

IVY MOBILE HOME AND RV PARK

309 Orlando Street, El Cajon, CA



- **\$1,250,000 Sales Price**
- **16 MH + 20 RV Spaces + House**
- **Low Rents, No Rent Control**
- **Well Maintained and Managed**
- **City Utility Systems**
- **Good Bedroom Community of San Diego**
- **9.5% Cash Flow, 15.3% Total Return**

For Further Information Contact:

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Park Brokerage Inc.
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(800) 987-3363**



Park Brokerage Inc.

MOBILE HOME AND RV PARK		Price \$1,250,000	
Ivy Park 16 Mobile Home Spaces, 20 RV Spaces + House		Down Payment \$312,500	
Address/City 309 Orlando Street, El Cajon	County San Diego	State California	
Est. Vac. & Expense % See Proforma Attached	Age Older	Loan Buyer to obtain	
Capitalization Rate 7.9%	Est. Spendable Return 9.5%	Total Return 15.3%	
Parcel Size 1.80 Acres	No. Spaces 36 + House	Map-Page	Zoning
Listing Salesman John Grant (800) 987-3363		Office San Diego	
<p>DESCRIPTION AND TENANT INFORMATION: Very clean, older park in central El Cajon adjacent to all services and shopping. All ages with mostly older residents. 20 permanent RV spaces, 16 mobile home spaces, and one house. Office and laundry room. The park is serviced by city water and sewer utility systems. The property is nicely landscaped and in good condition. The rents are being increased February/03 to \$325 for the RV spaces and \$365 for the mobile home spaces and include the sewer, water, and trash utilities. Even after the rent increase, the rents are low and market is at least \$350 for the RV spaces and \$400 for the mobile home spaces plus charging for the sewer, water, and trash utilities (approximately another \$24/month per space). Broker professionally manages a comparable mh and rv park four blocks away with rents of \$400 plus the sewer, water, and trash utilities and 100% occupancy. No rent control in the City of El Cajon. Great financing available for the property at an adjustable 5½% adjustable interest rate.</p> <p>9.5% CASH FLOW, 15.35% TOTAL RETURN, LOW RENTS, NO RENT CONTROL, CITY UTILITIES, GREAT BEDROOM COMMUNITY OF SAN DIEGO!!!</p>			
TOTAL ESTIMATED NET INCOME BEFORE DEBT SERVICE		\$98,904	
LOAN INFORMATION Buyer to obtain new financing through escrow. Broker anticipates new 75% loan to value or \$937,500 at an adjustable interest rate based on the six month libor or the 11 th district at an initial 5½% interest rate amortized over 25 years with a 15 year term. Monthly payment \$5,757.07		TOTAL ANNUAL PRIN. & INTEREST PAYMENT	
		\$69,085	
		EST. ANNUAL PRE-TAX CASH FLOW (SPENDABLE)	
		\$29,819	
		PLUS PRINCIPAL REDUCTION YEAR ONE	
		\$18,000	
		TOTAL RETURN	
		\$47,819	

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.**

	ACTUAL Year End 2000	ACTUAL Year End 2001	ACTUAL Year to Date 2002	New Broker's Proforma	
REVENUES					
Base Rent	125,511	130,461	89,163	156,000	Rent increase to be effective February/2003 increasing rents from: 1 RV space from \$255 to \$295, 19 RV spaces from \$280-\$290 to \$325, 16 mobile home spaces from \$325 to \$365, and the house from \$640 to \$690. New annual rent income will be monthly rents at \$13,000 x 12 = \$156,000. Park is fully occupied but broker has put in 3% vacancy. Space rents are still below market. Broker professionally manages comparable mh and rv park in El Cajon and gets \$400 space rents plus the gas, sewer, water, and trash charges. Submetering the sewer, water, and trash utilities would increase/pass thru another \$24 per space per month. Rents are low!!!
Less: 3% Vacancy				-4,680	
Laundry	989	1,010	983	1,474	
RV Storage	66	80	70	105	
Gas			1,871	2,806	
Electric	15,378	12,474	10,159	12,474	
Other	170	105	136	204	
Mobile Home Sales		650	0	0	
				0	
TOTAL REVENUE	142,114	144,130	102,382	168,383	
EXPENSES					
Professional Management	6,509	6,519	11,354	0	Very unusual to have smaller park professionally managed. Broker anticipates owner directly operating property with resident manager.
Telephone	371	581	314	581	
Onsite Manager	5,860	7,300	5,353	8,029	
Payroll Taxes	657	798	597	798	
Workers Comp Insurance	319	590	418	590	
Office Supplies	753	526	373	526	
Vehicle/Mileage Allowance	810	942	737	942	
Casual Labor			283	424	
Gas	4,498	9,165	4,488	9,165	
Electric	8,383	12,911	8,362	12,911	
Water	3,328	3,439	2,019	3,439	
Sewer	4,293	4,394	2,514	4,394	
Trash	2,533	2,754	1,884	2,754	
Fire Service	30	30	0	0	
Other-Utilities	52	0	0	0	
Grounds and Landscaping	595	8,571	1,250	4,000	
Buildings-General	1,334	1,445	793	1,445	
Utilities Repairs/Maintenance	2,020	1,471	2,572	1,471	
Asphalt Streets	46	5	33	5	
Tenant Activities	237	87	11	87	
Licenses and Permits	692	909	-2	909	
Legal	620	107	1	500	
Accounting	1,019	1,009	712	1,009	
Education and Seminars			107	0	
Signs	124	0	28	0	
Other	200	0	187	1,000	
Property Taxes	6,295	7,678	3,585	12,000	New property taxes per Prop. 13
Liability Insurance	2,433	1,632	1,518	2,500	Revised net income used for valuation
Total Expenses	54,011	72,863	49,491	69,479	
NET INCOME	88,103	71,267	52,891	98,904	

