

PINTO LAKE MOBILE ESTATES

789 Green Valley Road, Watsonville, CA



- **\$7,500,000 Sales Price**
- **Unincorporated Santa Cruz Area**
- **177 Sites, 4+ Star, All Ages**
- **19 Acres, City Sewer and Water**
- **12.9% Total Return**
- **Very Low Rents, \$340 Average**
- **Only \$42,373/Site**

For Further Information Contact:

**John Grant
Park Brokerage Inc.
11580 Petenwell Road
San Diego, CA 92131
(800) 987-3363**



MANUFACTURED HOUSING COMMUNITY		Price \$7,500,000	
Pinto Lake Mobile Estates 177 Sites, Four+ Star, All Ages, Mostly Doublewides		Down Payment \$1,875,000	
Address/City 789 Green Valley Road, Watsonville	County Santa Cruz	State California	
Est. Vac. & Expense % See Proforma Attached	Age Built early 1970's	Loan Buyer to obtain	
Capitalization Rate 6.2%	Est. Spendable Return 7.6%	Total Return 12.9%	
Parcel Size 19 Acres	No. Spaces 177	Water City	Sewer City
Listing Salesman John Grant (800) 987-3363		Cost per Space: \$42,373	
<p>DESCRIPTION AND TENANT INFORMATION: 177 site, four+ star manufactured housing community in the unincorporated area of Watsonville in the County of Santa Cruz. The all ages community was built in the early 1970's and contains all doublewide and triplewide lots with 34 singlewide homes, 128 doublewide homes, and 15 triplewide homes. The homes in the community sell for \$60,000-\$100,000. Site rents are \$300.13-\$498.44 with a \$340 average plus submetered gas and electric utilities and include the sewer, water, and trash utilities. Site rents are subject to the County of Santa Cruz rent control ordinance that limits annual rent increases to 50% of the San Francisco-Oakland Consumer Price Index-All Urban Consumers plus the annual increase in property taxes, government mandated services, and 50% passthru of capital expenditures. The Santa Cruz area is a very expensive housing market and site rents are probably less than half of true market. Amenities include a 7,500 square foot clubhouse, swimming pool, and laundry room.</p>			
TOTAL ESTIMATED NET INCOME BEFORE DEBT SERVICE (See 2001, 2002, and 2003 actuals and Broker Proforma attached)		\$464,977	
LOAN INFORMATION Broker anticipates new 75% loan to value of \$5,625,000 at an adjustable interest rate based on the 12 MAT + 2.45% with a 4% initial rate fully amortized over 30 years, monthly payment \$26,854.61	TOTAL ANNUAL PRIN. & INTEREST PAYMENT		322,255
	EST. ANNUAL PRE-TAX CASH FLOW (SPENDABLE)		142,722
	PRINCIPAL REDUCTION YEAR ONE		99,058
	TOTAL RETURN		241,780

The information contained herein has either been given to us by the owner or the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee it. Vacancy factors used herein are an arbitrary percentage used only as an example. It does not necessarily relate to actual vacancy, if any. The value of this investment is dependent upon these estimates and assumptions made above, as well as the investment income, the tax bracket and other factors which your tax advisor and/or legal counsel should evaluate. **THE PROSPECTIVE BUYER SHOULD CAREFULLY VERIFY EACH ITEM OF INCOME, EXPENSE, AND ALL OTHER INFORMATION CONTAINED HEREIN.**

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	ACTUAL Year End 2001	ACTUAL Year End 2002	ACTUAL Year End 2003	Broker's Proforma	
REVENUES					
Rental Income	852,786	815,385	840,297	865,000	←
Security Deposits	7,702	7,027	2,213	0	
TOTAL REVENUE	860,488	822,412	842,510	865,000	
EXPENSES					
Deposit Refund	9,145	5,405	2,901	0	←
Bad Checks	4,563	5,271	2,826	2,826	
Bank Charges	82	124	35	35	
Auto Lease	3,797	2,848	2,848	2,848	
Property Taxes	85,973	86,227	93,975	93,975	←
Vehicle Expense	0	1,107	0	0	
Insurance	6,292	10,480	7,558	10,480	
Legal Fees	175	1,728	2,891	2,891	
Licenses and Permits	7,780	5,592	6,113	6,113	
Office Expense	658	616	227	500	
Operating Supplies	15,116	10,836	14,721	14,721	←
Management	61,014	59,047	66,941	66,941	
Telephone	2,079	2,619	2,805	2,805	
Maintenance and Service	39,132	44,075	78,284	39,825	←
Utilities-Electric	78,455	70,501	54,991	54,991	
Utilities-Gas	98,141	50,604	60,184	60,184	
Utilities-Water and Sewer	38,003	37,260	39,047	39,047	
Utilities-Refuse	676	676	1,841	1,841	
TOTAL EXPENSES	451,081	395,016	438,188	400,023	
NET INCOME	409,407	427,396	404,322	464,977	←

Income includes 2.1% rent increase effective August 1st. Actual 8/1/04 noticed increase averages 3.5% but includes property tax pass thru and government mandated services.

Security deposit income and expense removed.

County of Santa Cruz allows passthru of increases in property taxes

Repairs + Maintenance at industry average of \$225/space/year. Seller also has Operating Supplies expense category.

Net income used for valuation

