

## PRESS RELEASE

QUARTZSITE, ARIZONA

NOVEMBER 26, 2003

### **QUARTZSITE RV PARKS ARE CHEAP**

The sale of the Desert Sunset RV Park located at 480 N. Central Blvd. in the Quartzsite, Arizona closed on November 26, 2003 for \$450,000. John Grant of Park Brokerage Inc. represented the buyer and seller in the sale.

The 55+, senior snowbird park was built in the phases during the 1970's and 1984. It contains 93 RV and 8 mobile home sites on 7.25 acres. The park has gravel spaces and streets, well water system, city sewer, direct bill cable tv, laundry room, bathrooms with showers, storage, and a 20X60 foot recreation room. An owner/manager 10X55 mobile home with two 8X20 tip outs and adjacent small office was included in the sale

The RV space rents are \$14 daily, \$70 weekly, \$150 monthly, \$675 seasonally, and \$775 yearly. The mobile home spaces are \$800-\$900/year. The rents have not been increased for six years. Most of the RV spaces are occupied by guests for three months or more during the winter season.

The net income for the park had been steadily declining each year from \$52,364 in 1998 to \$36,485 in 2002. Using the 2002 net income, the capitalization rate was 8.1%. The buyer made a \$100,000 cash down payment and the Seller carried a \$350,000 1<sup>st</sup> trust deed at 6% interest with monthly payments amortized over 30 years with a 15 year term. The park is located on commercial land in the middle of town and may have long term potential for commercial development.

John Grant commented, "Quartzsite is a very popular but low rent snowbird destination. It becomes the second largest city in the State of Arizona every January and February with over one million people (most who dry camp on the BLM land). With the stock market crash and low money market rates, retirees have had less money and the snowbird market has been down the last several years. However with the high number of baby boomers retiring each year, it probably just a matter of time before the market increases again".

Grant added, "\$4,455 per space is way below replacement cost and as cheap as you are going to find in the Southwest".

John Grant of Park Brokerage Inc. sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 101 manufactured housing communities and RV parks in the last 15 years and financed over 100. John Grant can be reached at 800-987-3363 or [john.grant@earthlink.net](mailto:john.grant@earthlink.net).