

HOOSIER TRAILER COURT

525 Fairfax Drive, Costa Mesa, CA



- **\$2,700,000 Sales Price**
- **41 Sites + Two Houses, 2.49 Acres**
- **Prime Orange County Location**
- **R-2 Zoned Land for 36 Units**
- **Low Rents, No Rent Control**
- **10.2% Cash Flow**

For Further Information Contact:

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



Park Brokerage Inc.

MANUFACTURED HOUSING COMMUNITY		Price \$2,700,000	
Hoosier Trailer Court 41 Sites + 2 Houses		Down Payment All Cash	
Address/City 525 Fairfax Drive	County Orange	State California	
Est. Vac. & Expense % See Proforma Attached	Age 1948	Loan Buyer to obtain	
Capitalization Rate 8.7%	Est. Spendable Return 10.2%	Total Return with MH Notes 11.4%	
Parcel Size 2.49 Acres	No. Spaces 41 + 2 Houses	Map-Page	Zoning R-2 HRD
Listing Salesman John Grant (800) 987-3363		Office San Diego	
<p>DESCRIPTION AND TENANT INFORMATION: Prime, prime, prime, Orange County, CA real estate in the City of Costa Mesa adjacent to Newport Beach. Property is located just behind the northwest corner of Harbor Blvd. and 19th Ave next to regional shopping, entertainment areas, and various commercial strip centers. 41 mh sites with current rents of \$560 that include all utilities. Broker completed rental survey and market rents are at least \$575 with the residents paying all gas, electric, water, and trash utilities. There is no rent control in the City of Costa Mesa. Two houses included with one being used by the manager that is 2 bedroom/1 bath with a den of approximately 1,400 square feet plus the owner's house 2 bedroom/1bath of approximately 1,600 square feet. Both houses are in very good condition and have very attractive patios and large lawn areas. The park is a 55+ community with mostly doublewide homes. City water and sewer utilities. The park currently has ten vacant sites. There is no vacancy in the Costa Mesa market and the vacancies are because of the owner's lack of interest and desire to rent the sites. The vacant sites can accommodate 20x36 or 20x45 foot manufactured homes. The streets are in excellent condition and the property is beautifully landscaped. The land is zoned R-2 HRD allowing one dwelling per 3,000 square feet or a total of 36 units. The park is surrounded by new and newer townhomes and condominiums. EXCELLENT BEACH AREA COMMUNITY, 12.2% CASH FLOW, NO RENT CONTROL, RARE OPPORTUNITY!!!</p>			
TOTAL ESTIMATED NET INCOME BEFORE DEBT SERVICE		\$235,822	
LOAN INFORMATION		TOTAL ANNUAL PRIN. & INTEREST PAYMENT	
Buyer to obtain new financing through escrow. Broker anticipates a \$1,500,000 new loan at an adjustable interest rate of 6½% amortized over 30 years with a 15 year term, monthly payment \$9,481.02		\$113,772	
		EST. ANNUAL PRE-TAX CASH FLOW (SPENDABLE)	
		\$122,100	
		PLUS PRINCIPAL REDUCTION YEAR ONE	
		\$14,619	
		TOTAL RETURN	
		\$136,719	

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.** S: users\grant\h

HOOSIER TRAILER COURT

		Broker's Proforma					
REVENUES							
	41 Spaces at \$575/month	282,900	←	Broker surveyed most of the parks in Costa Mesa and Newport Beach (see rent survey) and market is at least \$575/month with the residents paying all the gas, electric, water, sewer, and trash utilities. Current space rents are \$560 including all the utilities.			
	Two Houses at \$1,400/month	33,600					
	TOTAL REVENUE	316,500					
	less 3% Vacancy	-9,495					
	Add: Laundry and Miscellaneous	5,000					
	EFFECTIVE GROSS INCOME	312,005					
EXPENSES							
	Payroll	18,000	←	Manager compensation is free rent in one of the houses plus utilities.			
	Payroll Taxes	2,160					
	Utilities-Net	0	←	Gas, electric, and water meters will need to be installed.			
	Repairs and Maintenance	6,650					
	Liability Insurance	4,000					
	Workers Comp Insurance	2,160					
	Licenses	1,550					
	Landscaping	5,318					
	Office and Telephone	1,200					
	Dues and Subscriptions	1,000					
	Legal and Accounting	2,000					
	Advertising	500					
	Meter Reading and Billing	645		Estimated new taxes per Prop. 13			
	Property Taxes	26,000	←				
	Miscellaneous	5,000					
	Total Expenses	76,183					
	NET INCOME	235,822					

COSTA MESA RENT SURVEY DECEMBER/2001

Park	# of Sites	Rents	Utilities	Vacancies	Status	Quality to Subject
Hoosier Trailer Court (subject) 525 Fairfax Drive, Costa Mesa	41	\$560	Park pays all	10	55+	
Trade Winds Trailer Village 2191 Harbor Blvd., Costa Mesa	78	\$500-\$550	park pays s,w,t	0	All Ages	comparable
Regal Estates 1845 Monrovia Ave., Costa Mesa	94	\$600	residents pay all	0	55+	superior
Snug Harbor 1626 Newport Blvd., Costa Mesa	50	\$495-\$550	residents pay all	0	All Ages	inferior
Play Port Mobile Village 903 W. 17th St., Costa Mesa	103	\$504	includes s,w,t	0	55+	superior
Ponderosa Mobile Estates 1991 Newport Blvd., Costa Mesa	49	\$500-\$700	includes water	0	All Ages	inferior
Green Leaf Park 1750 Whittier Ave., Costa Mesa	92	\$600	residents pay all	0	55+	superior
Orange Coast Mobile Home Lodge 1684 Whittier Ave., Costa Mesa	49	\$450		0	55+	inferior
Costa Mesa Mobile Estates 327 W. Wilson St., Costa Mesa	113	\$540	residents pay all	0	All Ages	comparable
Harbor Mobilehomes 1535 Superior Ave., Newport Beach	40	\$560	residents pay all	0	55+	comparable
Newport Terrace 824 W. 15th St., Newport Beach	56	\$625	residents pay all	0	All Ages	comparable
Seacliffe Mobile Park 890 W. 15th St., Newport Beach	117	\$810-\$835	residents pay all	0	All Ages	comparable
Ebb Tide Mobile Home Park 1560 Placentia Ave., Newport Beach	77	\$550-\$630	includes s,w,t	0	All Ages	comparable
Vista Verde Mobile Home Park 1741 Pomona Ave., Costa Mesa	49	\$475-\$525	residents pay all	0	All Ages	comparable

*the Newport Beach parks are adjacent to the Costa Mesa city limits and the same exact market area

