

GOLDEN HILLS MOBILE ESTATES **720 E. Worth Avenue, Porterville, CA**



- \$10,500,000 Sales Price
- 55+ Senior, 4 Star Community
- 223 Doublewide Sites on 27.59 Acres
- Clubhouse, 2 Pools, Spa, Saunas
- City Utilities
- No Rent Control
- Southern San Joaquin Valley

For Further Information Contact:

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Park Brokerage Inc.

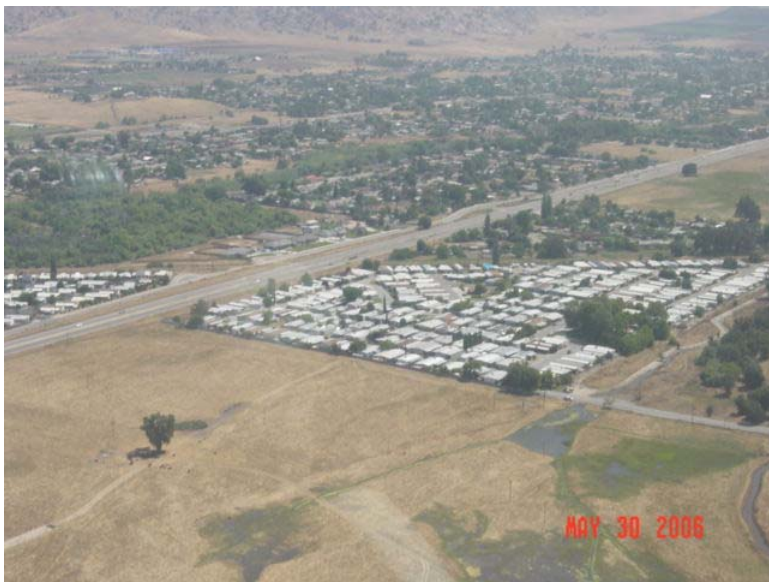
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MANUFACTURED HOUSING COMMUNITY		Price \$10,500,000	
Golden Hills Mobile Estates 223 Doublewide MH Sites, 4 Star, 55+ Community		Down Payment \$3,500,000	
Address/City 720 E. Worth Ave., Porterville	County Tulare	State California	
Est. Vac. & Expense % See Proforma Attached	Age 1972	Loan Buyer to obtain	
Capitalization Rate 5.2%	Est. Spendable Return 1.7%	Total Return 3.4%	
Parcel Size 27.59 Acres	No. Spaces 223	Water Municipal	Sewer Municipal
Listing Salesman John Grant (800) 987-3363		Price Per Site: \$47,085	
<p>DESCRIPTION AND TENANT INFORMATION: 4 star, 55+ senior community located in the City of Porterville in the County of Tulare. Porterville is in the southern San Joaquin valley region of California mid way between Los Angeles and San Francisco. 223 sites currently occupied by 84 singlewide homes and 139 doublewides on 27.59 acres for a low density of 8.08 homes per acre. Current site rents are \$312 across the board plus submetered gas and electric and \$25.52 for sewer and \$11.45-\$16.95 for trash. Water is included in the rent. There is no rent control in the City of Porterville and all tenancies are month to month. Approximately half the sites were given a \$9 rent increase effective August 1st and the other half have their rent increases effective January 1st. Very attractive 6,035 square feet clubhouse, 900 square feet laundry building, RV storage area with 29 spaces, shuffleboard, car wash, two swimming pools, spa, and saunas in both restrooms. 50 and 100 amp electrical service, gas system with cathodic protection, and city sewer and water utilities. Current managers own their own homes and the manager doublewide mobile home is rented for \$650 per month. Recent improvements include a new roof on the clubhouse and new fiberglass for the swimming pools and spa. Manager has been at park for 18 years and most new residents over the years have been local, but in the last few years, more and more new residents from LA and Bay areas.</p>			
TOTAL ESTIMATED NET INCOME BEFORE DEBT SERVICE		\$545,674	
LOAN INFORMATION		TOTAL ANNUAL PRIN. & INTEREST PAYMENT	
Buyer to obtain new bank financing. Broker has a quote for \$7,000,000 at 115 basis points over the ten year treasury, currently a 6.1% interest rate, monthly payments amortized over 35 years, monthly payment \$40,384.47		\$484,614	
		EST. ANNUAL PRE-TAX CASH FLOW (SPENDABLE)	
		\$61,060	
		PLUS PRINCIPAL REDUCTION YEAR ONE	
		59,220	
		TOTAL RETURN	
		120,280	

