

PRESS RELEASE

LOS ANGELES, CALIFORNIA

APRIL 17, 2001

BUYER LOOKS FOR RENT UPSIDE IN STRONG INFILL LOCATION

The sale of the Glenoaks Mobile Manor located at 10471 Glenoaks Boulevard in the Pacoima area (San Fernando Valley) of Los Angeles, California was completed on April 17, 2001 for \$1,400,000. John Grant of Park Brokerage Inc. represented the buyer and the seller in the sale.

The all ages community was built in 1959 and has 70 sites. Except for five doublewides, the community contains all singlewide homes. The park is situated on four acres. Its only amenity is a laundry room. The community is serviced by city water and sewer systems.

The community was in excellent condition at time of sale. The seller installed new gas and water utility systems in 1995 and brand new asphalt streets in 1996.

The site rents were low at \$249-\$282 and included the sewer, water, and trash utilities. Market site rent is approximately \$350 with the resident paying the sewer, water, and trash utilities. The community had three vacant sites at time of sale. The community is subject to the City of Los Angeles rent control ordinance which limits rent increases to 100% of cpi with a 3% floor and an 8% maximum. A 10% increase is allowed on resident resale and full decontrol is allowed on vacant sites.

With the addition of professional management expense, the community sold at a 9% capitalization rate. It was an all cash sale with La Jolla Bank providing new financing for the buyer.

John Grant commented, "Glenoaks is a clean, infill community located in a good pocket of Pacoima across the street from a golf course. The seller had not increased rents for a number of years and the rents were low. The buyer plans on installing and selling three new manufactured homes immediately on the vacant sites. Local dealers assured him of strong housing demand and the new homes should sell quickly".

John Grant added, "\$20,000/site is a very reasonable price for such a well maintained property. With site rents far under market, the property has very little risk and offers strong upside within the confines of the rent control ordinance".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 78 parks in the last thirteen years and financed over 100. For further information contact John at 800-987-3363.