

PRESS RELEASE

GRAND TERRACE, CALIFORNIA

July 31, 2001

HIGH QUALITY RV PARK SELLS FOR \$19,200/SPACE

The sale of the Terrace Village RV Park located at 21900 Barton Road in Grand Terrace, California was completed on July 31, 2001 for \$960,000. John Grant of Park Brokerage Inc. represented the seller in the transaction.

The high quality RV park (5 Star Woodall's rating and 8/9*/8 Trailer Life rating) was built in 1989 and is located on Highway 215 with direct access off the freeway. All 50 spaces have full hookups and the land area is three acres. The park has a 3,178 square foot building that houses the clubhouse, office, and upstairs 2 bedroom, manager's apartment. The pool and spa are adjacent to the clubhouse.

The park is near Loma Linda hospital and many outpatients for cancer treatment stay at the park. The park had an outstanding 79.1% occupancy rate in 2000. Rental rates vary by the season and are daily \$23-\$26.50, weekly \$125-\$160, and monthly \$315-\$425. The rental rates include electric, but the buyer plans on adding electric submeters and charging electric for monthly visitors.

The park sold for a 10% capitalization rate. New financing was obtained for \$624,000 at a 7½% adjustable interest rate.

John Grant commented, "The buyer exchanged out of an Escondido apartment building. He has been studying the demographics of the RV park industry and how the industry has been selling 300,000 new recreational vehicles a year. However, new RV parks are not being built in Southern California to keep up with demand. In the future he feels the RV park will be able to continue to enjoy excellent occupancy while increasing rental rates".

John Grant added, "\$19,200/space is one of the higher RV park sales comps in California. However, the RV park is quality and there are not any comparable RV parks in the Inland Empire area of Southern California. The 10% capitalization rate justified the price per space".

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 81 parks in the last 13 years and financed over 100. For further information contact John at 800-987-3363.