

PRESS RELEASE

RENO, NV

OCTOBER 19, 2001

GREAT MARKET AND LOW RENTS SPELL LONG TERM SUCCESS

The sale of the Bonanza Terrace RV Park located at 4800 Stoltz Road, Reno, Nevada was completed on October 19, 2001 for \$1,000,000. John Grant of Park Brokerage Inc represented the seller in this transaction.

The park was built in the 1979 and contains 79 full hook-up spaces with a small area for the possible addition of a few more spaces. The property is situated on 4.75 acres. The monthly rental rate at the park is \$300 to \$325. The daily rate is \$20 and the weekly rate is \$92. The majority of the income is derived from monthly occupancy. The park's only amenity is a laundry facility. The park is located in the northwest area of town just west of I-395. The park is slightly terraced and has some views. The park was in fair condition at the time of sale.

The buyer used the proceeds of a 1031 exchange and placed a \$350,000 down payment on the park. The owner carried a first note and deed of \$650,000 at 9%, interest only, for five years. The note also has a principal pay down of \$1,000 per month after the eighteenth month. The park had three vacant spaces at the close of escrow and has an average annually occupancy of 70%. The capitalization rate was 10.9%.

Grant commented, "The Reno/Sparks market now supports a population of approximately 325,000 with a median income of \$41,000. The population has grown at a rate of 3.5% annually over the last several years. With gaming and the burgeoning industrial market, Reno will continue to see occupancies above those of Las Vegas. Reno has a more diverse employment market than Las Vegas with not as much reliance on gaming and construction".

Grant added, "The buyer has several improvements already underway and has many more planned for the park. He has already had the streets slurry sealed and is working on improving access into one area of the park. He plans on adding a web page and increasing advertising to help increase the rents and occupancy".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 86 communities and parks and financed over 100 in the last thirteen years. For further information contact John at (800) 987-3363.