The information contained herein has either been given to us by the owner or the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee it. Vacancy factors used herein are an arbitrary percentage used only as an example. It does not necessarily relate to actual vacancy, if any. The value of this investment is dependent upon these estimates and assumptions made above, as well as the investment income, the tax bracket and other factors which your tax advisor and/or legal counsel should evaluate. **THE PROSPECTIVE BUYER SHOULD CAREFULLY VERIFY EACH ITEM OF INCOME, EXPENSE, AND ALL OTHER INFORMATION CONTAINED HEREIN.**

GOLDEN HILLS MOBILE ESTATES

	ACTUAL Year End 2004	ACTUAL Year End 2005	Broker's Proforma	
REVENUES				
Permanent Space Rent	775,889	807,196	838,968 ←	Current rent roll annualized. Approximately half the community had a \$9 rent increase effective August 1st and the other half of the park will be increased effective January 1st. Current rent is \$312 across the board except manager mobile home rented at \$650. Current managers own their own homes. Currently two vacant spaces and two spaces in process of home installation that are already sold. Broker has used 2% vacancy rate.
Vacancy Costs	-30,878	-27,488	-16,780	
Delinquent Rent-Current Month	-27,445	-12,798	0	
Prior Month Rent Collections	12,637	9,871	0	
Prepaid Rents	370	-125	0	
Mobile Home Sales	-1,526	-330	0	
Note Interest Payments	430	174	0	
Gas	90,409	102,964	102,964	
Electric	137,307	139,540	139,540	
County Utility Tax	13,840	14,502	14,502	
Sewer	56,362	63,654	63,654	
Trash	29,629	32,548	32,548	
Yard Maintenance Fees	0	69	69	
Parking + Storage Fees	3,695	3,650	3,650	
Laundry	114	0	0	
Clubhouse + Events Fees	200	70	70	
Returned Checks	-2,413	150	150	
Late Charges	1,095	875	875	
Other Interest Income	80	103	0	
Other Income	25	0	0	
TOTAL REVENUE	1,059,820	1,134,625	1,180,210	
EXPENSES				
Resident Manager	33,855	21,949	21,949	
General Maintenance Wages	20,120	18,813	18,813	
Payroll Taxes	5,156	5,127	5,127	WMA wc insurance rate is 11% of gross payroll
Rent-Mgr MH	7,032	6,666	7,488	
Worker's Comp Insurance	1,447	14,053	5,308 ←	
Gas	69,703	83,285	83,285	
Electricity	139,804	146,907	146,907	
Water	22,175	16,785	16,785	
Sewer	62,418	60,431	60,431	
Street Lights	0	10	10	
Trash	33,147	31,796	31,796	
Repairs and Maintenance	49,332	47,693	50,175 ←	R+M at \$225 per site per year
Operating Supplies	6,453	4,033	4,033	
Accounting	970	970	970	
Advertising and Promotion	683	1,385	1,385	
Bank Charges	82	58	58	
Credit Checks	297	312	312	
Dues + Subscriptions	6,251	6,870	6,870	
Education and Seminars	500	850	850	WMA member insurance discount should make for lower premium
Equipment Lease/Rentals	0	61	61	
Insurance-Prop + Liability	13,407	17,096	17,096 ←	
Legal	5,959	687	687	
Licenses + Permits	3,657	3,572	3,572	
Lodging	440	494	494	

GOLDEN HILLS MOBILE ESTATES

Management Fees	30,437	32,167	32,167			
Meals + Entertainment	100	302	302			
Office Equipment	501	43	43			
Office Supplies	1,513	1,715	1,715			
Outside Services	2,224	2,095	2,095			
Payroll Service	1,351	1,554	1,554			
Postage	1,078	1,028	1,028			
Property Taxes	47,849	41,319	108,811	←	Property taxes at 1% of purchase price plus \$3,811 in additional assessments	
Telephone	986	430	430			
Tenant Services	170	108	108			
Title Search	100	175	175			
Travel	4,312	702	702			
Other Expense	0	944	944			
TOTAL EXPENSES	573,509	572,485	634,536			
NET INCOME	486,311	562,140	545,674			

