

PRESS RELEASE

SAN JACINTO, CALIFORNIA

July 1, 2003

**INVESTOR SNAPS UP HIGH CASH FLOW MH COMMUNITY**

The sale of the Mountain View Mobile Home Park located at 485 Idyllwild Drive, San Jacinto, CA was completed on July 1, 2003 for \$1,800,000. John Grant of Park Brokerage Inc. represented both parties in the sale.

The mh community contains 69 sites, a 3 bedroom/2 bath, 1,500 square foot house, and a 2 bedroom/1 bath, 800 square foot apartment. The all ages community consists of approximately half doublewide and half singlewide mobile homes. It was built in phases between 1960-1975 and occupies 8.5 acres. Amenities include a community office, laundry room, concrete basketball court, and 80x100 grass field. The property is located across the street from the San Jacinto high school and public library. The site rents are \$285-\$290 plus submetered gas, electric, and water, and sewer and trash utilities. There is no rent control in the City of San Jacinto. The property was in average-good condition at time of sale and had only one vacancy.

The buyer made a \$550,000 cash down payment and obtained a new 1<sup>st</sup> trust deed of \$1,250,000 at an adjustable rate of 5% with monthly payments amortized over 30 years with a 15 year term. Adding a \$15,000 professional management fee to the expenses and using \$151,904 for the net income, the community sold for an 8.4% capitalization rate and a 13% cash on cash return.

On a separate escrow and transaction, the buyer paid approximately \$125,000 cash for a number of mobile home notes secured by mobile homes in the community.

John Grant commented, "I had tremendous investor demand for this offering because of the high cash on cash return. Money markets are in the 1%-2% range and a 13% return on the down payment plus the benefits of depreciation are very attractive in this real estate market".

Grant added, "In the 1990's San Jacinto and Hemet use to be soft markets and probably considered a "D" location. As housing prices in the coastal, metropolitan areas have become increasingly expensive, many people are being pushed to the secondary markets to live. San Jacinto and Hemet now enjoy strong rental and housing demand and have turned into good markets".

John Grant of Park Brokerage Inc. sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 95 parks in the last 15 years and financed over 100. For further information contact John at 800-987-3363.