale agreement (the "Purchase Agreement") with MHP Pursuits LLC, pursuant to which MHP Pursuits LLC agreed to purchase all of the assets of the Company for $3.7 million comprised of $1.1 million in home buildings and $2.6 million in land and land improvements.

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China. The virus has since spread to over 150 countries and every state in the United States. On March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020, the United States declared a national emergency. Most states and cities,

including where the Company's property is located, have reacted by instituting quarantines, restrictions on travel, "stay at home" rules and restrictions on the types of businesses that may continue to operate, as well as guidance in response to the pandemic and the need to contain it. The rules and restrictions put in place have had a negative impact on the economy and business activity and may adversely impact the ability of the Company's tenants, many of whom may be restricted in their ability to work, to pay their rent as and when due. The impact of the pandemic on the Company's business cannot be reasonably estimated at this time but may materially affect its business.

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through June 2, 2020, the date the financial statements were issued.

Exhibit 99.2

UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma combined financial statements have been prepared in accordance with US GAAP and S-X Article 11 to provide pro forma information with regards to certain real estate acquisitions and financing transactions, as applicable.

On January 7, 2020, MHP Pursuits LLC, a wholly-owned subsidiary of Manufactured Housing Properties Inc., a Nevada corporation (the "Company"), entered into a purchase and sale agreement (the "Purchase Agreement") with J & A Real Estate, LLC ("J&A") for the purchase of a manufactured housing community known as Countryside Estates Mobile Home Park, which is located in Lancaster, South Carolina and totals 110 sites, for a total purchase price of $3.7 million, of which approximately $2.6 million will be attributed to the value of land and land improvements, and $1.1 million will be attributed to the mobile homes. Closing of the Purchase Agreement was completed on March 12, 2020 and the Company's newly formed wholly owned subsidiary, Countryside MHP LLC, purchased the assets. The transaction will be accounted for as an asset acquisition.

The accompanying unaudited pro forma combined statements of operations of the Company are presented for the year ended December 31, 2019 and include pro forma adjustments to illustrate the estimated effect of the Company's acquisition described above.

This unaudited pro forma combined financial information is presented for informational purposes only and does not purport to be indicative of the Company's financial results as if the transactions reflected herein had occurred on the date or been in effect during the period indicated. This pro forma combined financial information should not be viewed as indicative of the Company's financial results in the future and should be read in conjunction with the Company's financial statements.

MANUFACTURED HOUSING PROPERTIES INC.
UNAUDITED PRO FORMA COMBINED STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Historical	Acquisition	Adjustment	Pro Forma
Revenue				
Rental and related income	$ 2,968,472	$ 485,445		$ 3,453,917
Management fees, related party	48,319	-		48,319
Home sales	4,900	-		4,900
Total revenues	3,021,691	485,445		3,507,136
Community operating expenses				
Repair and maintenance	234,770	40,199		274,969
Real estate taxes	142,187	29,018		171,205
Utilities	212,719	4,116		216,835
Insurance	83,975	-		83,975
General and administrative expense	476,137	77,912		554,049
Total community operating expenses	1,149,788	111,046		1,260,834
Corporate payroll and overhead	1,253,383	-		1,253,383
Depreciation and amortization expense	786,179	-	174,621(a)	960,800
Interest expense	1,312,469	-	165,000(b)	1,477,469
Refinancing costs	552,272	-		552,272
Total expenses	5,054,091	151,245		5,544,957
Net income (loss) before provision for income taxes	(2,032,400)	334,200		(2,037,821)
Provision for income taxes	6,347	-		6,347
Net income (loss) attributable to the Company	(2,038,747)	334,200		(2,044,168)
Total preferred stock dividends	360,937	-		360,937
Net income (loss) attributable to common shareholders	$ (2,399,684)	$ 334,200		$ (2,405,105)
Weighted average loss per share - basic and fully diluted				$ (0.19)
Weighted averages shares - basic and fully diluted				12,624,171

(a) Adjustment to recognize depreciation expense on the investment property and amortization expense on the acquisition costs.

(b) Adjustment to recognize the interest expense on the outstanding debt issued for the purchase of investment property.