

PRESS RELEASE

EARP (PARKER DAM), CALIFORNIA

JANUARY 30, 1998

HIGH DEMAND COLORADO RIVER LOCATION ENTICES INVESTOR

The sale of the Riverland Resort located on the California side of Parker in Earp sold January 30, 1998 for \$2,200,000. John Grant of Park Brokerage Inc. represented the seller in the transaction.

The park located directly on the Colorado River contains 71 mobile homes spaces, 64 full hookup RV spaces (38 on the river front with cabanas), open and covered storage, market, marine fuel dock, and boat repair facility with boat slips. The property has a small section of vacant land for another 20-30 spaces. The 12.5 acre property is on a 93 year ground lease from the Federal Bureau of Land Management (BLM).

The mobile home spaces rent for \$225/month and the BLM restricts year round occupancy. The RV park rents for \$15+/day during the winter and \$20/day during the summer. Snowbird rates during the winter are \$300/month and \$225/month for a stay for three months or longer. The park is serviced by a septic sewage system and well water. The park was built in the early 50's, but has been continuously upgraded.

The buyer put 50% down or \$1,100,000. The seller carried a \$1,100,000 1st trust deed fully amortized over 30 years at 8%. The capitalization rate was 9%, but management expense was low because the seller was the operator. The new buyer plans to extensively upgrade the park and add spaces. The park is ideally situated at a very attractive location along the river, and rental rates were low.

John Grant commented, "The Colorado River area is one of the most highly desired mobile home and RV park markets in the southwest. RV parks enjoy two high demand seasons with the snowbirds in the winter and the water skiers in the summer. The federal government has a new law that will not allow any new development along the Colorado river front. This new BLM law increases the value of all existing water front properties. While there is tremendous demand for RV parks along the Colorado river, most of the existing parks are controlled by a few local owners, and rarely are parks available for sale."

"The buyer paid a premium for the park, but the seller provided excellent financing, and has large upside in renovating and adding spaces to the park. The buyer is an experienced owner of RV and mobile home parks and recognized the large upside potential renovating the park and increasing the low rental rates. The Colorado River market may be the best RV park market in the southwest."

John Grant sells and finances mobile home and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 49 parks in the last ten years with dozens financed. For further information contact John at 619-586-9400.