

NON-PROFIT PAYS TOP PRICE FOR 55+, WINE COUNTRY COMMUNITY

The sale of the Blue Spruce Mobile Home Lodge located at 8800 Green Valley Road in the unincorporated area of Sebastopol, CA closed on June 1, 2011 for \$2,700,000. John Grant of Park Brokerage Inc. represented the Seller in the sale.

The 55+, senior manufactured housing community was built in the 1960's and contains 54 mh sites and a 3 bedroom/2bath single family house. The community has mostly doublewide homes and almost all the sites can accommodate doublewide homes. Amenities include a small clubhouse with a social area with fireplace, kitchen, and two restrooms, a swimming pool, and RV storage.

The mhc site rents were \$416-\$702 with a \$576 average with direct billed gas and electric, well water, and sewer and trash were billed to the residents. Site rents are subject to the County of Sonoma rent control ordinance which allows an annual rent increase of 100% of cpi with a maximum increase of 6% and no vacancy decontrol.

The non-profit buyer obtained new conventional bank financing at 70% loan to value or \$1,890,000, and the County of Sonoma Community Development Commission provided the balance of the purchase price. The capitalization rate was 6.5%. The property was in good condition at time of sale.

John Grant commented, "When I listed the property for sale, I was required to give the resident association notice that the property was for sale. They notified a non-profit who immediately offered full price and put the property under contract. To obtain backup offers in the event the non-profit defaulted, I later opened the offering to the market and am confident that the property would have sold at almost or at full price to a private party. While the community is subject to difficult rent control and serviced by well water, it is in a beautiful area surrounded by wineries".

Grant added, "55+ senior communities in good locations are always in strong demand".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 147 manufactured housing communities and RV parks in the last 23 years and financed over 200. John can be reached at 858-586-9400.

Market time: One week, Escrow length: 150 days