

PRESS RELEASE

BRENDA (QUARTZSITE), ARIZONA

DECEMBER 18, 2003

QUARTZSITE RV PARK SELLS FOR 10% CAP RATE

The sale of the Black Rock RV Village located at 46751 E. Highway 60 in Brenda, Arizona was completed on December 18, 2003 for \$2,440,000. John Grant of Park Brokerage Inc. represented the seller in the sale.

The snowbird RV resort was built in phases starting in 1982 with the last 66 site phase being completed in 2002. The park contains 405 sites on 45 acres. The very large sites are between 40x50 feet to 40x100 feet with an average site size of 40x60 feet. Most of the sites were developed to eventually accommodate park models and only 26 of the sites are pull thrus. Every site has 50 amp electric, cable tv, and most have telephone. The property includes a very popular 150 seat café that is leased to an operator, five motel units, leased beauty shop, five metal canopy vendor booths, soft water car wash, propane sales, and two manufactured homes. Amenities include a 41x91 rec hall and a 14x49 rec hall annex with a library, modem desk, kitchen, and card room, three laundry facilities, picnic area in the center of park with a cabana, fire pit, radio control model airplane flying field, and a 18 hole desert pitch n putt golf course. The park is serviced by septic sewer and well water. The sale included an onsite park model sales business. The property has gravel roads and was in good condition at time of sale.

The site rents are daily \$21 and \$24, weekly \$120 and \$140, monthly \$260 and \$375, two months \$615, three months \$775, and annuals \$875-\$1,025. At the time of sale the park had 260 annual tenants with 78 park models.

Deducting the park model income and expenses, the park sold at a 10%% capitalization rate. The buyer made a \$732,000 cash down payment (30%), and the Seller carried a \$1,708,000 AITD at 7% interest with monthly payments amortized over 25 years with a 10 year term.

John Grant commented, "Brenda is 15 minutes northeast of Quartzsite and the snowbirds that stay at Brenda prefer the quieter atmosphere compared to Quartzsite. Quartzsite has a year round population of 7,000, but in January and February of every year, becomes the second largest city in Arizona with over one million snowbirds".

Grant added, Black Rock sold for only \$6,025 per site and the rental rates in Quartzsite are the lowest in the Southwest. Because of the large reduction in many retiree's retirement accounts from the stock market collapse, snowbird are even more price sensitive now, and are relocating from the higher priced markets like Phoenix and Yuma to the lower rent areas like Quartzsite. Black Rock is experiencing strong demand from snowbird desiring an attractive park at very reasonable rental rates".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 102 manufactured housing communities and RV parks in the last 15 years and financed over 100. John can be reached at 800-987-3363.