

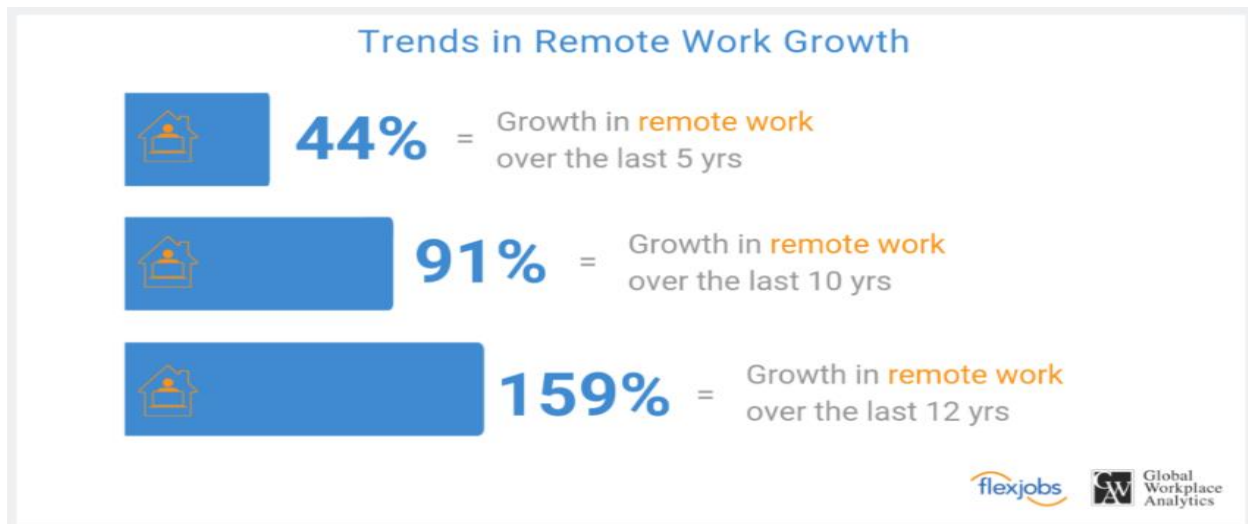
**RV sales and travel surge post COVID;
is there opportunity here for Real Estate Investors?** *By: Kyle Hague*



One of the biggest trends that has emerged post the start of Covid in early 2020, is a huge demand for RV sales and travel. After months of quarantine in early 2020, by mid-year most of the country was experiencing cabin fever and were ready to head out and explore, but do so in a way that allows for social distancing and safe travel. Especially employees who have the ability to work remote and can take their work with them, along with their family, on extended trips.



As we've seen and as illustrated by the graph below, remote working is here to stay and the RV and travel industry has seen millions of workers taking advantage of their ability to work and travel at the same time. In particular, many workers enjoy the freedom offered by RV's to drive to thousands of attractive destinations across the country on their own schedule.



Texas in particular has been the largest benefactor of the massive RV sales increase, with over 10% of nationwide orders (over 40,000 units). Not surprisingly, boat ownership has also seen a massive increase in the same timespan as many of the same people are spending more time outdoors and have additional savings and retirement dollars to spend. Texas now has over 563,000 registered boat owners.

What Opportunities Have Emerged for Real Estate Investors?

One of the biggest needs of both RV and boat owners is a safe and convenient place to store them. For example, RV owners in large metros may live in a condo, apartment, or perhaps a house that doesn't have the space or has HOA restrictions on parking a large RV or boat, yet they still need somewhere to keep it when not using it.

As a more specific example, one of the most popular RV destinations has been Galveston, TX, which is about 45 minutes south of Houston from Interstate-45. Galveston saw 7.3m visitors coming into 2020, increasing 10% over the previous 2 years. With over 300 RV parks and 30 miles of beaches, it is a paradise for both RV and boat owners. Many of these tourists and RV travelers come from Houston, with its close proximity and its population of over 7.3 million people. However as mentioned above, these thousands of RV and boat owners need a facility to store them and one

which provides a convenient locale for drop off/pick up to and from their favorite destinations, such as Galveston.

As with any Real Estate opportunity, location is key. So in looking for the ideal location in this scenario we would focus on Santa Fe, TX, which is strategically located on the way from Houston to Galveston off I-45, as well as part of the direct route from other larger metros such as DFW, San Antonio and Austin. After further research, many of the existing storage facilities in the area are at full capacity with a waiting list. In addition, many of these facilities are outdated and have uncovered, gravel lots. Today's RV owners are also looking for high quality asphalt lots with covered options and pull through spaces, as well as convenient amenities such as RV dump stations, restrooms, wash bays and automation.



How to meet this demand?

Many investors have already taken advantage of this long- term trend by finding or purchasing their own RV/boat storage facilities in high demand areas such as Texas and Florida. However, this can be daunting for those without prior experience, as well as being able to handle the day-to-day operation and oversight of the facility. Our current approach is finding and partnering with experienced operators in our target markets, and leveraging our underwriting, research and expertise with their local knowledge and resources. One of the critical components to a successful venture is insuring financial feasibility of the project along with direct access to the necessary labor, construction and vendors.

Upon finding the right opportunity, we also wanted to create a mechanism for our investors and partners to be able to participate passively in this type of opportunity, rather than take on this type of project alone. We're proud to say we've recently launched our Diversification Fund, to allow you to partner and invest alongside us to directly participate.

This area will continue to be a direct focus for the Saber Equity team over the coming years, and we invite any questions or feedback on this strategy. In addition, we would also invite you to explore and learn about our new development RV and boat Storage opportunity in Santa Fe, TX which was carefully identified, researched and chosen based on these exact findings.

<https://www.saberequity.com/santa-fe-storage>

We will continue to provide you with insight, expertise and opportunities and appreciate your partnership!

info@saberequity.com

Sources: RV Industry Association, rvsmoveamerica.org, Galveston Tourism Council, Texas Boating Association.