

## PRESS RELEASE

TUSTIN, CALIFORNIA

January 22, 2005

### **194 SITE MHC IN TUSTIN ON 12¼ YEAR LEASEHOLD SELLS FOR 16.3% CAP**

The leasehold sale of the Tustin Village Mobile Home Park located at 15352 Williams Street in the City of Tustin in Orange County closed on January 19, 2005 for \$4,500,000. John Grant of Park Brokerage Inc. represented both parties in the sale.

The 55+, four star community was built in 1963 and has 192 sites and two apartments on 18.42 acres. The community contains almost all doublewide lots, and at the time of sale, there were 134 doublewides and 58 singlewides. The site rents were very reasonable from \$545-\$606 plus submetered gas and electric. The city sewer, city water, and trash utilities were included in the rent. There is no rent control in the City of Tustin and comparable communities in Orange County have site rents from \$750-\$1,000. Amenities include an entrance gate, a 3,742 square foot clubhouse and office, two pools, one spa, and two laundry rooms.

The property is on a 12¼ year land lease that expires April 30, 2017. The land lease payments are based on 20% of the site rental income.

Kort and Scott Financial Group was the buyer and Tustin Village Mobile Home Park, Ltd. the seller. The capitalization rate was 16.3% and Kort and Scott paid all cash without financing. The property was in good condition at time of sale.

John Grant commented, "Orange County manufactured housing communities are in very high demand and rarely come on the market. Tustin is a very desirable market area and Orange County has the highest median housing cost in the nation. The buyer basically bought a 12¼ year annuity with tremendous rental income upside. The buyer can also spend the next 12¼ years attempting to buy the land or obtain a lease extension".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 113 manufactured housing communities and RV parks in the last 16 years and financed over 100. John can be reached at 800-987-3363.

Market time: 60 days

Escrow length: 45 days