

Manufactured Housing Community For Sale

TUSTIN VILLAGE MOBILE HOME PARK

15352 Williams Street, Tustin, CA



- **\$5,000,000 Sales Price**
- **12½ Year Leasehold Interest**
- **192 MH Sites + 2 Apartments**
- **55+ “Senior” Community, 4 Star**
- **Great Orange County Location**
- **Low Rents, No Rent Control**
- **14.7% Capitalization Rate**

For Further Information Contact:

**John Grant
Park Brokerage Inc.
11580 Petenwell Road
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(800) 987-3363**

Information contained herein has been obtained from the owner of the property or from other sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee it.



MANUFACTURED HOUSING COMMUNITY		Price \$5,000,000	
Tustin Village Mobile Home Park 192 Sites + 2 Apts, Four Star, Senior, No Rent Control		Down Payment \$5,000,000	
Address/City 15352 Williams St., Tustin	County Orange	State California	
Est. Vac. & Expense % See Proforma Attached	Age Built 1963	Loan	
Capitalization Rate 14.7%	Est. Spendable Return	Total Return	
Parcel Size 18.42 Acres	No. Spaces 192 + 2 Apartments	Water City	Sewer City
Listing Salesman John Grant (800) 987-3363			
<p>DESCRIPTION AND TENANT INFORMATION: 192 site plus two apartments, four star manufactured housing community in the City of Tustin in Orange County. The 55+, senior community was built in 1963 and is in very good condition. The sites range from 35-44 feet in width and 60-75 feet in length. Almost all the sites can accommodate doublewides and the community currently contains 134 doublewides and 58 singlewides. Sites rents are very reasonable and range from \$529-\$588 plus submetered gas, electric, and a flat charge of \$4 per month for water. All tenancies are on month to month or one year rental agreements. There is no rent control in the City of Tustin and comparable all age communities in Orange County have site rents up to \$1,000. Amenities include entrance gates, a 3,742 square foot clubhouse and office, 2 pools, 1 spa, and 2 laundry rooms. The land lease expires April 30, 2017 and the land lease payments are 20% of the site rental income. However, every five years either the lessee or lessor can demand a reassessment of the land lease based on 6% of the land value. The lease also contains a provision that the land must be cleared of all structures and tenancy at the end of the lease. THE SELLER HAS SPENT A NUMBER OF YEARS ATTEMPTING TO BUY THE LAND OR EXTEND THE LEASE FROM THE LAND OWNERS. THE LAND OWNERS ARE IN THEIR 80'S AND ARE NOT WILLING TO DO ANYTING AT THIS TIME. THE SELLER WILL NOT GIVE ANY LAND OWNER INFORMATION TO THE BUYER UNTIL THE CLOSE OF ESCROW. THE BUYER MUST BUY THIS PROPERTY BASED ON THE ECONOMICS OF THE REMAINING LEASE TERM.</p>			
TOTAL ESTIMATED NET INCOME BEFORE DEBT SERVICE (See 2002 and 2003 actuals and Broker Proforma attached)		\$735,021	
LOAN INFORMATION			
Existing 1 st trust deed originated by First Fidelity Investment and Loan with a current principal balance of \$1,288,862 at an adjustable interest rate at the 6 month Libor + a margin of 3.5% with a 7.99% floor. Monthly payments amortized over 15 years at \$13,490 with \$4,622 to interest. Note is not assumable but Broker anticipates lender allowing an assumption.			

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TUSTIN VILLAGE MOBILE HOME PARK

		ACTUAL Year End 2002	ACTUAL Year End 2003	Broker's Proforma	
REVENUES					
Space Rent		1,251,776	1,299,992	1,362,047	← Current rent roll annualized plus 3% rent increase to be effective 12/1/04. Current rent roll has two vacant sites. Rents very reasonable.
Rent Adjustments		0	-11,471	0	
Vacancy/Unpaid Rent		-22,900	-8,659	0	
Rental Subsidy		-3,200	-4,949	-4,949	
Staff Units		-19,238	-23,138	-23,138	
NSF and Late Charges		451	115	115	
Storage		4,020	2,920	2,920	
Container Storage		8,073	7,835	7,835	
Electric		73,378	72,061	72,061	
Gas		44,968	50,723	50,723	
Water		8,880	8,968	8,968	
Coke Machine		60	68	68	
Laundry		6,648	5,423	5,423	
Coach Interest		3,367	2,147	0	← All coach income and expenses taken out of proforma
Sale of Coach		84,936	7,227	0	
Cost of Coach Sold		-48,986	0	0	
Other Income		3,347	1,767	1,767	
TOTAL REVENUE		1,395,580	1,411,029	1,483,840	
EXPENSES					
Accountant		0	4,344	2,000	
Auto and Travel		2,021	4,204	2,000	
Bank /P/R Fees		2,461	89	89	
Billings		2,941	3,928	3,928	
Casual Labor		0	50	50	
Donations		3,065	3,470	0	
Education/Seminars		3,821	6,997	3,000	
Legal		30,370	6,866	5,000	
Office, Administration		14,372	13,396	5,000	
Advertising		3,919	5,093	2,000	
OSHA		4,979	4,752	0	
Permits, Dues and Licenses		10,914	11,290	11,290	
Telephone/Cell/Pager		9,229	8,698	8,698	
Senior Tenant Services		33,345	32,877	0	
Common Area Maint/Supplies		29,824	27,258	43,650	← All Repairs and Maintenances at the industry average \$225 per site per year. 194 X \$225 = \$43,650
Electrical R+M		1,717	3,751	0	
Gardening/Landscaping		5,499	6,999	6,999	
Gas R+M		4,397	580	0	
Golf Cart		0	1,682	0	
Plumbing R+M		14,699	17,973	0	

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Pool R+M	7,695	6,699	0		Trash should be passed thru to residents
Rubbish/Hauling	16,749	17,229	17,229	←	
Laundry Facilities R+M	736	936	0		
Street R+M	19,932	6,764	0		
Consulting Fees	2,469	900	0		
Ins-Employment Practices	1,995	1,838	1,838		
Ins-Liability + Property	11,812	13,647	13,647		
Ins-Boiler + Machinery	258	886	886		
Ins-Health	0	9,057	9,057		
Sales Commission	10,000	0	0		
Health Insurance	6,030	0	0		
Salaries	92,648	86,804	86,804		
Salaries/Bonuses	0	25	25		
Salaries/Sales	0	10,687	0		
Security Patrol	0	6,828	6,828		
Payroll Taxes	10,077	9,903	9,903		
Payroll Processing	0	1,888	1,888		
Ins-Workman's Comp	17,999	12,604	12,604		
Electric	79,893	77,773	77,773		Ground lease payments are 20% of site rents
Gas	31,378	42,087	42,087		
Water	30,948	30,419	30,419		
Ground Lease	247,591	258,448	272,409	←	
Mangement Fees	92,050	95,753	40,861	←	General partner fees in Management Fees. Estimate at 3% of site rents
Management Fees-GP	1,200	1,200	0		
Other Business Taxes	800	800	800		
Property Taxes	34,130	30,057	30,057	←	Because ground lease is less than 30 years, property taxes should not increase
HCD Fees	120	0	0		
Moving Expenses	1,200	0	0		
Abandoned Assets	4,500	0	0		
Apartment Expenses	794	3,738	0		
Other Coach Expense	2,192	1,928	0		
Discount on Purchase	0	-14	0		
TOTAL EXPENSES	902,769	893,181	748,819		Net income used for analysis
NET INCOME	492,811	517,848	735,021	←	

