

PRESS RELEASE

ORANGE, CALIFORNIA

JANUARY 31, 2003

ORANGE COUNTY MH COMMUNITY SELLS FOR \$57,317/SITE

The sale of the Mobile Ritz Lodge manufactured housing community located at 300 W. Lincoln Avenue in Orange, California was completed on January 31, 2003 for \$4,700,000. John Grant of Park Brokerage Inc. represented the buyer in the sale.

The all ages community was built in 1959 and contains 80 sites and a large 4 bedroom, 2 bath, 3,000 square foot house. It is a clean, 3 star community with very nice landscaping. The community contains 43 multisection and 37 single section homes. The community is located on 5.41 acres and the density is 15/acre. The property's amenities are a 1,700 square foot clubhouse, swimming pool, and laundry. The community is serviced by city water and sewer systems. The property was in good condition at time of sale.

The site rents were \$500 plus submetered gas, electric, water, and \$20 per month for sewer and trash. The site rents of \$500 are at least \$100 below market. There is no rent control in the City of Orange.

The community sold at a 6.4% capitalization rate. Counting the house as two sites, the price per site was \$57,317. The buyer obtained new financing for \$1,400,000 at an initial adjustable interest rate of 5½% fully amortized over 30 years.

On a separate escrow the buyer paid \$700,000 for 45 park owned mobile homes that are rented in the community.

John Grant commented, "Orange County might be the most attractive manufactured housing community market in the country. The county has the highest median income in the country. Manufactured housing communities enjoy strong rents, almost 100% occupancy, and strong inflow of new manufactured homes into the communities".

Grant added, "The buyer owns and manages a large portfolio of communities primarily in Southern California. They are manufactured housing retailers and plan to replace many of the 45 older mobile homes they purchased with the sale with new manufactured homes".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 92 manufactured housing communities and RV parks in the last 15 years and financed over 100. John can be reached at 800-987-3363.