

CYPRESS, CALIFORNIA

MARCH 10, 2005

HIGH QUALITY MHC ON LAND LEASE SELLS FOR 6.5% CAP RATE



The leasehold sale of the Lincoln Center Mobile Home Park located at 9080 Bloomfield Avenue in Cypress in Orange County, California closed on March 10, 2005 for \$19,795,000. John Grant of Park Brokerage Inc. represented the buyer in the sale.

The all ages, 4+ star community was built in 1971 and consists of 305 doublewide spaces on 31.09 acres. Amenities include a 7,500 sf clubhouse with manager's office, billiards room, exercise room, computer lab and craft room, dealer's office, kitchen, and main room with a stage and capacity for 292 people, swimming and kiddy pools, playground, and basketball court.

Site rents were \$583-\$711 with a \$641 average plus submetered gas, electric and water utilities and sewer and trash charges. There is no rent control in the City of Cypress.

The property is on a 61 year land lease that expires June 30, 2066. The land lease payments have a monthly payment that adjusts every five years based on the consumer price index plus 5% on the gross rental income.

The capitalization rate was 6.5%. The buyer paid cash to a new \$15,150,000 Fannie Mae DUS loan originated by GMAC at 5.37% interest with monthly payments amortized over 30 years with a 10 year term. The capitalization rate was 6.5%. The property was in good condition at time of sale.

John Grant commented, "Lincoln Center Mobile Home Park is one of the most desirable manufactured housing communities in Orange County. The seller had extensively upgraded the property with \$1.3 million in improvements over the last several years. Many of the home sites have recently installed new and deluxe manufactured homes at sales prices averaging \$100,000. Cypress is a strong housing market area with the average single family home price at \$500,000".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 115 manufactured housing communities and RV parks in the last 16 years and financed over 20. John can be reached at 800-987-3363.

Market time: 60 days, Escrow length: 16 months (Seller took 10 monthly options to extend to find exchange property)