

HIGH QUALITY, CREAMPUFF SNOWBIRD RV RESORT SELLS FOR 10.6% CAP RATE

The sale of the Desert View RV Resort located at 5300 Route 66 in Needles, CA sold November 4, 2014 for \$1,600,000. John Grant of Park Brokerage Inc. represented the seller.

The winter destination, snowbird park has 66 full hookup, big rig RV sites with oleander privacy shrubs and trees, and cement pads. The park has large sites with the front row 65 feet long, middle row 46 feet long, and the back row 80 feet long. The back or north row is 20 sites, has a concrete street, and was designed for manufactured homes with 35 feet wide sites and contained two manufactured homes and two park models. The park is serviced by well water and septic sewer systems. A very attractive owner manufactured home built by Silvercrest that is 3 bedroom, 2 bath, 1,900 square feet with a wrap around deck and three car garage was included in the sale. Amenities include a swimming pool, clubhouse with billiards, free wifi, 37 pull thrus, bbq facilities, laundry, and boat and RV storage.

Overnight rates were \$35 with monthly rates of \$315, \$330, or \$345 plus electric. There were 12 permanent residents and 20 annuals. Park is full during the November 1-April 1 winter season.

The buyer made a \$410,000 cash down payment, assumed a private 1st of \$900,000, obtained a \$100,000 private 2nd of \$100,000, and the Seller carried \$190,000 3rd for one year. All the loans were at 8% interest only. The buyer plans to immediately refinance and obtain SBA financing. The new owner will be offsite. Adding \$30,000 in onsite management expense to the expenses (the seller was an owner/operator and lived in the manufactured home), the capitalization rate was 10.6%. The property was in good condition at time of sale.

John Grant commented, "Needles is a beautiful, desert location on the Colorado River and primarily winter seasonal but also enjoys great transient business during the shoulder seasons and summer as a stopping point between Southern California, Grand Canyon, Las Vegas, and Phoenix".

Grant added, "The resort is your typical snowbird RV resort with most of the tenancy coming down from the cold climates each year. It is a high quality RV resort with a Good Sam rating of 8.5/9.5*/9.5".

John Grant sells and finances manufactured housing communities and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 170 manufactured housing communities and RV parks in the last 27 years and financed over 200. John Grant can be reached at 858-586-9400.

Market time: 6 Months, Escrow length: 6 Weeks