

PRESS RELEASE

DESERT HOT SPRINGS, CALIFORNIA

DECEMBER 22, 2003

\$2.65 MILLION TO \$4.14 MILLION IN TWO YEARS

The sale of the Casa del Sol Mobile Home Park located at 17300 Corkhill Avenue in Desert Hot Springs closed on December 22, 2003 for \$4,140,000. John Grant of Park Brokerage Inc. represented the buyer and the seller in the sale.

The all ages community was built in phases in 1959, 1970, and 1980 and contains 176 mobile home sites, 9 RV sites, and a manager apartment on 17.34 acres. The community is split fairly even with singlewide and doublewide mobile homes with a small RV component. The old section would probably be considered two star, the middle section three star, and newest section four star. Amenities include a recently renovated clubhouse with kitchen, card room, library, billiards, and meeting room, office, three sets of laundry rooms, three hot mineral spas, swimming pool, and entry gate. The community is serviced by county water and septic sewer systems. The property was in fair condition at time of sale with poor asphalt streets and many old metal mobile homes in the original section in bad condition.

The site rents were \$268-295 plus submetered gas, electric, and water. The gas and electric utilities were directly billed in the 1980 section. The site rents are subject to the County of Riverside rent control ordinance which limits annual increases to 100% of cpi. The community was 90% occupied at closing.

The capitalization rate was 8%. The buyer put 25% cash down and the obtained a new 75% loan to value at an adjustable interest rate of 4% fully amortized over 30 years.

John Grant commented, "Desert Hot Springs use to be called "Desperate Hot Springs" and was a terrible manufactured housing community market with extremely weak demand. However, housing demand has greatly increased over the last few years as thousands of jobs have been created from all the new Indian casinos and housing boom in the Coachella Valley. In the last year the median priced house in Desert Hot Springs has increased 40% in value to \$125,000. The all age communities have experienced strong demand for housing".

Grant added, "The seller bought the community in 2001 in poor condition and with bad management. They renovated most of the community and sold off a large number of park owned homes and greatly increased the net income. They also had great timing as the housing marketing in Desert Hot Springs was just starting to take off in 2001".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 104 manufactured housing communities and RV parks in the last 15 years and financed over 100. John can be reached at 800-987-3363.